

Format Date: 1993
Prior Contract No.: RB 163
Date of Prior Contract: 10/13/1981
Private Pipe Nos.: X18688, X18689
Contract No.: RB 163

WATER SERVICE CONTRACT (READ & BILL)

THIS CONTRACT is made and entered into as of the 13th day of April, 2005, by and between the CITY AND COUNTY OF DENVER, acting by and through its BOARD OF WATER COMMISSIONERS ("Board") and SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT ("Southwest Metro"), a quasi-municipal corporation of the State of Colorado.

[Recitals moved to Article VI]

In consideration of the premises and the covenants and agreements hereinafter set forth, it is agreed by and between the Board and Southwest Metro as follows:

Article I **DEFINITIONS**

1.1 "Southwest Metro" shall refer to the Southwest Metro Water and Sanitation District and any authorized representative thereof.

1.2 "Board" shall refer to the City and County of Denver, acting by and through its Board of Water Commissioners, and any authorized representative thereof.

1.3 "Charter" or "Charter Provisions" shall mean Article X of the Charter of the City and County of Denver, which controls the operation of the Denver Municipal Water System.

1.4 "City" shall mean the City and County of Denver and its territorial boundaries. "Inside-City" refers to persons and property located within the territorial boundaries of the City and County of Denver, and "Outside-City" means persons and property located outside the boundaries.

1.5 "Combined Service Area" shall mean the outer **geographical** boundaries of the existing and projected service areas of all of the Distributors **combined** to whom the

Board has made a Commitment to Furnish water as set forth in section 2.1, as depicted and described in Exhibit B attached hereto and incorporated herein.

1.6 "Commitment" shall mean the Board's agreement to Furnish water as set forth in Section 2.1.

1.7 "Conservation Plan" shall refer to the Conservation Master Plan of the Denver Water Department dated **April 21, 1998**, as amended and updated.

1.8 "Contract Service Area" shall mean the **boundaries** of Southwest Metro as described in Exhibit A attached hereto and incorporated herein, together with amendments or expansions of those boundaries within the Combined Service Area accomplished in accordance with the terms and provisions of this Agreement.

1.9 "Distributor", when used in the singular, shall refer to a person, organization or entity which contracts with the Board for Water Supply and does not commingle the Board's water with potable water from another source; and, in the plural, unless otherwise specifically stated, refers to all such persons, organizations or entities.

1.10 "Engineering Standards" shall mean the Engineering Standards of the Board, including future modifications thereto.

1.11 "Furnish", when used with regard to the Board's Commitment, shall mean to acquire and furnish and includes all of the intermediate steps necessary to provide water at appropriate distribution points within a Distributor's Contract Service Area. "Furnish" does not include the obligation to construct certain localized storage, pumping, transmission or distribution facilities which may be constructed pursuant to a participation agreement.

1.12 "Impossible" shall mean a circumstance in which the Board is truly prevented from performing, and not that continued performance is merely impracticable or unreasonably expensive. Such a circumstance must be beyond the control of and not created by the Board, and does not include water supply obligations for areas outside the Combined Service Area arising by means of contracts executed after September 1, 1994.

1.13 "Notice" shall mean the Notice described in Section 2.4 hereof.

1.14 "Notice Period" shall mean a period of five years from the date that Southwest Metro receives the Notice.

1.15 "Operating Rules" shall mean the Operating Rules of the Board, including future modifications thereto.

1.16 "Water Distribution System" shall refer to the pipes, pump stations, clear water storage reservoirs and related appurtenances for distribution of **potable** water.

Unless otherwise specified, the term refers to Southwest Metro's Water Distribution System.

1.17 "Water Supply" shall include, but not be limited to, existing water supplies, future Water Supply projects and development of existing and after-acquired water rights.

1.18 "Water Tap" shall mean a physical connection to the Water Distribution System which effects water service to the connected premises.

Article II WATER SUPPLY

2.1 The Board shall Furnish all of the water necessary to serve the full development of all the land within Southwest Metro's Contract Service Area for all uses for which the Board's water rights have been decreed, but the Board shall have no obligation whatever to Furnish any water hereunder to any lands lying outside the Combined Service Area.

2.2 The water to be Furnished by the Board shall be potable water which complies with the federal Safe Drinking Water Act and any other applicable drinking water regulations. **Water service shall be governed by the Charter Provisions, the Operating Rules and Engineering Standards.** No promise or guarantee of water pressure is made by the Board or is to be implied from anything contained herein.

2.3 The Board's Commitment shall be limited only by the occurrence of factors which make it Impossible for the Board to meet the Commitment.

2.4 If it becomes Impossible for the Board to meet its Commitment, the Board may give Notice in writing to Southwest Metro of the existence of such impossibility and the Board shall have the right to discontinue the issuance of additional taps hereunder after the end of the Notice Period. During the Notice Period, there shall be no limitation upon the Board's Commitment, except as may be otherwise provided in this Agreement.

2.5 Southwest Metro and the Board agree to cooperate and to do whatever is reasonable and necessary under the circumstances to prevent the factors or occurrences that would give rise to the issuance of Notice and to eliminate or mitigate such factors or occurrences during **and after** the Notice Period. At the end of each calendar year within the Notice Period, the Board shall review its Water Supply and shall defer the date for discontinuance of tap availability, if possible, by making available to all Distributors in the Combined Service Area any water anticipated to be surplus to the needs of the City and County of Denver. **If during or after the Notice Period it is no longer Impossible for the Board to perform its Commitment, the Commitment will revive and continue as if the Notice Period had not occurred.**

2.6 During and after the Notice Period, Southwest Metro may purchase or otherwise acquire surface, raw water rights and convey all right, title and interest in such rights to the Board. If such surface water rights have a raw water quality which is capable of being treated by the Board's then current water treatment system to the then current federal and state drinking water standards and are usable in the Board's water supply system, the Board agrees to accept the surface water rights and either reserve to Southwest Metro an additional amount of treated water or permit Southwest Metro to install an additional number of 3/4-inch equivalent taps in Southwest Metro's Contract Service Area. The amount of additional treated water shall be equivalent to the firm annual yield of the conveyed water rights, as determined by the Board, using the same firm annual yield methodology used by the Board in the operation and management of its water rights and water system, less treatment and conveyance losses. The number of additional taps allowed shall be calculated by dividing the firm annual yield as determined by the Board, less treatment and conveyance losses, by the then current systemwide average amount of treated water consumed per 3/4-inch equivalent tap. When raw water rights are conveyed to the Board under the terms of this paragraph, Southwest Metro will receive a credit against payment of the full System Development Charge for that portion of the raw water component of the System Development Charge applicable to the additional treated water or taps produced as a result of the conveyance. The remaining portion of the System Development Charge and any participation charges applicable to the additional treated water or taps shall be paid at the time of application for taps. The Board agrees to make its evaluation under this paragraph in a prompt and timely manner.

2.7 During and after the Notice Period, the Board will consider other types of proposals for use of the Board's water system to provide additions to Southwest Metro's water supply (e.g., water supply enhancement by groundwater and commingling) and will cooperate in the effectuation of such proposals if they will not, in the determination of the Board, create operational problems, adversely affect water quality or impede full and efficient utilization of the Board's water rights and water supply system. **Should Southwest Metro choose to respond to a Notice by serving a portion of its Contract Service Area by means of a completely separate water distribution system, the Board agrees, notwithstanding the discontinuance of tap availability under paragraph 2.4, to permit users within Southwest Metro's Contract Service Area to install an additional 3/4-inch equivalent tap for every previously licensed 3/4-inch equivalent tap whose water service is converted to the separate water distribution system. In the event of such tap conversions, the Board and Southwest Metro agree to negotiate in good faith to resolve on a fair and reasonable basis any issues that arise, including issues involving the payment of or credit for System Development Charges.**

2.8 For all Water Taps currently connected or to be connected hereunder, the Board agrees to Furnish an adequate supply of water to Southwest Metro's Water Distribution System.

2.9 Both parties to this Contract recognize that the Board's water supply **in any given year** is dependent upon natural water resources that are variable in quantity of supply from year to year. The Board shall not be liable for failure to accurately anticipate availability of the Board's water supply or for an actual failure of the Board's water supply due to inadequate run-off or other occurrence beyond the reasonable control of the Board; **provided, however, that nothing in this paragraph shall be construed to alter the meaning of "Impossibility" contained in paragraph 1.12.** In times of such shortage or failure, water use may be curtailed in a manner to be determined by the Board; provided, however, that such curtailment on use shall be applied uniformly both inside and outside the City.

