

AGREEMENT FOR PURCHASE AND SALE OF RIGHTS IN THE WISE PROJECT AND WISE INFRASTRUCTURE CAPACITY

This Agreement for Purchase and Sale of WISE Capacity (“Agreement”) is made and entered into this _____ day of _____, 2026, and is by and between the Town of Castle Rock, a home rule municipality and political subdivision of the State of Colorado (“Castle Rock”), acting by and through the Castle Rock Water Enterprise, and Denver Southeast Suburban Water & Sanitation District d/b/a Pinery Water & Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado (“Pinery”).

RECITALS

A. Pinery and Castle Rock are parties to the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement (“Organizational Agreement”) the primary purpose of which is to create the South Metro WISE Authority (“Authority”) to facilitate the WISE Project; and

B. The Organizational Agreement, as amended, sets forth the Members’ Subscription Amounts in the WISE Project and the Members’ rights and obligations arising therefrom (“Members WISE Project Rights”); and

C. The Pinery’s Members WISE Project Rights are currently 500 acre-feet (ac-ft), equal to a 5% Pro-Rata Share; and

D. Pursuant to Section 14 of the Organizational Agreement, Members of the Authority are authorized to sell and convey their rights in the Members WISE Project Rights to one or more other Authority Members without restriction; and

E. Castle Rock desires to purchase 250 ac-ft of the Pinery’s Members WISE Project Rights subject to the terms and conditions contained herein; and

F. The Authority is a party to the Purchase Agreement effective September 18, 2014 (“Purchase Agreement”) for the East Cherry Creek Valley Western Pipeline (the “Western Pipeline”) and the State Land Board Line (the “SLB Pipeline”) which defines assets purchased by the WISE Authority; and

G. The Authority, East Cherry Creek Valley Water & Sanitation District, and the City and County of Denver Acting by and through its Board of Water Commissioners, are parties to that certain Agreement for the Operation of Shared Infrastructure, fully executed as of October 21, 2014, as amended, which sets forth, in part, the obligations of the parties thereto related to cost sharing for capital replacements, capital improvements, operations, and maintenance of Shared Facilities (as defined therein), which includes the Western Pipeline; and

H. Pinery holds a right to capacity in the Western Pipeline and SLB Pipeline as described in **Exhibit A** attached hereto (“Members Pipeline Capacity”) and desires to sell to Castle

Rock a portion of its respective Members Pipeline Capacity in the Western Pipeline (including appurtenant capacity in the Smoky Hill Tank and other improvements) and in the SLB Pipeline; and

I. Castle Rock desires to purchase a portion of Pinery's Members Pipeline Capacity subject to the terms and conditions contained herein; and

J. The Authority is a party to that certain Amended and Restated WISE Partnership-Water Delivery Agreement effective October 21, 2014 (the "WDA"), that certain Agreement for the Operation of Shared Infrastructure (the "OSI") dated October 21, 2014, that certain Modifications Agreement effective October 21, 2014 ("Mods Agreement"), and other agreements, which collectively set forth the benefits and obligations of Authority Members regarding the Binney Water Purification Facility (the "Binney Plant") located north of the Aurora Reservoir and the associated Binney Plant Connection, the Denver International Airport (DIA) Connection (the "DIA Connection") located near the Denver International Airport, and the implementation of a total dissolved solids (TDS) management solution ("Salinity Management") (collectively, the "Binney Agreements"); and

K. As a Member of the Authority, Castle Rock agrees that it has reviewed and is familiar with each agreement pertaining to a Member's benefits and obligations regarding the assets to be transferred herein, regardless of whether such agreement is specifically identified above; and

L. Pinery holds a right to capacity in the Binney Pump Station and Binney Pump Station Connection as described in **Exhibit A** attached hereto ("Members Binney Capacity"); and

M. Castle Rock desires to purchase a portion of the Pinery's Members Binney Capacity subject to the terms and conditions contained herein; and

N. Pinery holds a right to capacity in the DIA Connection as described in **Exhibit A** attached hereto ("Members DIA Capacity"); and

O. Castle Rock desires to purchase a portion of the Pinery's Members DIA Capacity subject to the terms and conditions contained herein; and

P. Castle Rock and Pinery are party to the Intergovernmental Water Infrastructure Cost Sharing, Construction and Capacity Allocation Agreement (the "Ridgegate Construction Agreement") dated June 6, 2016, and other agreements, which collectively set forth the benefits and obligations of Ridgegate Members regarding the Ridgegate Pipeline (collectively, "the Ridgegate Agreements"); and

