

**INTERGOVERNMENT AGREEMENT
BETWEEN SUMMIT COUNTY GOVERNMENT
AND THE
TOWN OF FRISCO
PERTAINING TO WATER**

This Intergovernmental Agreement between the Summit County Board of Commissioners (hereinafter called the "Board,") and the Frisco Town Council (hereinafter called the "Council,") entails the mutually negotiated agreement pertaining to the Board's request for water service at the approximately 100 acre site commonly known as the "County Barns Site," and the Board's involvement with an amendment to the Summit County Agreement associated with the Town's revised water augmentation plan.

PREMISES

The Council acknowledges the leadership and assistance of the Board with respect to previous water planning activities that benefited the Town of Frisco, including particularly the Summit County Agreement and the Future Dillon Reservoir water provisions of the Clinton Reservoir - Fraser River Water Agreement.

The Board has requested from Frisco municipal water service for the County Barns Site to serve its proposed facilities, all of which are located outside the corporate boundaries of the Town of Frisco;

The Town of Frisco is seeking the approval of a water augmentation plan from the Water Court which requires an amendment to the Summit County Agreement ("Amendment") in order to utilize the "Future Dillon Reservoir Water." The Amendment requires the signatures of the Town of Frisco, the Board and City and County of Denver, acting by and through its Board of Water Commissioners, prior to final approval of the augmentation plan.

NOW THEREFORE, in consideration of the Premises, the adequacy of which is hereby acknowledged, the Board and the Council agree as follows.

1. The Board has approved the Amendment to the Summit County Agreement, attached as Exhibit "A".
2. Upon approval of the Amendment, the Council will take the following actions with respect to the County's request for water service at the County Barns Site:
 - a. The Council will charge the County "in-town" rates for water service at the County Barns Site, rather than the rate normally charged for water service to users outside the Town of Frisco's corporate boundary (which is double the "in-town" rate).
 - b. The Council will charge the County \$49,300 in tap fees for 23 water taps at the County Barns Site, which is the projected demand for the first phase of the County's proposed facility plan. The Board acknowledges

that the standard out-of-town tap fee is normally \$3,200 per tap. Payment for the tap fees shall be made upon issuance of a final certificate of occupancy (CO) for the facilities in phase one or within 18 months from the date of full building permit issuance, whichever occurs first. The Board shall notify the Council within 20 days of the date on which each facility in phase one is issued a final CO and shall concurrently submit payment for the pro rata share of tap fees which are attributable to such facility.

c. The Council will waive the Town's requirement for the provision of water rights associated with the twenty-three (23) taps referenced in (b) above, which is the projected demand for the first phase of the County's facility plan;

d. The Council will, with three (3) years of the date of this agreement, allow the Board to purchase up to an additional fifteen (15) water taps at the "in-town" rate for existing or proposed facilities at the County Barns Site. The following provisions shall apply to these 15 additional water taps.


(i) The Town's requirement for the provision of water rights associated with the projected demand of the fifteen taps will be waived, regardless of when purchased.


(ii) Once on line, the fifteen taps will be charged "in-town" rates for water service, as provided for in paragraph (a) above.

IN WITNESS WHEREOF, this agreement is entered into this 13 day of December, 1994.

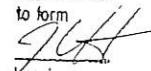
BOARD OF COUNTY COMMISSIONERS
SUMMIT COUNTY, COLORADO

ATTEST:


Secretary

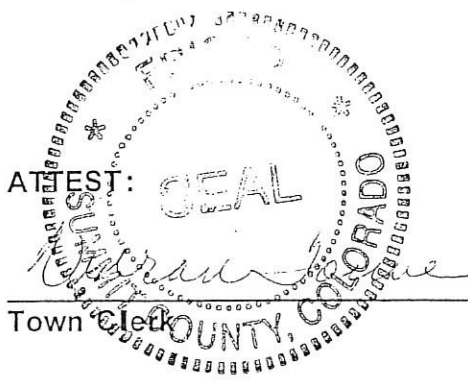

Rick Hum, Chairman


Approved as
to form


Legal

TOWN OF FRISCO, a Colorado
municipal corporation

ATTEST:


Town Clerk


M. L. Etie, Mayor

AMENDMENT TO SUMMIT COUNTY AGREEMENT AND
WATER USER AGREEMENT PURSUANT TO FUTURE
DILLON PROVISION OF CLINTON RESERVOIR AGREEMENT

This amendment, dated this 13th day of DECEMBER, 1994, is between the City and County of Denver, acting by and through its Board of Water Commissioners ("Denver"), the Board of County Commissioners of Summit County, Colorado ("Summit County") and the Town of Frisco ("Frisco").