2.10 All water furnished by the Board under this Contract is on a leasehold basis only for the use of Southwest Metro and its customers within Southwest Metro's Contract Service Area for purposes for which the Board's water rights have been decreed. Neither Southwest Metro nor its customers shall have the right to make a succession of uses of such water; and upon completion of the primary use, all dominion over the water furnished hereunder shall revert completely to the Board. Except as herein specifically provided, all property rights to the water to be furnished hereunder by the Board are reserved in the Board. Southwest Metro is not obligated to create any particular volume of return flow and there shall be no obligation on either the Board or Southwest Metro to separate water furnished hereunder from any material added to it in use by Southwest Metro's customers or to purify the water after such use.

2.11 Except as provided herein, **potable** water Furnished hereunder shall not be commingled with water from any other source. Southwest Metro may supply water from another source by means of completely separate water distribution system.

2.12 Southwest Metro recognizes that the Board will implement the Conservation Plan in order to encourage wise water use throughout the Combined Service Area, and agrees to assist the Board in implementing the Conservation Plan by:

(a) Supporting the Conservation Plan with its customers; contributing ideas and suggestions to the Board regarding water conservation; encouraging the public to use low flow plumbing fixtures and low water use landscaping techniques; using low flow plumbing fixtures and low water use landscaping techniques at its facilities whenever modifications are made to such facilities; and

(b) Providing to the Board any information about its Water Distribution System which might be necessary to implement the Conservation Plan; conducting a leak detection and repair program on its system that is acceptable to both parties; and

(c) Adopting such policies or taking such actions as may be required of the Board's Distributors by federal law to enable the Board to obtain federal permits; and

(d) Other similar actions as appropriate under law.

Article III RATES AND CHARGES

3.1 For the use of water provided by the Board hereunder, the Board shall be paid by the users within Southwest Metro's Contract Service Area the amount or amounts of money calculated by utilizing the schedules attached hereto as Exhibit C and incorporated herein by reference. It is mutually agreed that the schedules in Exhibit C provide for the payment for water use of amounts sufficient to constitute compliance with requirements of the Charter at the time of the making of this agreement. The schedule of charges provided for in this paragraph shall remain in full force and effect until the revenue resulting from collection of charges set forth in Exhibit C shall become inadequate to meet the standards of return required by the Charter for water delivered outside the City, or until the Board shall deem it necessary to raise or lower the charges for the water, **subject to the provisions of paragraph 3.3**. The Board may establish reasonable classifications of users for various purposes, including but not limited to, rate making. Methods of collection and schedules of charges for Outside-City use **among all Distributors** shall be applied uniformly among similar users. In addition to any other rate or charge herein provided, Distributor shall pay or cause to be paid all applicable system development charges, participation charges, and such other rates, tolls, charges or combinations thereof as the Board may, from time to time, in the exercise of its lawful authority impose. Current system development charges are contained in the attached Exhibit C, incorporated by reference, and shall remain in effect until the Board modifies them. Modified system development charges shall be substituted for those set forth in Exhibit C. Participation charges for the construction of new facilities and use of existing facilities will be the subject of separate agreements of the parties and shall be determined on a case by case basis.

3.2 Southwest Metro and the Board agree that due to the Board's mandate under the Charter, the Board will adopt water service rates and other charges sufficient to fully reimburse the Board for all costs of furnishing water under this Contract, together with an additional amount to be determined by the Board. Southwest Metro and the Board agree that the duration of this Contract is such that the passage of time will require changes in the charges to be made for the use of water hereunder. The Board may modify the schedule of charges for use of water hereunder from time to time in its discretion provided that:

(a) The Board shall notify Southwest Metro of any proposal for an increase in water service rates at least ten (10) days prior to the Board meeting at which formal action on such a proposal is scheduled.

(b) The Board shall notify Southwest Metro of new water service rates within ten (10) days after they have been adopted.

(c) The new water service rates shall not become effective sooner than sixty (60) days after they have been adopted and shall not apply to water delivered by the Board on or before the date of their adoption by the Board.

(d) The Board shall notify Southwest Metro of the potential for an increase in water service rates and of the predicted percentage increase at least 35 days prior to any formal Board action on such increase.

Southwest Metro may attend and participate in any rates workshop or public meeting held to discuss rates and may have access to rates information during the Board's regular business hours.

3.3 Rates for the sale of water will be assessed to the various classes of customers in a manner which reasonably recovers the costs to serve each class of customer. Costs recovered through other fees or charges, such as system development charges, participation and reimbursements, are not included in the calculation of the revenue requirements from rates, but instead **will be** credited to Inside-City or Outside-City customers, depending on the source of the payment. Generally, the rate-setting process will include:

(a) Determination of the total amount of revenue required to be generated from rates (This total amount is the revenue requirement from rates);

(b) Allocation of the revenue requirements from rates between Inside-City and Outside-City customers based on relative water demands and capacity needs of those two customer groups, and the further allocation of Inside-City and Outside-City costs to the various customer classes (e.g., residential, non-residential) based on usage characteristics of the customer classes, such as average demand and peak demand. Allocation of costs among Outside-City customers is further defined to reflect the level of service (i.e., total service, read and bill, or master meter for outside-City customers); and

(c) The design of water rates, which may include but is not limited to, a fixed service charge and a volumetric charge per 1000 gallons. These charges will recover from each class of customer, within practical limits, the cost to serve that class of customer.

3.4 The parties agree that water service rates charged to users within Southwest Metro's Contract Service Area shall be considered fair and reasonable so long as they use recognized water utility rate making practices as described herein, and are related to the cost of service incurred by the Board in providing water service to Distributors, as

determined by the Board. Southwest Metro **and the Board** specifically agree that water service rates for water service provided under this agreement shall be governed by the provisions of this Contract, any state statute to the contrary notwithstanding.

3.5 The Board shall periodically determine methods of collection of **the Board's** water service and other charges. Southwest Metro grants to the Board all of Southwest Metro's power and authority to impose and collect water service charges and charges for water connection and other purposes within its Contract Service Area. **This paragraph shall not be construed to affect Southwest Metro's powers to impose and collect its own separate charges.**

3.6 Southwest Metro shall require the users within its Contract Service Area to pay the Board's System Development Charges and other charges and water service rates set forth in Exhibit C, as amended from time to time, and the Board shall have power to enforce collection of such rates and charges in the same manner as it employs inside the City.

Article IV **OPERATIONS**

4.1 Southwest Metro is responsible for the construction and maintenance of its Water Distribution System. Southwest Metro represents that it has or will acquire authority to use, connect, disconnect, modify, renew, extend, enlarge, replace, convey, abandon or otherwise dispose of the pipes and other facilities, including fire hydrants, for providing water service to users within its Contract Service Area, and grants to the Board all such authority deemed necessary by the Board to perform the Board's obligations under this Contract. All additions to the Water Distribution System installed or replaced to serve exclusively within Southwest Metro's Contract Service Area shall be the property of Southwest Metro, except as otherwise provided in a participation agreement.

4.2 Southwest Metro agrees to maintain its facilities in good repair at all times and to make such replacements as may be necessary to keep the facilities in proper operating condition at all times.

4.3 Southwest Metro agrees that it will, at all times, operate the Water Distribution System so as not to interfere with service to others dependent upon the Denver Water System for a supply of water. Specifically, Southwest Metro agrees that it will operate its facilities, especially any pumping or storage facilities, in correlation with operation of Board facilities and will install and use such devices including telemetering, as are necessary to effectuate correlation; provided, however, that Southwest Metro shall not be required to pay for the installation of any physical changes to its Water Distribution system required only to benefit others outside its Contract Service Area.

4.4 It is agreed that the damage to the Board if Southwest Metro disconnects from the Denver Water System will be not less than the reproduction cost of any of the Board's facilities which are rendered useless by such disconnection **and** which must be replaced in order to serve customers outside the Contract Service Area. Southwest Metro agrees to pay the damages described in this paragraph immediately upon the occurrence of such disconnection.