Q. Pursuant to Section 4 of the Ridgegate Construction Agreement, Parties are authorized to sell and convey their rights in the Ridgegate Pipeline to one or more other Parties without restriction; and

R. Pinery holds a right to capacity in the Ridgegate Pipeline as described in **Exhibit A** attached hereto ("Members Ridgegate Pipeline Capacity") and desires to sell to Castle Rock a

portion of its respective Members Ridgegate Pipeline Capacity in exclusively the Ridgegate Pipeline;

S. Castle Rock desires to purchase a portion of the Pinery's capacity in the Ridgegate Pipeline subject to the terms and conditions contained herein;

T. Pinery and Castle Rock are members of the Cherry Creek Project Water Authority ("CCPWA"), a quasi-municipal corporation and political subdivision of the State of Colorado established pursuant to Section 18(2)(a) of Article XIV of the Colorado Constitution and C.R.S. §§ 29-1-203 and 204.2;

U. Castle Rock and Pinery are parties to that certain Intergovernmental Agreement Between Denver Southeast Suburban Water & Sanitation District D/B/A Pinery Water & Wastewater District and The Town Of Castle Rock (Cherry Creek Project Water Authority Water Delivery Agreement) dated May 17, 2022 (the "Delivery Agreement"); and

V. The Delivery Agreement sets forth the terms and conditions upon which the Parties agreed to operate a pipeline connection between the Parties' respective service areas (the "Interconnect"), among other agreements related thereto.

Castle Rock and Pinery intend that this Agreement set forth their entire understanding and agreement regarding the terms and conditions upon which Pinery is selling a portion of its respective Members Pipeline Capacity in the Western Pipeline, its respective Members Binney Capacity, and its respective capacity in the Ridgegate Pipeline. It is the intention of the parties that all prior negotiations, discussions, offers and agreements between them regarding the purchase of such rights be merged and incorporated in this Agreement, except as otherwise stated. For purposes of this Agreement, "Members Pipeline Capacity", "Members Binney Capacity", "Members DIA Capacity", and "Members Ridgegate Pipeline Capacity" are sometimes jointly referred to herein as "Members Capacity".

AGREEMENT

In consideration of the mutual promises and covenants herein contained, and the recitals set forth above which are hereby incorporated, Castle Rock and Pinery agree as follows:

1. Definitions. All capitalized terms in this Agreement not otherwise defined herein shall have the meaning as defined in the Organizational Agreement, the WDA, the OSI, the Mods Agreement, and/or the Ridgegate Construction Agreement as the case may be.

2. Sale of Members Rights and Capacity. Subject to the terms of this Agreement, Pinery agrees to sell to Castle Rock a portion of its respective Members WISE Project Rights, Members Pipeline Capacity, its respective Members Binney Capacity, its respective Members DIA Capacity, and its respective Ridgegate Pipeline capacity, each as described in **Exhibit A** (the "Purchased Shares") and transfer to Castle Rock all rights and responsibilities of Pinery associated with the Purchased Shares pursuant to the Organizational Agreement, the Binney Agreements, and the Ridgegate Agreements.

3. Consideration.

a. Purchase Price and Terms. The total purchase price for the Purchased Shares is Two Million One Hundred Thirty-Eight Thousand Three Hundred Eighty-Eight and 05/100 Dollars (**\$2,138,388.05**) (the “Purchase Price”). The Purchase Price shall be paid in full on or before January 31, 2026, and shall be made in funds which comply with all applicable Colorado laws, which include cash, electronic transfer funds, certified check, savings and loan teller’s check and cashier’s check (“Good Funds”) delivered as instructed by Pinery.

b. Additional Consideration. In addition to the Purchase Price, Castle Rock covenants and agrees as follows:

- i. Castle Rock will enter into an intergovernmental agreement in the form attached hereto as **Exhibit B**, whereby Castle Rock will agree to provide the Pinery with water service via the Interconnect on a wholesale basis, up to 0.75 million gallons per day (mgd) during the month of June, July and August, with the actual amounts of water provided on an as-needed and as-available basis with as-available determined solely at the discretion of Castle Rock;
- ii. Castle Rock agrees not to participate in the expansion of Walker Reservoir and will support the District during negotiations with other CCPWA members to secure to the Pinery the maximum possible amount of capacity in the event of an expansion of Walker Reservoir; and
- iii. In the event that Cottonwood, Inverness, and/or any other CCPWA member, decides to sell their interest in CCPWA, Castle Rock agrees that the Pinery shall have the right of first refusal to purchase such interest and increase the Pinery’s membership rights in the CCPWA, up to fifty percent (50%).

