

**INTERGOVERNMENTAL AGREEMENT
FOR THE
RUETER-HESS RECREATION AUTHORITY**

This **INTERGOVERNMENTAL AGREEMENT FOR THE RUETER-HESS RECREATION AUTHORITY** (the “Agreement”) is made, entered into as of the ____ day of _____, 2015, by and between: PARKER WATER AND SANITATION DISTRICT (the “District”), a Colorado special district and political subdivision, DOUGLAS COUNTY, a Colorado county and political subdivision (the “County”), CITY OF CASTLE PINES, a Colorado municipality (“Castle Pines”), CITY OF LONE TREE, a Colorado home rule municipality (“Lone Tree”), TOWN OF PARKER, a Colorado home rule municipality (“Parker”), and TOWN OF CASTLE ROCK (“Castle Rock”), a Colorado home rule municipality, collectively referred to as the “Members”.

RECITALS

WHEREAS, the District is the owner of certain real property and improvements located in Douglas County known as Rueter-Hess Reservoir;

WHEREAS, consistent with the District’s purpose as a water and sanitation district under Title 32, C.R.S., the primary purpose of Rueter-Hess Reservoir is to provide drinking water and storage to serve the District’s customers;

WHEREAS, pursuant to C.R.S. § 32-1-1006(8)(a), a water and sanitation district may also provide park and recreation improvements and services in connection with a water reservoir owned by the district and adjacent land if such improvements and services are not already being provided by another entity with respect to the reservoir and adjacent land;

WHEREAS, park and recreation improvements and services are not currently being provided by another entity with respect to Rueter-Hess Reservoir;

WHEREAS, the District and Members desire to plan, develop and provide recreational uses and amenities around Rueter-Hess Reservoir for the benefit of the Members, their constituents and the public, provided that the recreational activities do not interfere with the primary purpose of Rueter-Hess Reservoir;

WHEREAS, Part 2 of Article 1 of Title 29, C.R.S., permits and encourages governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments;

WHEREAS, Part 2 of Article 1 of Title 29, C.R.S., authorizes governments to contract with one another to provide any function, service or facility lawfully authorized to each of the contracting units through the establishment of a separate legal entity; and

WHEREAS, it would be in the best interest of all of the above-referenced parties to participate collectively in the planning, development, financing, construction and operation of recreational uses, improvements and facilities at the Rueter-Hess Reservoir.

NOW THEREFORE, in consideration of the terms and conditions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members agree as follows:

SECTION 1: CREATION OF THE AUTHORITY

1.1 Creation. Pursuant to C.R.S. § 29-1-203, the Members hereby establish a separate legal entity to be known as the “Rueter-Hess Recreation Authority” (the “Authority”).

1.2 Purpose. The purpose of the Authority is to affect the planning, development, financing, construction, administration, operation and maintenance of recreational uses, improvements and facilities at Rueter-Hess Reservoir (the “Project”).

1.3 Project Subordinate to District Functions. The Project shall be subordinate to the primary duty of the District to provide water and sanitation services to its customers, and the District shall have final decision-making authority regarding any recreational activity at Rueter-Hess Reservoir.

SECTION 2: PROJECT PLAN

The Project will be completed in several phases, including Visioning (Phase 1), Concept Plan (Phase 2) and the Implementation Plan (Phase 3), as detailed in the Scope and Schedule, attached hereto as **Exhibit A** and incorporated herein.

SECTION 3: MEMBERSHIP

3.1 Initial Members. The initial Members of the Authority shall be those parties executing this Agreement.

3.2 New Members. Additional municipal, quasi-municipal and other local government members may be included into the Authority upon unanimous approval of the Board of Directors. The Board of Directors may establish criteria for new members, including fees for joining the Authority. Upon joining the Authority, new members shall be granted the same representation on the Board of Directors as the original Members, as described in Section 4.2, below.

3.3 No Restriction on Powers of Members. Nothing herein shall be deemed or construed to restrict, prohibit, or otherwise limit the powers of any Member, and no action of the Authority shall be attributable to its Members.