4.5 The Board agrees that it will not make any Water Tap **within the Contract Service Area** or issue any license for attachment to the Water Distribution System except upon written authorization of Southwest Metro. Upon receipt of written authorization, the Board will make taps in the regular course of its business. Southwest Metro shall be fully liable to the Board for unreported connections, including payment of all water charges thereon. No new Water Taps may be made to Southwest Metro's Water Distribution System which would impair the capacity of the facilities to furnish water service in accordance with the Engineering Standards.

4.6 Each of the parties to this Contract recognizes in the other the right to enforce its rules and the terms of this Contract by turning off or disconnecting the supply of water of those who violate such rules or contract. Neither party shall interfere with the other in the enforcement of its rules or this Contract. Neither party shall turn on any service connection after the same has been turned off by the other in the course of enforcing its rules or the terms of this Contract, except upon written authority of the party causing the disconnection. Each party agrees to provide oral or written notice to the other prior to disconnecting any service connection, except when disconnection is made by the Board solely for reason of delinquency in payment for charges or to prevent an immediate threat to public health or safety.

4.7 Water service Furnished under this Agreement shall be governed by the Charter Provisions, the Operating Rules and the Engineering Standards; provided, however, that no future amendment or modification to the Operating Rules and Engineering Standards shall be binding on Southwest Metro if it is inconsistent with the express terms of this Contract, unless Southwest Metro has agreed in writing to be bound by such amendment or modification. The Operating Rules and Engineering Standards shall be no more stringent as applied to Distributors than as applied within the City. The Board may require the installation of additional water service facilities at the expense of Southwest Metro or the customer requiring service in accordance with a participation agreement, the Operating Rules and the Engineering Standards. Southwest Metro retains the full right to make and enforce rules, not inconsistent with the Operating Rules and Engineering Standards, to govern water use within its Contract Service Area. Southwest Metro agrees to exercise its rule-making, fee-setting and other powers to assist the Board in enforcing the Operating Rules and Engineering Standards.

4.8 Southwest Metro agrees to furnish the Board with a continuously complete record of its installations. Southwest Metro agrees not to make any new installations or changes in its Water Distribution System except after written notice to the Board and

opportunity provided to the Board to review plans and inspect installations or changes as they are made. All design, installation, replacement, operation and maintenance of Southwest Metro's facilities must be made by Southwest Metro in accordance with the Engineering Standards and with plans and specifications submitted by Southwest Metro to, and approved by, the Board. The Board may require plans and specifications of any new installations or modifications to be prepared by a registered engineer, but in any event in such a manner so as to be readily understood and recorded by the Board's engineers. The Board reserves the right to require that tracings, maps, blueprints and "as built" drawings of completed facilities be provided for the Board's files. The Board shall be entitled to inspect Southwest Metro's plans and installations at Southwest Metro's expense.

4.9 Elements of the Water Distribution System which are in existence, or which are subsequently acquired, and which do not comply with the Engineering Standards shall be brought into compliance at the time of replacement, unless such non-complying elements adversely affect the quality or pressure of water Furnished under this Contract.

4.10 Southwest Metro **may expand its** Contract Service Area within the Combined Service Area by written notification to the Board, **but may not expand into any area within the contract service area defined in a water service agreement between the Board and another Distributor without the consent of that Distributor.** No expansion of Southwest Metro's Contract Service Area outside the Combined Service Area shall be accomplished except by separate written contract, and in no event shall any such expansion impair the Board's ability to perform its Commitment to Furnish water under this and similar contracts or otherwise interfere with the Board's ability to meet its water service obligations.

4.11 The Board **has established** a Rules and Standards Revision Committee which shall review and recommend to the Board approval or disapproval of any proposed revisions to the Operating Rules and the Engineering Standards. The committee shall be composed of representatives of the Distributors and members of the Board's staff.

4.12 The Board reserves the right to refuse to permit its water supply to be furnished to any premises where the use of such water will result in a health hazard to the water supply. Any determination on this matter by the Board shall be subject to review by the Health Department of the State of Colorado or a similar, lawfully authorized health authority of the State, and the Board agrees to be bound by the decision of such authority but may appeal such decision by available means.

Article V MISCELLANEOUS PROVISIONS

5.1 No assignment by either party of its rights under this Contract shall be binding on the other unless the other party shall have assented to such assignment with the same

formality as employed in the execution of this Contract. **Assent by either party shall not be unreasonably withheld.**

5.2 No party shall waive its rights hereunder by failing to exercise its rights; any such failure shall not affect the right of such party to exercise at some future time the rights not previously exercised.

5.3 None of the remedies provided for under this Contract need to be exhausted or exercised as a prerequisite to either party's pursuit of further relief to which it may be entitled.

5.4 The benefits and obligations created by this Contract shall not be modified by amendment to the Constitution or the laws of the State of Colorado, or to the Charter of the City and County of Denver; provided, however, that in the event that the General Assembly or an amendment to the Colorado Constitution either reconstitutes the Board as a different legal entity or places the Board under the jurisdiction of the Public Utilities Commission, the Board's obligations hereunder shall cease. Nothing in this paragraph, however, shall be construed as a waiver by Southwest Metro of any rights it may have to continued water service arising outside of this Contract.

5.5 The Board shall have the authority to exercise all rights with respect to the Water Distribution System in order to use the Water Distribution System to serve or contribute to the service of any area outside the Contract Service Area, **consistent with the Operating Rules and Engineering Standards.**

5.6 Nothing in this Contract shall be construed as a grant by either party of any exclusive right or privilege.

5.7 In the event that Southwest Metro commits a material breach of this Contract and the Board gives Southwest Metro written notice specifying the particular material breach, Southwest Metro shall have such time as provided in the notice, which time shall be **reasonably sufficient to permit Southwest Metro to cure the noticed material breach, but in no event less than ninety (90) days**, in which to correct the breach. In the event that Southwest Metro fails to correct such breach within the time provided in the notice, the Board without obligation to Southwest Metro or any person or corporation claiming by, through or under Southwest Metro, may suspend water service and take possession and control of any portion of the Water Distribution System and other facilities which the Board finds to be necessary to provide water service within Southwest Metro's Contract Service Area. While in possession and control of the Water Distribution System, the Board may take such steps as it may deem necessary to correct the breach. During such possession and control, the Board may collect the then-current total service rates and other appropriate charges for water furnished to the Contract Service Area from the various users, and the Board shall have power to enforce collection of such charges in the same manner as it employs in Total Service Contract areas. Southwest Metro agrees to reimburse the Board for all expenses incurred by the Board in correcting the default or

defaults; upon payment of all such expenses, possession and control of the Water Distribution System shall be returned to Southwest Metro. The 90-day notice provision of this paragraph shall not apply if the Board determines that the breach may result in an immediate health hazard or harm to persons or property, in which case the Board may take immediate possession and control of the Water Distribution System upon hand delivery of written notice of the breach and description of the harm likely to result. The term "material breach" shall include, but not be limited to, failure to continue to exist as a municipal, quasi-municipal or corporate entity; failure to maintain the Water Distribution System; failure to perform functions necessary to the operation of the Water Distribution System or the Board's water supply system; failure to adopt measures or take actions pursuant to paragraph 2.12 required to enable the Board to obtain federal permits; unauthorized extensions of water service; and other actions or inactions which could cause a health hazard or harm to persons or property.

5.8 In the event Southwest Metro seeks to dissolve pursuant to §32-1-701 et seq., 13 C.R.S. (1973 & 1990 Supp.) as amended, Southwest Metro shall provide a copy of the petition for dissolution to the Board, at the time of its filing with the court. The plan for dissolution shall provide for assignment of Southwest Metro's rights and obligations under this Agreement to a party **reasonably** acceptable to the Board. If no provision is made for such an assignment or other arrangement acceptable to the Board, upon Southwest Metro's dissolution, this Contract shall be null, void and of no further force or effect, and the Board shall have no further obligation to provide water service pursuant to the terms of this Contract.

5.9 The parties agree that this Contract is performable in the City and County of Denver, and that venue for any dispute over any issue resulting from this Contract shall be in Denver District Court.

5.10 This Contract shall remain in force until terminated by mutual written agreement or pursuant to the provisions hereof.

5.11 Southwest Metro and the Board agree that this Contract shall be construed and enforced as the fully integrated expression of their contract with respect to the matters addressed. No express or implied covenant not specifically set forth shall be deemed to be a part of this Contract. The parties expressly aver that no representations other than those specifically set forth in this Contract have been relied upon by either party to induce it to enter into this Contract.