4. Delivery of Purchased Shares. Upon receipt of the Purchase Price, Pinery shall deliver to Castle Rock an executed Bill of Sale (the “Bill of Sale”) in the form attached hereto as **Exhibit C**. Upon delivery of the Bill of Sale, Castle Rock shall have full use of the Purchased Shares and shall be fully responsible for the costs allocated to the Members that are based on the Members Pipeline Capacity, Members Binney Capacity, and the Ridgegate Pipeline Capacity attributable to the Purchased Shares, pursuant to Section 6 of the Organizational Agreement, the Binney Agreements, and the Ridgegate Agreements respectively. Castle Rock and Pinery shall notify the Authority of the new allocation of their respective Members Capacity resulting from this Agreement as set forth in **Exhibit A**.

5. Representations, Covenants, and Agreements of Pinery. Pinery represents and covenants as follows:

a. Pinery is a political subdivision duly organized and existing under the Constitution and laws of the State of Colorado. Pinery has taken all necessary actions and is duly authorized to enter into this Agreement and to carry out its obligations hereunder.

b. There is no litigation or proceeding pending or, to the best of Pinery’s knowledge, threatened against Pinery affecting the right of Pinery to execute this Agreement or

the ability of Pinery to take the actions required hereunder or to otherwise comply with the obligations contained herein.

c. Pinery covenants and agrees to comply with any applicable covenants and requirements set forth in the Organizational Agreement, the Binney Agreements, and the Ridgegate Agreements and to take such actions as necessary to facilitate the transfer of the Purchased Shares pursuant to the terms thereof.

6. Representations and Covenants of Castle Rock. Castle Rock represents and covenants as follows:

a. Castle Rock is a political subdivision of the State of Colorado which has the lawful authority to acquire the Purchased Shares from Pinery.

b. Castle Rock shall not pledge or assign its right, title and interest in and to: (1) this Agreement; or (2) the Purchased Shares and attendant rights and obligations that may be derived under this Agreement or assign, pledge, mortgage, encumber or grant a security interest in its right, title and interest in, to and under this Agreement or the Purchased Shares until such time as the Purchase Price has been delivered to Pinery.

c. There is no litigation or proceeding pending against Castle Rock affecting the right of Castle Rock to enter into this Agreement and perform its obligations hereunder or thereunder.

d. Castle Rock shall be responsible for applying for, obtaining, and complying with any and all necessary requirements for Castle Rock's use of the Purchased Shares under the Organizational Agreement, the Binney Agreements, and the Ridgegate Agreements and to take all actions necessary to facilitate the transfer of the Purchased Shares pursuant thereto.

7. Future Cooperation. Pinery and Castle Rock, for themselves, their respective agents, representatives and assigns, agree to provide to each other and the Authority, its agents, representatives, experts and attorneys, such information and documentation as may be reasonably necessary to implement this Agreement.

8. Notices. Notices under this Agreement and other mailings to the parties shall be sent to the parties at the address for notifications on file with the Authority and a copy of any notices hereunder shall be sent to the Authority.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

10. Anti-Merger Clause. This Agreement shall not merge with either the Organizational Agreement, the Binney Agreements, or the Ridgegate Agreements referenced herein.

11. Execution. This Agreement may be executed in duplicate originals as of the date first above written. When each party has executed a copy thereof, such copies taken together shall

be deemed a full and complete agreement between the parties. The date last signed by either party shall be the execution date.

12. Agents. Castle Rock and Pinery each warrant that neither has retained any real estate broker or real estate agent who would be due a commission or other fee as a result of the closing of this transaction.

13. Modification of Agreement. No subsequent modification of any of the terms of this Agreement shall be valid or enforceable unless made in writing and signed by both parties hereto.

14. No Third Party Beneficiaries. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Castle Rock and Pinery, and their respective successors and assigns, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on this Agreement. It is the express intention of Castle Rock and Pinery that any person other than Castle Rock or Pinery receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

15. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

16. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado. Any legal action concerning the provisions hereof shall be brought in Douglas County, Colorado.

17. Non-Waiver of Governmental Immunity. The parties, their directors, officers, agents and employees are relying upon and do not waive or abrogate, or intend to waive or abrogate by any provision of this Agreement the monetary limitations or any other rights immunities or protections afforded by the Colorado Governmental Immunity Act, C.R.S §§ 24-10-101, *et. seq.*, as the same may be amended.

