

Assignment, Assumption, and Consent Agreement

This Assignment, Assumption, and Consent Agreement (“Agreement”) is entered into between Columbine Lake Water District (“Columbine Lake”), Three Lakes Water and Sanitation District (“Three Lakes”), and Middle Park Water Conservancy District (“Middle Park”) (each a “Party” and together the “Parties”) as of the 4th day of January, 2024.

Recitals

- A. Columbine Lake holds a Middle Park Water Allotment Contract dated September 8, 1985, in the amount of 40 acre-feet of water per year (“September 1985 Contract”); and a Middle Park Water Allotment Contract dated October 10, 1985, in the amount of 45 acre-feet of water per year (“October 1985 Contract”). Together, the September 1985 Contract and October 1985 Contract are referred to in this Agreement as “Columbine Lake’s Middle Park Contracts.”
- B. Columbine Lake owns vested water rights, decreed conditional water rights, and decreed augmentation plans including exchanges (“Columbine Lake’s Decreed Water Rights”). The source of substitute supply for Columbine Lake’s decreed exchanges is water available to Columbine Lake’s Middle Park Contracts.
- C. Columbine Lake’s municipal water system is managed, operated, and maintained by Three Lakes under a contract between the two districts.
- D. Columbine Lake has determined that it is in the best interest of its customers for the district to dissolve and for Columbine Lake’s service area and service commitments to be absorbed by Three Lakes (“Columbine Lake – Three Lakes Succession”).
- E. As a condition of the Columbine Lake – Three Lakes Succession, Columbine Lake must convey to Three Lakes the entirety of Columbine Lake’s municipal water supply, comprising Columbine Lake’s Middle Park Contracts and Columbine Lake’s Decreed Water Rights (“Municipal Supply”).
- F. Columbine Lake’s Middle Park Contracts prohibit Columbine Lake from selling, leasing, transferring, encumbering, or otherwise dealing in the Municipal Supply in the absence of Middle Park’s written agreement and consent.
- G. The Parties enter into this Agreement to provide for the following: (1) Columbine Lake’s assignment of Columbine Lake’s Middle Park Contracts to Three Lakes; (2) Three Lakes’ assumption of Columbine Lake’s Middle Park Contracts; (3) Middle Park’s consent to Columbine Lake’s assignment and Three Lakes’ assumption of Columbine Lake’s Middle Park Contracts; and (4) Middle Park’s consent to Columbine Lake’s separate transfer to Three Lakes of Columbine Lake’s Decreed Water Rights.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Recitals are part and parcel of this Agreement.
2. Effective as of the date of consummation of the Columbine Lake – Three Lakes Succession, Columbine Lake hereby irrevocably assigns to Three Lakes all of Columbine Lake’s right, title, and interest in and to the September 1985 Contract, including without limitation Columbine Lake’s right to use of 40 acre-feet per year of Middle Park’s Windy Gap Water stored in Granby Reservoir.
3. Effective as of the date of consummation of the Columbine Lake – Three Lakes Succession, Three Lakes hereby assumes all of Columbine Lake’s right, title, and interest in and to the September 1985 Contract, including without limitation all of Columbine Lake’s obligations thereunder.
4. Middle Park hereby expressly agrees and consents to Columbine Lake’s assignment of the September 1985 Contract to Three Lakes as a condition of the Columbine Lake – Three Lakes Succession, and further expressly approves Three Lakes’ assumption of the September 1985 Contract in implementation of that condition.
5. Effective as of the date of consummation of the Columbine Lake – Three Lakes Succession, Columbine Lake hereby irrevocably assigns to Three Lakes all of Columbine Lake’s right, title, and interest in and to the October 1985 Contract, including without limitation Columbine Lake’s right to use of 45 acre-feet per year of Middle Park’s Windy Gap Water stored in Granby Reservoir.
6. Effective as of the date of consummation of the Columbine Lake – Three Lakes Succession, Three Lakes hereby assumes all of Columbine Lake’s right, title, and interest in and to the October 1985 Contract, including without limitation all of Columbine Lake’s obligations thereunder.
7. Middle Park hereby expressly agrees and consents to Columbine Lake’s assignment of the October 1985 Contract to Three Lakes as a condition of the Columbine Lake – Three Lakes Succession, and further expressly approves Three Lakes’ assumption of the October 1985 Contract in implementation of that condition.
8. Middle Park hereby expressly agrees and consents to Columbine Lake’s separate transfer to Three Lakes, on the date of consummation of the Columbine Lake – Three Lakes Succession, of the entirety of Columbine Lake’s Decreed Water Rights.
9. Middle Park acknowledges and agrees that the assignment, assumption, and consent memorialized herein are in compliance with all applicable terms and conditions of Columbine Lake’s Middle Park Contracts.
10. The Parties agree that Three Lakes shall in a timely manner form a Subdistrict pursuant to C.R.S. § 32-1-1101 et seq. to be known as the Three Lakes Water and Sanitation District Columbine Lake Subdistrict (the “Columbine Lake Subdistrict”). The length of the title is

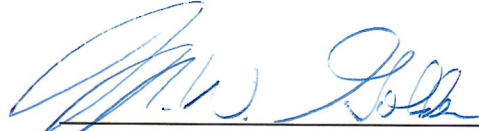
dictated by statute, which requires a Subdistrict to include the name of the Special District that established it. The Columbine Lake Subdistrict shall be managed in accordance with statute by the Board of Directors of Three Lakes, and all operating costs, capital costs, and assets shall be accounted for separately in recognition of the fact that Columbine Lake Subdistrict is an independent governmental entity.