5.12 This Contract supersedes Read and Bill Distributor's Contract Number 163 dated October 13, 1981, and any amendments thereto. The following agreements remain in full force and effect: the Participation Agreement between Ken Caryl Ranch Water and Sanitation District, Southwest Metro and the Board, dated September 27, 1983; and the Participation Agreement between Southwest Metro and the Board, dated March 1, 1994, as amended November 4, 1997.

Article VI
SPECIAL PROVISIONS

6.1 In consideration for the Board's obligations under this Contract, the Board and Southwest Metro relinquish any and all claims that one may have against the other, which claims may arise out of or with respect to: (1) the existing distributor contract being superseded by this Contract pursuant to paragraph 5.12, (2) the Metropolitan Water Development Agreement ("Metro Agreement") and (3) whatever remaining interests either party may have, if any, in the Platte and Colorado River Storage Projects Participation Agreement ("Platte Agreement"). Further, the Board and Southwest Metro mutually rescind and hereby terminate, with respect to each other, the Metro Agreement and any remaining interests that might exist in the Platte Agreement. Upon termination of the Metro and Platte Agreements, the Board agrees to refund to Southwest Metro all Denver Water Trust payments made by Southwest Metro pursuant to the Platte Agreement, plus actual interest accrued thereon, less a pro-rated share of any outstanding escrow management fees.

6.2 This contract is made under and conformable to the provisions of the Charter of the City and County of Denver which control the operation of the Denver Municipal Water System, including Section 10.1.13 of the Charter of the City and County of Denver, which provides in part:

10.1.13 Water leases. The Board shall have power to lease water and water rights for use outside the territorial limits of the City and County of Denver, but such leases shall provide for limitations of delivery of water to whatever extent may be necessary to enable the Board to provide an adequate supply of water to the people of Denver. Every such lease shall contain terms to secure payment of sufficient money to fully reimburse the people of Denver for the cost of furnishing the water together with an additional amount to be determined by the Board.

6.3 The Board has conducted an independent evaluation of the Water Supply needs of the people of the City and County of Denver and of all of the suburban Distributors to whom the Board proposes to distribute water, and of the Water Supply available to serve those needs. This evaluation was based on full development of all land both within Denver and within the combined service areas, existing and projected, of all suburban Distributors. Based upon that evaluation, the Board **represents** that it can provide an adequate supply of water to the people of Denver as required by Charter section 10.1.13, now and in the future, by reserving for use within the City and County of Denver a portion of the water supply resulting from operation of its water supply projects, and by making available the remaining water supply to the Distributors, for use limited to the Combined Service Area. The Board's commitment for delivery of water to Southwest Metro under this Contract shall be limited to Southwest Metro's "Contract Service Area";

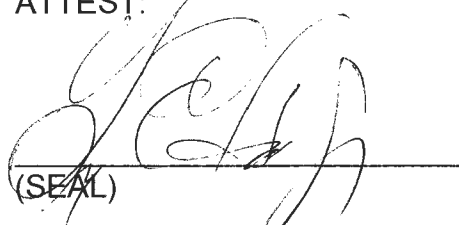
the Board **represents** that such a limitation on delivery of water will enable the Board to provide an adequate supply of water to the people of Denver.

6.4 Based upon the Board's representations that it is able and willing to supply Southwest Metro with all of the potable water necessary for the full development of Southwest Metro's Contract Service Area Southwest Metro finds that the making of this Agreement will provide for the most satisfactory and dependable Water Supply available for current and future use within its Contract Service Area, and is in the best interests of the water users within its Contract Service Area.

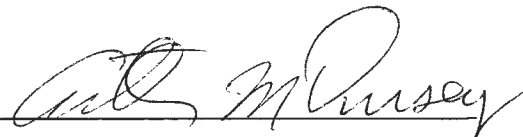
IN WITNESS WHEREOF, the parties have executed this Contract.

**SOUTHWEST METROPOLITAN WATER
AND SANITATION DISTRICT**

ATTEST:



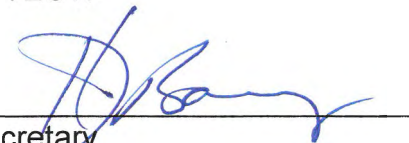
(SEAL)

By 

8739 W. Coal Mine Ave., Littleton, CO 80123
Address of Distributor

303-979-2333
Telephone Number

ATTEST:



Secretary

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

By 

President

APPROVED:

Maie Bassett
Public Affairs Division

[Signature]
Legal Division

[Signature]
Planning Division

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

By [Signature]
Deputy Auditor

EXHIBIT "A"

**TEMPORARY LEGAL DESCRIPTION OF BOUNDARY
OF THE COMBINED SERVICE AREA**

The following **TEMPORARY LEGAL DESCRIPTION** and attached map describe and show the current boundary of Denver Water's combined service area. It should be used for **general location only**. Distributor boundaries are currently under analysis and an exact legal description will replace this **TEMPORARY LEGAL DESCRIPTION** as **EXHIBIT A**.

A tract of land situated in Townships 2,3,4,5 and 6 South, Ranges 64,65,66,67,68,69 and 70 West of the Sixth Principal Meridian being portions of Adams, Arapahoe, Denver, Douglas and Jefferson Counties, State of Colorado more particularly described and bounded as follows:

Beginning at the northwest corner of Section 26, Township 2 South, Range 68 West; thence east along the north line of Section 26 and Section 25 of said Township and Range to the north quarter corner of said Section 25; thence south along the north-south centerline of Section 25 to the northwest corner of the southhalf of the northeast quarter (S 1/2, NE 1/4) of said Section 25; thence east along the north line of the south half of the northeast quarter of said Section 25 and the north line of the southhalf of the northwest quarter (S 1/2, NW 1/4) of Section 30 to the centerline of the South Platte River; thence southwesterly along the centerline of the South Platte River, through Section 30, Section 25 and Section 36, Township 2 South, Range 68 West, continuing into Township 3 South, Range 68 West through Section 1 to its confluence of Sand Creek; thence southeasterly along the centerline of Sand Creek through Section 1 and Section 12, Township 3 South, Range 68 West continuing into

Township 3 South, Range 67 West through Section 7 to the north line of Section 18; thence east along the north line of Section 18 to the north quarter corner of said Section 18; thence south along the north-south centerline of said Section 18 to the centerline of Sand Creek; thence southeasterly along the centerline of Sand Creek through Section 18 and Section 17 to the south line of Section 17; thence east along the south line of Section 17 to the southeast corner of said Section 17; thence north along the east line of Section 17 to the northeast corner of said Section 17 and the northwest corner of Section 16, Township 3 South, Range 67 West; thence east along the north line of said Section 16 a distance of 500 feet more or less; thence north 900 feet more or less; thence east 1000 feet more or less; thence south 900 feet more or less to the north line of Section 16; thence east along the north line of said Section 16 to the northeast corner of said Section 16 and the southwest corner of Section 10, Township 3 South, Range 67 West; thence north along the west line of said Section 10 to the northwest corner of said Section 10; thence east along the north line of Section 10 to the northeast corner of said Section 10; thence south along the east line of Section 10 to the southeast corner of said Section 10 and the northwest corner of Section 14, Township 3 South, Range 67 West; thence east along the north line of Section 14 and Section 13, Township 3 South, Range 67 West and along the north line of Section 18 and Section 17, Township 3 South, Range 66 West to the northeast corner of said Section 17 and the southwest corner of Section 9, Township 3 South, Range 66 West; thence North $00^{\circ} 53' 51''$ West a distance of 5301.85 feet to the northwest corner of said Section 9 and the southwest corner of Section 4, Township 3 South, Range 66 West; thence North $00^{\circ} 28' 16''$ West a distance of 2640.04 feet to the west quarter corner of said Section 4; thence North $00^{\circ} 28' 07''$ East a distance of 2607.21 feet to the northwest corner of said Section 4 and the southwest corner of Section 33 Township 2 South, Range 66 West; thence North $00^{\circ} 55' 49''$ West a distance of 5301.60 feet to the northwest corner of said Section 33; thence North $89^{\circ} 42' 50''$ East a distance of 5299.89 feet to