3.4 Dissolution of Member. If a Member is dissolved or otherwise ceases to exist, then either (i) the plan for dissolution shall contain adequate provisions acceptable to the

Authority for the performance of all such Member's obligations to the Authority, or (ii) all such obligations shall be fully paid prior to the effective date of dissolution.

SECTION 4: MANAGEMENT/VOTING/DECISIONMAKING

4.1 Governance. The Authority shall be governed by a Board of Directors (the "Board"). All powers, privileges and duties vested in the Authority shall be exercised and performed by and through its Board.

4.2 Board of Directors. The Board shall be comprised of six members. The governing body of each Member of the Authority shall appoint a representative to the Board, each representative of whom shall be an elected official of the Member or other designated representative. If new members join the Authority in the future, they shall be represented on the Board by a designated representative, and if a Member jurisdiction withdraws from the Authority, then said jurisdiction will lose its representation, such that the total number of Board members shall correspondingly increase or decrease upon the addition or deletion of Member jurisdictions. The Board shall be responsible for the following:

- Overall policy for the Authority
- Implementation of Project objectives pursuant to this Agreement
- Establishing bylaws
- Annual budget
- Annual work program
- Annual audit
- Appointment of committees and subcommittees as appropriate for carrying out Project objectives

The Board of Directors will meet at least annually. One of these meetings will be for review and approval of the annual budget and work program prior to the start of the fiscal year.

There shall be no limitation on the duration a Board member may serve on the Board. Each Member shall be responsible for identifying its representative to the Board of Directors and deciding if it shall be an elected official or designated representative. Additionally, the Board shall allow for alternates in the event a regular representative is unable to attend a meeting.

Board members shall receive no compensation for their services; however, reasonable expenses related to the exercise of Board functions shall be reimbursed.

4.3 Vacancies. Vacancies on the Board of Directors shall be filled by the Member jurisdiction from which the vacancy arises.

4.4 Officers. The Board of Directors shall elect from its membership a Chairperson, Vice Chairperson, Secretary, and Treasurer, who shall have the duties set forth in the bylaws of the Authority, if any have been adopted. Officers shall be elected every year, and shall serve until their successors have been elected. Any Board member may nominate himself or herself or any other Board member as a candidate for an office. The officers shall be elected by an

affirmative vote of at least a majority of the Board. The Secretary and Treasurer positions may be served by one individual.

4.5 Voting. The Board of Directors shall act only upon a duly executed vote of the Board members. Each Board member shall cast one vote. A vote of the Board shall be deemed duly executed if made by a majority of a quorum of the Board members. A quorum shall consist of a majority of Board members. Proxy voting shall be allowed by alternate representatives designated by a Board member.

4.6 Bylaws and Policies and Procedures. The Board of Directors shall have the power to promulgate bylaws and policies and procedures which shall establish the organizational rules and policies and procedures for the management and operation of the Authority.

SECTION 5: POWERS OF THE AUTHORITY

The Members agree the Authority shall be empowered with the authority to plan, design, improve, construct, maintain, repair, control, regulate and operate the Project for the use and benefit of the Members, their constituents and the public, including the authority to:

- Contract and purchase all necessary supplies, equipment, materials, and services, including professional services, to develop and operate the Project
- Employ agents and employees as deemed necessary to operate the Project
- Plan, finance, manage and operate recreational programs for Members, their constituents and the public
- Fix, maintain, and revise fees, rents, security deposits, and charges for functions, services or facilities provided by the Authority
- Acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity or service
- Incur debts, liabilities or obligations
- Adopt regulations respecting the exercise of its powers and the carrying out of its purposes
- Exercise any other powers that are essential to the provision of functions, services or facilities by the Authority and that are specified in this Agreement

SECTION 6: FUNDING, BUDGET, AND ADMINISTRATION

6.1 Initial Contributions. The Members agree that on or after January 1, 2015, each Member will pay an initial contribution in the amount of \$25,000 to be used toward development of the Recreation Master Plan as detailed in Exhibit A.