18. Entire Agreement. This Agreement constitutes the entire understanding between the parties relating to the subject thereof and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Castle Rock and Pinery have executed this Agreement as of the date first set forth above.

PINERY:

Denver Southeast Suburban Water and Sanitation District d/b/a Pinery Water and Wastewater District

By: _____
Walter Partridge, Chairman

ATTEST:

Jim McGannon, Secretary

ATTEST:

Lisa Anderson, Town Clerk

Approved as to form:

Michael J. Hyman, Town Attorney

TOWN OF CASTLE ROCK

Jason Gray, Mayor

Approved as to content:

Mark Marlowe, Director, Castle Rock Water

EXHIBIT A

	Pinery Current Capacity Owned	Cost to Date (USD)	TCR Capacity to purchase	Cost to TCR (USD)
WISE Project Rights*	500 AF	\$972,040.89	250 AF	\$486,020.45
Western Pipeline and Modifications	0.50 mgd	\$1,171,376.86	0.25 mgd	\$585,688.43
DIA Connection	500 AF	\$734,368.95	250 AF	\$367,184.47
Binney Pump Station and Connection	0.50 mgd	\$762,054.94	0.25 mgd	\$381,027.47
Ridgegate Pipeline	0.50 mgd	\$613,982.21	0.25 mgd	\$306,991.11
Salinity Management Project	500 AF	\$22,952.25	250 AF	\$11,476.13
SLB Pipeline	N/A	N/A	Pro-rated based on WISE Authority Records	\$0.00
			TOTAL	\$2,138,388.05

* Includes South Metro WISE Authority Operations and costs and Operational Reserve

EXHIBIT B

[FORM OF INTERGOVERNMENTAL AGREEMENT]

**INTERGOVERNMENTAL AGREEMENT BETWEEN
DENVER SOUTHEAST SUBURBAN WATER &
SANITATION DISTRICT D/B/A PINERY WATER &
WASTEWATER DISTRICT
AND THE TOWN OF CASTLE ROCK
(WATER DELIVERY AGREEMENT)**

THIS **INTERGOVERNMENTAL AGREEMENT** (the “Agreement”) is made and entered into this _____ day of _____, 2026 (the “Effective Date”), by and between **DENVER SOUTHEAST SUBURBAN WATER & SANITATION DISTRICT D/B/A PINERY WATER & WASTEWATER DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“Pinery”) and **THE TOWN OF CASTLE ROCK, A HOME RULE MUNICIPAL CORPORATION, ACTING BY AND THROUGH THE TOWN OF CASTLE ROCK WATER ENTERPRISE** (“Castle Rock”) (individually a “Party” and collectively, the “Parties”).

WITNESSETH:

WHEREAS, C.R.S. § 29-1-203 authorizes the Parties to cooperate and contract with one another regarding functions, services and facilities each is authorized to provide; and

WHEREAS, each of the Parties operates a water delivery system to provide water service to their customers; and

WHEREAS, the Parties entered into the Emergency Connection and Reimbursement Agreement dated December 22, 2011 related to the provision of potable water during emergencies (the “Emergency Interconnect IGA”); and

WHEREAS, the pursuant to the Emergency Interconnect IGA, the parties constructed the Interconnect; and

WHEREAS, the Parties entered into the Intergovernmental Agreement Between Denver Southeast Suburban Water and Sanitation District d/b/a/ Pinery Water & Wastewater District and the Town of Castle Rock (Cherry Creek Project Water Authority Water Delivery Agreement) dated May 17, 2022 related to delivery of the Castle Rock’s interest in the Cherry Creek Project Water Authority (“CCPWA”) water via the Interconnect (the “CCPWA IGA”); and

WHEREAS, Pinery desires to receive water service via the Interconnect on a wholesale basis; and

WHEREAS, Castle Rock is willing to provide wholesale water service to Pinery via the Interconnect, subject to the terms of this Agreement.

NOW, THEREFORE, the Parties, in and for the consideration of the performance of the mutual promises set forth herein, the receipt and adequacy of which is hereby acknowledged, for themselves and their successors, do hereby agree as follows:

1. **DEFINITIONS.** The following terms, when capitalized, have the meanings indicated:

- A. "Interconnect" means the existing pipeline connection between Castle Rock's water system and the Pinery's water system whereby potable water may be delivered from one party to the other party near Mentha Drive and Carefree Trail along the Parties' service boundaries depicted on map identified as **Exhibit A** to this Agreement. The Interconnect is used to deliver water pursuant to the Emergency Interconnect IGA, the CCPWA IGA and this Agreement.
- B. "MGD" means million gallons per day.
- C. "AF" means acre-feet.
- D. "KGal" means per 1000 gallons.
- E. "Castle Rock WISE Water Cost" means the total cost incurred by the Town to obtain delivery of water pursuant to Castle Rock's participation in South Metro WISE Authority, including the cost of WISE Water plus all costs of pumping and transmitting WISE Water through infrastructure owned by Castle Rock and third parties.
- F. "WISE Water" means water delivered to Castle Rock based on its participation in the South Metro WISE Authority.
- G. "Pinery Rate" means the then-current delivery rate charged to Pinery per KGal.