the north east corner of said Section 33 and the northwest corner of Section 34, Township 2 South, Range 66 West; thence North 89° 19' 20" East a distance of 2653.08 feet; thence North 89° 18' 51" East a distance of 53.01 feet; thence North 00° 00' 00" East a distance of 1315.25 feet; thence North 90° 00' 00" East a distance of 8800.00 feet to a point 912.87 feet east of west line of Section 25, Township 2 South, Range 66 West; thence North 00° 00' 00" East a distance of 18560.00 feet; thence North 90° 00' 00" East a distance of 7600.00 feet; thence North 00° 00' 00" East a distance of 4000.00 feet; thence North 90° 00' 00" East a distance of 3100.00 feet; thence North 00° 00' 00" East a distance of 2670.22 feet to a point on the north line of Section 5, Township 2 South, Range 65 West; thence North 89° 55' 38" East a distance of 3500.00 feet; thence South 00° 00' 00" West a distance of 2583.18 feet; thence South 89° 42' 10" East a distance of 5740.94 feet to the east quarter corner of Section 4, and the west quarter corner of Section 3, Township 2 South, Range 65 West; thence North 89° 46' 02" East a distance of 5288.69 feet to the east quarter corner of said Section 3 and the west quarter corner of Section 2, Township 2 South, Range 65 West; thence North 89° 55' 49" East a distance of 2643.14 feet to the center of said Section 2; thence South 00° 33' 12" East a distance of 2641.52 feet to the south quarter corner of said Section 2 and the north quarter corner of Section 11, Township 2 South, Range 65 West; thence North 89° 53' 23" East a distance of 2643.02 feet to the northeast corner of said Section 11 and the northwest corner of Section 12, Township 2 South, Range 65 West; thence South 89° 26' 14" East a distance of 5283.48 feet to the northeast corner of said Section 12 and the northwest corner of Section 7, Township 2 South, Range 64 West; thence North 89° 49' 25" East a distance of 875.59 feet; thence South 00° 00' 00" West a distance of 6460.91 feet; thence South 90° 00' 00" West a distance of 1500.00 feet; thence South 00° 00' 00" West a distance of 3000.00 feet; thence South 90° 00' 00" West a distance of 3900.00 feet; thence South 00° 00' 00" West a distance of 16894.69 feet; thence South 89° 52' 01" West a distance of 503.16 feet to a point on

the east line of Section 35, Township 2 South, Range 65 West; thence South $89^{\circ} 49' 08''$ West a distance of 5285.89 feet to a point on the west line of said Section 35; thence South $00^{\circ} 18' 15''$ East a distance of 30.00 feet to the southwest corner of said Section 35 and the northeast corner of Section 3, Township 3 South, Range 65 West; thence South $00^{\circ} 35' 30''$ East a distance of 1597.51 feet; thence South $90^{\circ} 00' 00''$ West a distance of 4227.64 feet; thence South $00^{\circ} 00' 00''$ West a distance of 3500.00 feet; thence South $90^{\circ} 00' 00''$ West a distance of 3000.00 feet; thence North $00^{\circ} 00' 00''$ East a distance of 3540.00 feet; thence South $90^{\circ} 00' 00''$ West a distance of 27096.07 feet; thence South $00^{\circ} 10' 56''$ West a distance of 3856.92 feet to the south quarter corner of Section 3 and the north quarter corner of Section 10, Township 3 South, Range 65 West; thence South $00^{\circ} 22' 11''$ East a distance of 5291.94 feet to the south quarter corner of said Section 10 and the north quarter corner of Section 15, Township 3 South, Range 65 West said point also being 56th Avenue; thence east along 56th Avenue to Piccadilly Road; thence south along Piccadilly Road to the southeast corner of Section 23, Township 3 South Range 66 West; thence west along the south line of Section 23 to the southwest corner of said Section 23 and the southeast corner of Section 22, Township 3 South, Range 66 West; thence west along the south line of Section 22 to a point 1000 feet west of the south quarter corner of Section 22; thence north 900 feet more or less; thence west to Tower Road; thence north along the line of Tower Road to the east quarter corner of Section 21, Township 3 South, Range 66 West; thence west along the east-west centerline of Section 21 to the center of Section 21; thence south along the north-south centerline of Section 21 to the south sixteenth line of Section 21; thence west along the south sixteenth line of Section 21, the south sixteenth line of Section 20 and the south sixteenth line of Section 19, Township 3 South, Range 66 West to the east line of Section 24, Township 3 South, Range 67 West; thence south along the east line of Section 24 to the southeast corner of Section 24; thence west along the south line of Section 24 to Wheeling Street; thence

south along the line of Wheeling Street to the line of 37th Avenue; thence westerly and northerly to the north quarter corner of Section 26 Township 3 South, Range 67 West; thence south along the north-south centerline of Section 26 to the line of Sand Creek; thence southeasterly along the line of Sand Creek to the line of Paris Street; thence South along the line of Paris Street to the line of 26th Avenue; thence west along the line of 26th Avenue to the line of Boston Street; thence south along the line of Boston Street to the line of Montview Boulevard; thence west along the line of Montview Boulevard to the line of Yosemite Street; thence south along the line of Yosemite Street to the line of 6th Avenue; thence east along the line of 6th Avenue to the line of Dayton Street; thence south along the line of Dayton Street to the line of 1st Avenue; thence east along the line of 1st Avenue to the line of Galena Street; thence south along the line of Galena Street to the line of Alameda Avenue; thence easterly along the line of Alameda Avenue to the line of South Havana Street; thence south along the line of South Havana Street to the southeasterly line of the High Line Canal; thence southwesterly along the southern boundary of the High Line Canal to the line of South Fulton Street; thence south along the line of South Fulton Street a distance of 820 feet more or less; thence east to the east line of South Geneva Street; thence north along the east line of South Geneva Street a distance of 650 feet more of less; thence east a distance of 300 feet; thence south a distance of 330 feet; thence east to the line of South Havana Street; thence south along the line of South Havana Street to the line of Mississippi Avenue; thence west along the line of Mississippi Avenue to the line of South Dayton Street; thence south along the line of South Dayton Street to the line of South Parker Road; thence southeasterly along the line of South Parker Road to the line of South Havana Street; thence south along the line of South Havana Street to the line of Dartmouth Avenue; thence east along the line of Dartmouth Avenue to the line of South Parker Road; thence southeasterly along the line of South Parker Road to the east boundary of Regent Plaza Second

Amended and a point on the boundary of the limits of the City and County of Denver; thence south along the boundary of the City and County of Denver a distance of 440 feet more or less; thence east continuing along said boundary a distance of 25 feet more or less; thence south continuing along said boundary a distance of 280 feet more or less; thence east continuing along said boundary to the line of Interstate 225; thence southwesterly along the line of Interstate 225 to the extended line of South Dayton Street; thence south along the extended line of South Dayton Street to the northwestern boundary of Cherry Creek Reservoir and Recreation area; thence southwesterly and southerly along the boundary of Cherry Creek Reservoir and Recreation area to the line of South Peoria Street extended; thence south along said line of South Peoria Street extended and the line of South Peoria Street to the east quarter corner of Section 23, Township 5 South, Range 67 West; thence west along the east-west centerline of Section 23 to the west center sixteenth corner of Section 23; thence south along the west sixteenth line of Section 23 to the south line of Section 23; thence east along the south line of Section 23 to the south quarter corner of Section 23 and the north quarter corner of Section 26, Township 5 South, Range 67 West; thence south along the north-south center line of Section 26 to the center of Section 26; thence east along the east-west centerline of said Section 26, a distance of 988.75 feet; thence south, parallel with the north-south centerline of Section 26, a distance of 1975 feet; thence west, a distance of 328.75 feet; thence south, 202.00 feet; thence west, 660.00 feet to the north-south centerline of Section 26; thence north, along the north-south centerline of Section 26, to the center of Section 26; thence west along the east-west centerline of Section 26 to the west sixteenth line of Section 26; thence north along the west sixteenth line of Section 26 to the line of Arapahoe Road; thence west along the line of Arapahoe Road to the line of South Havana Street; thence south along the line of South Havana Street to the line of Dry Creek Road; thence west along the line of Dry Creek Road to the easterly boundary of Interstate Highway 25;