WHEREAS, Denver and Summit County entered into an agreement dated September 18, 1985 (the "Summit County Agreement"), recorded at Reception No. 357033 of the Summit County real property records;

WHEREAS, paragraphs 3 and 4(a) of the Summit County Agreement enable Summit County or its designees to exchange up to 3,100 acre-feet of water per year as more particularly described in said paragraphs (the "3100 acre-feet");

WHEREAS, by Water User Agreement dated September 18, 1985 (the "Water User Agreement") between Frisco and Summit County, Frisco was allocated 100 acre-feet of the 3100 acre-feet;

WHEREAS, pursuant to paragraph 4 of the Clinton Reservoir Agreement, the Summit County Agreement was amended to reduce the 3100 acre-feet to 1,217.8 acre-feet; and

WHEREAS, paragraph 7 of the Clinton Reservoir-Fraser River Water Agreement dated July 21, 1992, among Denver, Summit County, Frisco and certain other parties (the "Clinton Reservoir Agreement"), provides that Frisco, Summit County, the Town of Dillon and Copper Mountain, Inc. own 351 acre-feet of the 3100 acre-feet which can be converted into Future Dillon Reservoir Water, as such term is defined in the Clinton Reservoir Agreement;

WHEREAS, Frisco desires to exercise its right to convert its 100 acre-feet of the 3100 acre-feet into Future Dillon Reservoir Water.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Frisco and Summit County agree that Frisco's 100 acre-foot allocation of the 3100 acre-feet under the Water User Agreement is hereby rescinded and that paragraphs 1-6 and 9 of the Water User Agreement are of no further force and effect. All other terms and conditions of the Water User Agreement shall remain in full force and effect.

2. Denver and Summit County agree to further amend the Summit County Agreement to reduce the 3100 acre-feet from its current 1,217.8 acre-feet to 1,117.8 acre-feet. Notwithstanding this amendment, nothing contained herein shall modify any other provisions of the Summit County Agreement.

3. Denver agrees to provide 100 acre-feet per year of Future Dillon Reservoir Water to Frisco provided that 158 acre-feet per year of replacement water is furnished to Denver by Frisco under the terms of the Clinton Reservoir Agreement. The arrangements by which the Future Dillon Reservoir water is made available to Frisco shall be subject to separate agreement between Denver and Frisco; provided, however, if Frisco and Denver are unable to reach such separate agreement, then upon notification by Frisco, the terms of paragraphs 1 and 2 above shall be rescinded and of no further force and effect.

4. Nothing herein shall otherwise amend or affect the Clinton Reservoir Agreement.

ATTEST:

Secretary

APPROVED AS TO FORM:
LEGAL DIVISION
BOARD of WATER COMMISSIONERS

By Michael S. Walker

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

By [Signature]
President

Registered and countersigned
Robert L. Crider, Auditor
City and County of Denver

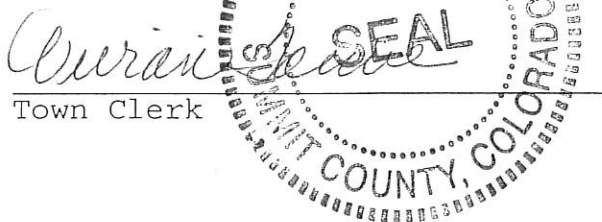
By Robert L. Crider

ATTEST:

Secretary

ATTEST:

Town Clerk



By [Signature]

TOWN OF FRISCO, a Colorado
municipal corporation

By M. J. Eder
Mayor