6.2 Budget. Each year, the Authority shall prepare a preliminary budget and submit said budget to the Board. The budget shall contain detailed estimates of the operating costs of the subsequent year. Commencing in 2015, the preliminary budget shall be approved by the Board on or before June 30th of each year. The approved preliminary budget shall then be submitted to each of the governing bodies of the Members hereto as soon thereafter as possible. After final action by the governing bodies of the Members upon the preliminary budget, said

actions shall be reported back to the Board, which shall adjust the budget accordingly, if necessary. The final budget shall then be approved by the Board. A final budget shall be submitted to each of the governing bodies of the Members no later than December 15th of each year that this Agreement is in effect.

6.3 Contributions to the Budget. The Members agree to contribute to the budget as may be set forth in Exhibit A hereto, the Recreation Master Plan and any additional scoping documents, or upon such other basis as may from time to time be determined by all of the Members.

6.4 Appropriations. Any future expenditure of funds by any Member is subject to the annual appropriations of such Member for such purpose. No debt or multiple fiscal year financial obligation is created by this Agreement.

6.5 Delegation of Administrative Functions and Management of Funds. The Members further agree that management of the administrative affairs of the Authority, including, but not limited to, staff support for meetings and agenda preparation, recording of minutes and making of reports, keeping of books, records and accounts and the management of Authority funds shall be as described in Exhibit A.

SECTION 7: MISCELLANEOUS

7.1 Term. This Agreement shall continue in full force and effect until terminated in accordance with the provisions of Section 7.2, below.

7.2 Termination. Upon termination or rescission by mutual agreement of a majority of the Members, the powers granted to the Authority under this Agreement shall continue to the extent necessary to make an effective disposition of the property, equipment and facilities under this Agreement. Any cost for liabilities incurred by the Authority during the termination of this Agreement and as an expense of termination shall be borne by each Member to the Agreement in equal proportion, or in such other manner as may be determined by the Members.

7.3 Amendment. This Agreement may be modified or amended by the Members at any time in writing and subject to the approval of the governing bodies of the Members.

7.4 Withdrawal. Any Member may withdraw from the Authority by giving written notice to the Authority at least sixty (60) days prior to withdrawal. At the time of withdrawal, the Member shall pay all of its obligations up to the effective date of its withdrawal. Any withdrawing Member terminating its participation pursuant to this provision shall not be entitled to any reimbursement of its initial cost contribution or any annual operating cost contributions previously paid to the Authority.

7.5 No Waiver of Governmental Immunity Act. The Members hereto understand and agree that all parties, their commissioners, directors, mayors, city councils, agents and employees, are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations and other rights, immunities and protections provided by

the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 120, or otherwise available to that Member.

7.6 Entire Agreement. This Agreement contains the entire agreement between and among the Members. The Members agree there have been no representations made other than those contained herein; that this Agreement constitutes their entire Agreement; and further agree that the various promises and covenants contained herein are mutually agreed upon and are in consideration for one another.

7.7 Fair Dealing. The Members agree that they will act in a fair and reasonable manner with a view to carrying out the intents and goals of this Agreement; provided, however, that nothing herein shall be construed as imposing on any Member any greater duty or obligation to any other Member than that which already exists as a matter of Colorado law.

7.8 No Third Party Beneficiaries. There are no express or implied third party beneficiaries of this Agreement. No third party has the right to enforce this Agreement.

7.9 Governing Law and Venue. This Agreement shall be interpreted pursuant to the laws of the State of Colorado and venue for any disputes shall be in Douglas County, Colorado.

7.10 Severability. Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

THEREFORE, IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year above written.

[Remainder of page intentionally left blank – signatures on following pages]

PARKER WATER AND SANITATION DISTRICT

By: _____

Its: _____

ATTEST:

[SEAL]

DOUGLAS COUNTY, STATE OF COLORADO

By: _____

Its: _____

ATTEST:

[SEAL]

CITY OF CASTLE PINES

By: _____

Its: _____

ATTEST:

[SEAL]

CITY OF LONE TREE

By: _____

Its: _____

ATTEST:

[SEAL]

TOWN OF PARKER

By: _____

Its: _____

ATTEST:

[SEAL]

TOWN OF CASTLE ROCK

By: _____

Its: _____

ATTEST:

[SEAL]

EXHIBIT A

[Phase 1 - Schedule and Scope]