thence southerly along the easterly boundary of Interstate Highway 25 to the south line of Section 15, Township 6 South, Range 67 West; thence west along the south line of Section 15 to the southwest corner of Section 15; and the southeast corner of Section 16, Township 6 South, Range 67 West; thence west along the section line of Section 16 and Section 21 a distance of 1320 feet; thence south to the east-west centerline of Section 21, Township 6 South, Range 67 West; thence west a distance of 1640 feet; thence north to the section line of Section 16 and Section 21; thence west along the south line of Section 16 to the southwest corner of Section 16; thence north along the west line of Section 16, the west line of Section 9 and the west line of Section 4 to the east quarter corner of Section 5; thence west along the east-west centerline of said Section 5 to the southeasterly boundary of South Quebec Street; thence northeasterly along the southeasterly boundary of South Quebec Street to the west line of Section 4; thence north along the west line of said Section 4 to the line of County Line Road; thence west along the line of County Line Road to a point 3100 feet east of the line of South Santa Fe Drive; thence south to the north boundary of Colorado Highway 470; thence west along the north boundary of Colorado Highway 470 to the section line of Section 5 and Section 6, Township 6 South, Range 68 West; thence north along the west line of Section 5 to the southeast corner of Section 31, Township 5 South, Range 68 West; thence west along the south line of Section 31 to the southwest corner of Section 31; thence north along the west line of Section 31 to the north boundary of Colorado Highway 470; thence southwesterly along the north boundary of Colorado Highway 470 to the line of West Payne Avenue; thence west along the line of West Payne Avenue to the north-south centerline of Section 2 Township 6 South, Range 69 West; thence south along the north-south centerline of Section 2 to the line of West Sobey Avenue; thence west along the line of West Sobey Avenue to the line of South Carr Street; thence south along the line of South Carr Street to the line Deer Creek Canyon Road; thence westerly along the line of Deer Creek Canyon Road to its intersection with the

east line of Section 4, Township 6 South, Range 69 West; thence south along the east line of Section 4 to the southeast corner of said Section 4; thence west along the south line of Section 4 to the southwest corner of Section 4 and the southeast corner of Section 5, Township 6 South, Range 69 West; thence west along the south line of Section 5 to the east sixteenth corner of Section 5 and Section 8, Township 6 South, Range 69 West; thence south along the east sixteenth line to the northeast sixteenth corner of said Section 8; thence east along the north sixteenth line to the north sixteenth corner of Section 8 and Section 9, Township 6 South, Range 69 West; thence south along the east line of Section 8 to the northeast corner of Section 17; thence south along the east line of Section 17 a distance of 1314.90 feet; thence west a distance of 330.06 feet; thence south a distance of 1312.95 feet to a point on the east-west centerline of Section 17; thence west along the east-west centerline of Section 17 a distance of 2315.10 feet to the center quarter corner of Section 17; thence south along the north-south centerline of Section 17 a distance of 1937.78 feet; thence North 65° 25' 19" West a distance of 912.66 feet; thence North 30° 39' 49" West a distance of 3358.74 feet to a point on the west line of Section 17; thence North along the west line of Section 17, to the southeast corner of the northeast quarter of the northeast quarter (NE 1/4 NE 1/4) of Section 18; thence West, along the south line of the northeast quarter of the northeast quarter (NE 1/4 NE 1/4) to the southwest corner of the east half of the northeast quarter of the northeast quarter (E 1/2 NE 1/4 NE 1/4) of Section 18; thence North, along the west line of the east half of the northeast quarter of the northeast quarter (E 1/2 NE 1/4 NE 1/4) to the north line of Section 18; thence East, along the north line of Section 18, to a point 252.00 feet west of the northeast corner of Section 18; thence northwesterly to the center of Section 7; thence west along the east-west centerline of Section 7 to the west quarter corner of said Section 7; thence north along the west line of Section 7 to the north sixteenth corner of Section 7 and Section 12, Township 6 South, Range 70 West; thence west along the north sixteenth

line of Section 12 to the north center sixteenth corner of Section 12; thence north along the north-south centerline of Section 12 to the north quarter corner of said Section 12 and the south quarter corner of Section 1, Township 6 South, Range 70 West; thence west along the south line of Section 1 to the southwest corner of Section 1; thence north along the west line of Section 1 to the northwest corner of Section 1; thence east along the north line of Section 1 to the southwest corner of Section 36, Township 5 South, Range 70 West; thence north along the west line of Section 36 to the northwest corner of said Section 36 and the southeast corner of Section 26, Township 5 South, Range 70 West; thence west along the south line of Section 26 to the southwest corner of the southeast quarter of the southeast quarter (SE 1/4, SE 1/4) of Section 26; thence north along the east sixteenth line of Section 26, the east sixteenth line of Section 23, and the east sixteenth line of Section 14, Township 5 South, Range 70 West to the north line of U. S. Highway 285; thence easterly along the north line of U. S. Highway 285 to a point which is 1426.94 feet south and 759.64 feet east of the northwest corner of Section 4, Township 5 South, Range 69 West of the Sixth Principal Meridian; thence North $38^{\circ} 26' 36''$ West, a distance of 436.90 feet to a point 480.52 feet east of the west line of said Section 4; thence northerly, 480.52 feet east of and parallel with said west line of Section 4, to the north boundary of West Hampden Avenue; thence west along the north line of Hampden Avenue to the west boundary of Bear Creek Ranchettes Filing Number 1 subdivision; thence north along the west boundary of Bear Creek Ranchettes Filing Number 1 and Runyan Bear Creek Ranchettes Filing Number 2 subdivisions to the line of Bear Creek; thence northwesterly along the line of Bear Creek to the west line of Section 33, Township 4 South, Range 69 West; thence north along the west line of Section 33 to the northerly boundary of Morrison Road (Colorado State Highway Number 8); thence westerly, along the northerly boundary of said Morrison Road to the northeast corner of Section 31; thence south, along the east line of said Section 31, to the control centerline of Morrison Road (State Highway Number 8); thence southwesterly,

along the control centerline of said Morrison Road, to the west line of Section 31; thence north, along the west line of Section 31 to a point that is 1,508 feet N of the SW corner of Section 31, thence South $30^{\circ}26'42''$ West 128.71 feet; thence North 1,225 feet parallel to the west line of Section 31 to the north line of the SE $\frac{1}{4}$ of Section 36; thence east along the said north line a distance of 83.77 feet to the west line of Section 31; thence north along the remainder of the west line of Section 31 and Section 30, to the southeast boundary of West Alameda Parkway; thence northeasterly, along the southeast boundary of said West Alameda Parkway, to the east sixteenth line of Section 19; thence north, along the east sixteenth line of Section 19, to north sixteenth line of Section 19; thence west, along the north sixteenth line of Section 19, to the north-south centerline of Section 19; thence north, along the north-south centerline of Section 19, to the southeast corner of the north half of the northeast quarter of the northwest quarter (N 1/2 NE 1/4 NW 1/4) of Section 19; thence west, along the south line of the north half of the northeast quarter of the northwest quarter (N 1/2 NE 1/4 NW 1/4) of Section 19, to the west sixteenth line of Section 19; thence south, along the west sixteenth line of Section 19, to the north sixteenth line of Section 19; thence west, along the north sixteenth line of Section 19, to the west line of Section 19; thence north, along the west line of Section 19 and Section 18, to the southeast corner of the north half of the north half of the northeast quarter (N 1/2 N 1/2 NE 1/4) of Section 13, Township 4 South, Range 70 West; thence west, along the south line of the north half of the north half of the northeast quarter (N 1/2 N 1/2 NE 1/4) to the north-south centerline of said Section 13; thence north, along the north-south center line of Section 13 and Section 12, to the northwest corner of the south half of the south half of the southeast quarter (S 1/2 S 1/2 SE 1/4) of said Section 12; thence east, along the north line of the south half of the south half of the southeast quarter (S 1/2 S 1/2 SE 1/4) of Section 12 to the east line of said Section 12; thence south, along the east line of Section 12 to the northwest corner of Section