11. Promptly after the date of execution of this Agreement, Middle Park shall re-issue Columbine Lake's Middle Park Contracts in the name of Three Lakes.
12. As of the date of consummation of the Columbine Lake – Three Lakes Succession, Three Lakes will become the operative “Municipality” under Columbine Lake's Middle Park Contracts, and Columbine Lake will have no further contractual relationship with Middle Park.
13. Nothing in this Agreement modifies any term or condition of Columbine Lake's Middle Park Contracts other than to change the operative Municipality under those contracts.
14. In the event that the proposed Columbine Lake – Three Lakes Succession fails at the required election, this Agreement will terminate automatically, with no further action by the Parties. In that event, this Agreement will have no effect, and Columbine Lake will retain ownership of the full Municipal Supply.
15. In the event of any default by any Party in the timely performance of its covenants and agreements set forth herein, the non-defaulting Party or Parties will have all rights and remedies provided by law, including without limitation the right to seek specific performance of the defaulting Party of such covenants and agreements.
16. This Agreement is governed by and to be construed in accordance with the laws of the State of Colorado.
17. This Agreement binds and benefits the Parties and their respective successors or assigns.
18. If any term, condition, or provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, then such term, condition, or provision is to be severed or to be modified to the extent necessary to make it enforceable, and the resulting Agreement will remain in full force and effect.
19. This Agreement may be executed in counterparts, each of which is an original, and all of which taken together constitute one and the same instrument.

Remainder of this page intentionally left blank. Signature pages follow.

Executed on the date written below.

**COLUMBINE LAKE WATER
DISTRICT**



Michael Golden
President

Date: 12/28/23

STATE OF COLORADO)

ss.

COUNTY OF GRAND)

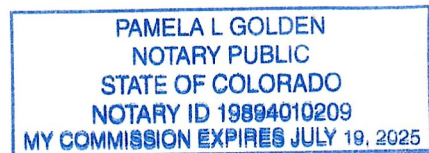
The foregoing instrument was acknowledged before me this 28 day of December, 2023, by Michael Golden, President of Columbine Lake Water District.

Witness my hand and official seal.

My commission expires 7/19/25.

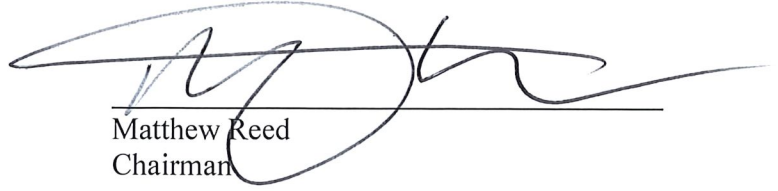


Notary Public



Executed on the date written below.

**THREE LAKES WATER AND
SANITATION DISTRICT**


Matthew Reed
Chairman

Date: Dec 28, 23

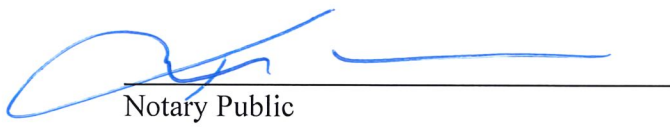
STATE OF COLORADO)
) ss.
COUNTY OF GRAND)

KATHLEEN NICHOLLS
Notary Public
State of Colorado
Notary ID # 20134071029
My Commission Expires 11-19-2025

The foregoing instrument was acknowledged before me this 28th day of December, 2023, by Matthew Reed, Chairman of Three Lakes Water and Sanitation District.

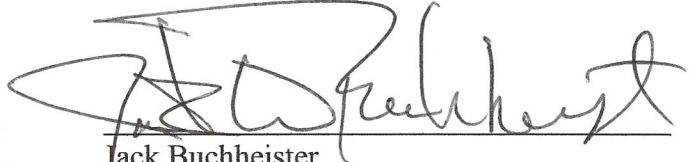
Witness my hand and official seal.

My commission expires 11/19/25.


Notary Public

Executed on the date written below.

MIDDLE PARK WATER
CONSERVANCY DISTRICT



Jack Buchheister
President

Date: 1/4/2024

STATE OF COLORADO)

ss.

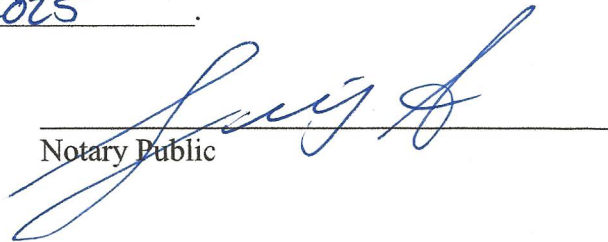
COUNTY OF GRAND)

The foregoing instrument was acknowledged before me this 4th day of JANUARY, 2024, by Jack Buchheister, President of Middle Park Water Conservancy District.

Witness my hand and official seal.

My commission expires June 9th, 2025.

LUIS ADRIAN AGUILERA REYES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20214022392
MY COMMISSION EXPIRES JUNE 9, 2025



Notary Public