18, Township 4 South, Range 69 West; thence east, along the north line of Section 18, to the southwest corner of Section 8, Township 4 South, Range 69 West; thence north along the west line of Section 8 to the northwest corner of said Section 8 and the southeast corner of Section 6, Township 4 South, Range 69 West; thence west along the south line of Section 6 to the west line of Coors Street; thence north along the west line of Coors Street and Coors Street extended a distance of 1643 feet more or less; thence east, a distance of 311.83 feet to the west line of Cole Street; thence north along the west line of Cole Street a distance of 165 feet; thence west a distance of 450 feet; thence north a distance of 165 feet; thence east a distance of 450 feet to the west line of Cole Street; thence north along the west line of Cole Street to the line of West 10th Avenue; thence west along the line of West 10th Avenue to the line of Hawthorne Road; thence northwesterly along the line of Hawthorne Road to the line of West Colfax Avenue; thence easterly along the line of West Colfax Avenue to the line of Whipporwill Drive; thence northerly along the line of Whipporwill Drive and Whipporwill Drive extended to the line of Lena Gulch; thence northeasterly along the line of Lena Gulch to a point 150 feet north of West 17th Avenue; thence east, 150 feet north of and parallel with West 17th Avenue to a point 200 feet west of Simms Street; thence north 200 feet west of and parallel to Simms Street to the line of West 20th Avenue; thence east along the line of West 20th Avenue to the line of Simms Street; thence north along the line of Simms Street to the line of the Agricultural Ditch; thence easterly along the line of the Agricultural Ditch to the line of Miller Street; thence north along the line of Miller Street to the line of West 24th Avenue; thence west along the line of West 24th Avenue to the line of Newcombe Street; thence north along the line of Newcombe Street to the line of West 26th Avenue; thence west along the line of West 26th Avenue to southwest corner of lot 1, block 8 Applewood Knolls 4th Filing; thence north and northwesterly along the western boundary of block 8, Applewood Knolls 4th Filing to the line of West 29th Place; thence west to east boundary

of Youngfield Park subdivision; thence south along the east boundary of Youngfield Park subdivision to the south line of said subdivision; thence west along the south line of said subdivision to the west line of said subdivision; thence north along the west line of said subdivision to the west line of Maple Grove Village Blocks 2 to 10 subdivision; thence north along the west line of said subdivision to the north line of Resubdivision of Maple Grove Village Block 1; thence west along the north line of said subdivision to the east boundary of Interstate Highway 70; thence north along the east boundary of Interstate Highway 70 to a point 620 feet north of the north line of Youngfield Plaza; thence west to the southwest corner of lot 25, Roxbury subdivision; thence north along the west line of lot 25, lot 26, lot 27 and lot 28 of Roxbury subdivision to the line of Clear Creek; thence west along the line of Clear Creek a distance of 300 feet; thence north a distance of 600 feet; thence east to the east boundary of Interstate Highway 70; thence northeasterly along the east boundary of Interstate Highway 70 to the line of Ward Road; thence north along the line of Ward Road to the north boundary of Interstate Highway 70; thence southwesterly along the north boundary of Interstate Highway 70 to a point 950 feet west of the west boundary of Ward Road; thence North $89^{\circ} 43' 20''$ West, a distance of 420.00 feet; thence South $00^{\circ} 05' 46''$ East, a distance of 180.00 feet more or less to the north boundary of West 44th Avenue; thence North $89^{\circ} 43' 20''$ West, along the north line of West 44th Avenue, a distance of 530.82 feet to a point of curve; thence along the arc of a curve to left having a radius of 1452.50 feet and a central angle of $13^{\circ} 00' 00''$ a distance of 329.56 feet; thence South $77^{\circ} 16' 40''$ West, a distance of 3340 feet to a point 25 feet east of the west line of of the northeast quarter (NE $\frac{1}{4}$) of Section 19 and the east line of Eldridge Street; thence North $0^{\circ} 10' 00''$ West, along the said east line, a distance of 1885 feet to the south line of the Southern Pacific Railroad right-of-way; thence North $69^{\circ} 57' 00''$ East, along said south line, a distance of 5400 feet; thence north to the northern boundary of the Colorado and Southern Rail Road

boundary; thence westerly along said boundary a distance of 1000 feet; thence west a distance of 360 feet; thence north to the north line of West 52nd Avenue; thence east along the north line of West 52nd Avenue to the west boundary of the Arvada Energy Center; thence north along the west boundary of the Arvada Energy Center to the northwest corner of lot 4 of said center; thence east along the north line of said center to the line of **Simms St.**; **thence north along the line Simms St. thence north to 58th Avenue; thence east to the intersection of West 58th Avenue Oak Street; thence south to a point along the extension of the north line of lot 4 of the Arvada Energy Center; thence east along the said line to the extended line of Kipling Street;** thence south along the line of Kipling Street to the line of West 51st Place; thence east along the line of West 51st Place to the line of Independence Street; thence south along the line of Independence Street to the line of West 51st Avenue; thence northeasterly along the line of West 51st Avenue to the line of West 52nd Avenue; thence east along the line of West 52nd Avenue to the line of Carr Street; thence south, along the line of Carr Street to the line of Interstate Highway Number 70; thence easterly, along the line of Interstate Highway Number 70 to the line of Wadsworth Boulevard; thence south, along the line of Wadsworth Boulevard to line of Clear Creek; thence northeasterly along the line of Clear Creek to the line of Marshall Street; thence north along the line of Marshall Street to the center line of Interstate Highway 76; thence northeasterly along the centerline of Interstate Highway 76 to the line of West 52nd Avenue; thence east along the line of West 52nd Avenue to the line of Sheridan Boulevard; thence north along the line of Sheridan Boulevard to the line of West 64th Avenue; thence east along the line of West 64th Avenue to the line of Tennyson Street; thence north along the line of Tennyson Street to the east-west centerline of Section 6, Township 2 South, Range 68 West; thence east along the east-west centerline of Section 6 to the line of Lowell Boulevard; thence north along the line of Lowell Boulevard a distance of 600 feet; thence west a distance of 900 feet; thence north a distance of 400

feet; thence east to the line of Lowell Boulevard; thence north along the line of Lowell Boulevard to the line of West 72nd Avenue; thence east along the line of West 72nd Avenue to the line of Federal Boulevard; thence north along the line of Federal Boulevard to the line of West 80th Avenue; thence east along the line of West 80th a distance of 600 feet more or less; thence north a distance of 300 feet more or less; thence east a distance of 500 feet more or less; thence south a distance of 300 feet more or less to the line of West 80th Avenue; thence east along the line of West 80th Avenue a distance of 600 feet more or less; thence north a distance of 1400 feet more or less; thence east to the line of Zuni Street; thence south along the line of Zuni Street to the line of Sherrylwood Drive; thence east along the line of Sherrylwood Drive to the line of Umatilla Street; thence south along the line of Umatilla Street to the line of West 80th Avenue; thence east along the line of West 80th Avenue to the line of Pecos Street; thence south along the line of Pecos Street to the line of Elmwood Lane; thence east along the line of Elmwood Lane to the line of Navajo Street; thence south along the line of Navajo Street to the line of Lipan Drive; thence easterly and southeasterly along the line of Lipan Drive to the line of El Paso Boulevard; thence southwesterly along the line of El Paso Boulevard to the line of Hilltop Circle; thence southeasterly along the line of Hilltop Circle to the line of Del Norte Street; thence east along the line of Del Norte Street to the line of Bronco Road; thence south along the line of Bronco Road and the extended line of Bronco Road to the northern boundary of U. S. Highway 36 (Boulder Turnpike); thence easterly along the northern boundary of U. S. Highway 36 to the line of Interstate Highway 25; thence north along the line of Interstate Highway 25 to the line of 80th Avenue; thence east along the line of 80th Avenue a distance of 650 feet more or less; thence north a distance of 800 feet more or less; thence east to the line of line Washington Street; thence north along the line of Washington Street to the line of 84th Avenue; thence west along the line of 84th Avenue to the line of Pearl Street; thence north along the line of Pearl Street to

the line of 85th Avenue; thence east along the line of 85th Avenue to the line of Washington Street; thence north to the point of beginning.

PLUS the southhalf (S 1/2) and the southhalf of the southwest quarter of the northwest quarter (S 1/4 SW 1/4 NW 1/4) of Section 11, Township 5 South, Range 67 West.

PLUS the northhalf of the northeast quarter of the northeast quarter (N 1/2 NE 1/4 NE 1/4) of Section 10, Township 5 South, Range 67 West.

PLUS the southwest quarter of the southeast quarter (SW 1/4 SE 1/4) of Section 3, Township 5 South, Range 67 West.

PLUS those areas in the Chattfield Lake State Park area currently being served.

PLUS those areas in the Cherry Creek Lake State Park area currently being served.

PLUS that portion of Section 6, Township 6 South, Range 68 West being west of South Santa Fe Drive and north of the Chatfield Lake State Park.

PLUS those two portions of the southeast quarter (SE 1/4) of Section 32, Township 4 South, Range 69 West that serves the club house facility and maintenance facility of the Fox Hollow Golf Course as of June 27, 1995 and currently being served by the Bear Creek Water and Sanitation District.

PLUS a parcel of land situated in Township 6 South, Range 69 West being more particularly described as follows:

Section 15 - The south half of the south half (S 1/2 S 1/2), except that portion as recorded in the office of

the Clerk and Recorder of Jefferson County on June 20, 1969 in Book 2112 at Pages 29-38.

Section 16 - The south half (S 1/2).

Section 17 - The southeast quarter (SE 1/4) and the east half of the east half of the southeast quarter of the northeast quarter (E 1/2 E 1/2 SE 1/4 NE 1/4).

Section 19 - The northeast quarter (NE 1/4) and the southeast quarter of the southeast quarter (SE 1/4 SE 1/4).

Section 20 - All, except the northwest quarter of the southwest quarter (NW 1/4 SW 1/4).

Section 21 - All.

Section 22 - All, except the east half of the east half of the northeast quarter of the northeast quarter of the northeast quarter (E 1/2 E 1/2 NE 1/4 NE 1/4 NE 1/4)

Section 27 - All, except those portions as recorded in the office of the Clerk and Recorder of Jefferson County on August 26, 1937 in Book 389 at Page 284; September 10, 1969 in Book 2131 at Pages 288-289; March 26, 1976 in Book 2833 at Pages 135-137 and June 20, 1969 in Book 2112 at Pages 29-38.

Section 28 - All.

Section 29 - All.

Section 30 - The east half of the east half (E 1/2 E 1/2), the southwest quarter of the northeast quarter (SW 1/4 NE 1/4), and the southeast quarter of the northwest quarter (SE 1/4 NW 1/4).

Section 31 - The east half of the northeast quarter (E 1/2 NE 1/4) and the north half of southeast quarter (N 1/2 SE 1/4).

Section 32 - The north half (N 1/2); the north half of the southwest quarter (N 1/2 SW 1/4); the northwest quarter of the southeast quarter (NW 1/4 SE 1/4).

Section 33 - The north half of the north half (N 1/2 N 1/2).

Section 34 - The northwest quarter of the northwest quarter (NW 1/4 NW 1/4).

EXCEPT the City of Englewood

Revised 03/07/00




Exhibit "B"

Contract Service Area Boundaries

Southwest Metropolitan Water and Sanitation District

(To be prepared)

Exhibit "C"

Rate Schedule No. 3 - Outside City (Read and Bill) For Bills Dated On or After September 7, 2004

A. Potable Water Consumption Charges:

Single Family Residential Customers:

	<u>Monthly Usage</u> <u>Gallons</u>	<u>Bimonthly Usage</u> <u>Gallons</u>	<u>Rate per</u> <u>1,000 Gallons</u>
Block 1	0 - 11,000	0 - 22,000	\$2.08
Block 2	12,000 - 30,000	23,000 - 60,000	\$2.50
Block 3	Over 30,000	Over 60,000	\$3.12

Small Multi-Family Customers (Duplexes through Five-plexes with a single meter):

Block 1	0 - 15,000	0 - 30,000	\$1.89
Block 2	Over 30,000	Over 30,000	\$2.27

Monthly usage amount increases by 6,000 gallons and bimonthly usage amount increases by 12,000 gallons per additional dwelling unit up to five (5) dwelling units.

All Other Customers:

Winter	\$1.84
Summer	\$2.21

Winter billings include the 1st, 2nd, and 6th bills for bimonthly customers during a calendar year. For monthly customers, the winter billing period includes bills 1 - 4 and bills 11 - 12 during a calendar year. Summer billings include 3rd, 4th, and 5th bills for bimonthly customers during a calendar year. For monthly customers, the summer billing period includes bills 5 - 10 during a calendar year.

B. Service Charge for all Customers:

Meter Size	<u>Monthly</u>	<u>Bimonthly</u>
3/4 Inch	\$4.26	\$8.51
1 Inch	\$7.30	\$14.60
1 1/2 Inch	\$16.09	\$32.19
2 Inch	\$26.00	\$52.01
3 Inch	\$42.60	\$85.20
4 Inch	\$62.71	\$125.41
6 Inch	\$125.32	\$250.64
8 Inch	\$161.52	\$323.03
10 Inch	\$206.34	\$412.69
12 Inch and Above	\$291.77	\$583.53

C. Private Fire Protection Charges

	<u>Monthly</u>	<u>Bimonthly</u>
Fire Hydrant	\$5.63	\$11.25
Sprinkler Systems and Standpipes		
1 Inch	\$1.53	\$3.06
2 Inch	\$2.55	\$5.10
4 Inch	\$3.94	\$7.88
6 Inch	\$5.63	\$11.25
8 Inch	\$9.85	\$19.69
10 Inch	\$14.07	\$28.13
12 Inch	\$22.50	\$45.01
16 Inch	\$56.26	\$112.52

Applicability: All licensees for water use outside the limits of the City and County of Denver served under agreements whereby the Distributor in some manner operates and maintains portions of the water system used to supply the licensee and the Board of Water Commissioners is responsible for billing each licensee on an individual basis.

Payment: Rates for potable water service under this schedule are net. Bills are due and payable to Denver Water upon issuance. Bimonthly bills are delinquent 30 days after the billing date. Monthly bills are delinquent 25 days after the billing date. Late Charges will be assessed per Denver Water policy.

Rates: Charges for potable water service consist of a **consumption charge** and a **service charge**. The consumption charge is based upon the amount of water delivered during the billing period. The service charge applies to all accounts that are "on" at any time during the billing period.

Board of Water Commissioners
City and County of Denver
1600 W. 12th Avenue
Denver, CO 80204

Exhibit "D"

Rate Schedule No. 6 – System Development Charges Effective January 31, 2005

Applicability: Licenses for ¾ inch single family residential taps within the City and County of Denver and Denver Water Service Areas, including special contracts. System Development Charges are due and payable prior to issuance of a license to the customer.

	Treated Water	
	Inside Denver	Outside Denver
Base charge per residence	\$1,650	\$2,300
Charge per square foot of gross lot size	0.37	0.52

Applicability: Licenses for multifamily residential taps within the city and County of Denver and Denver Water Service Areas, including special contracts. System Development Charges are due and payable prior to issuance of a license to the customer.

	Treated Water	
	Inside Denver	Outside Denver
Base charge for duplex or first two household units (served through a single tap)	\$6,200	\$8,700
Charge for each additional household unit above two (served through a single tap)	1,350	1,900

Applicability: Licenses for all other taps within the City and County of Denver and Denver Water Service Areas, including special contracts.* System Development charges are due and payable prior to issuance of a license to the customer.

Tap Size (\$/Tap)	Treated Water		Non-Potable Water	
	Inside Denver	Outside Denver	Inside Denver	Outside Denver
¾	\$4,600	\$6,450	\$2,900	\$4,050
1	13,800	19,350	8,700	12,150
1 ½	27,600	38,700	23,200	32,400
2	41,450	58,050	37,700	52,650
3	101,200	141,900	63,800	89,100
4	179,400	251,550	95,700	133,650
6	308,200	432,150	197,200	275,400
8	414,000	580,500	255,200	356,400
10	524,400	735,300	327,700	457,650
12	639,400	896,550	466,900	652,050

Applicability: Special contracts for fixed volumes of water rather than licenses sold on a per tap basis.

Acre Foot Conversion (\$/AF)	Treated Water		Non-Potable Water	
	Inside Denver	Outside Denver	Inside Denver	Outside Denver
Inside Combined Service Area	\$10,050	\$14,050	\$6,285	\$8,800
Outside Combined Service Area		14,675		9,200

*NOTE: There are several distributor contracts and water service agreements that contain negotiated tap ratio conversions per acre foot and some agreements that contain negotiated, and in some cases, prepaid system development charges. These contracts will continue to be administered utilizing the SDC calculations and/or tap ratio conversions specified in each of these contracts. Tap credit pools shall continue to be administered in a manner consistent with the applicable water service agreement and Operating Rules.

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