2. **RATE AND VOLUME OF WATER.** Pursuant to this Agreement, Castle Rock agrees to deliver to up to 0.75 MGD of potable water to the Pinery through the Interconnect during the months of June, July, and August, with the actual amounts of water provided on an as-needed and as-available basis. The maximum volume shall not exceed 71.3 AF per month or 209.5 AF feet annually. The minimum volume is 0 AF. Castle Rock shall have sole discretion to determine whether Castle Rock has water available for delivery to the Pinery. This is in addition to any water Pinery is authorized to take, pursuant to the Emergency Interconnect IGA.

3. **QUALITY OF WATER.** All water delivered from Castle Rock to Pinery through the Interconnect pursuant to this Agreement shall meet all state and federal safe drinking water regulatory requirements as such may exist now or in the future, including, without limitation, the Safe Drinking Water Act and Colorado Primary Drinking Water Regulations (5 CCR 1002-1), as amended from time to time. If either party becomes aware of any degradation in water quality that falls below these regulatory requirements, such party shall immediately notify the other party of such fact and cease all deliveries of water until such degradation is remedied.

4. **DELIVERY WATER RATE.** For water deliveries to Pinery pursuant to this Agreement, Pinery agrees to pay the Pinery Rate. The Pinery Rate shall be equal to Castle Rock WISE Water Cost. The Castle Rock WISE Water Cost is \$10.07 per KGal in 2026. The Castle Rock WISE Water Costs will be updated annually in accordance with Castle Rock's standard rate making process. Castle Rock shall provide Pinery written notice of any change to the Pinery Rate before

the end of each calendar year. Castle Rock shall invoice the Pinery monthly for any water deliveries. Pinery shall pay Castle Rock within forty-five (45) days of receipt of the invoices.

5. NOTICE OF REQUEST FOR DELIVERIES. The Pinery shall provide written notice to Castle Rock seven (7) days in advance of its desire to receive water through the Interconnect under this Agreement. The notice shall include the flow rate in MGD, the volume per month in AF and total volume in AF. As soon as practicable, the Town shall inform Pinery in writing of the flow rate and volume of water available and the anticipated commencement of deliveries under the Agreement.

6. CAPITAL IMPROVEMENTS AND COSTS.

A. The Pinery is responsible for making and infrastructure upgrades downstream of the Interconnect necessary to take delivery of water from Castle Rock through the Interconnect. The Pinery is responsible all costs associated with the upgrades, including but not limited to design, permitting, construction, operation, maintenance, repair and replacement costs.

B. The Pinery and Castle Rock shall enter into a separate agreement, if there are any infrastructure upgrades needed upstream of the Interconnect to make deliveries of water to Pinery through the Interconnect. Castle Rock agrees to cooperate with the Pinery on any upgrades upstream of the Interconnect.

C. The ownership of and maintenance obligations for the Interconnect are governed by Sections 2, 3 and 6 of the Emergency Interconnect IGA.

7. REUSABLE WATER RIGHTS. If Castle Rock's water delivered to the Pinery under this Agreement is decreed for use, reuse and successive use to extinction, then Pinery will have the right to reuse that water to extinction. Castle Rock has no obligation to provide any specific water to Pinery or to provide Pinery with water available for reuse and successive use to extinction. Despite references to WISE Water and the WISE Water Rate, the Town has no obligation to deliver WISE Water to Pinery.

8. ACCOUNTING FOR WATER DELIVERIES. The water delivered by Castle Rock to Pinery at the Interconnect under this Agreement shall be measured through a water meter with an expected range of flows within a +/- 1% accuracy. Castle Rock shall read the meter and provide accounting to Pinery on a monthly basis. The accounting shall indicate whether the water is available for reuse and successive use to extinction.

9. DEFAULT/REMEDIES. The failure of either Party ("Defaulting Party") to perform any material covenant, agreement, obligation or provision of this Agreement shall constitute an event of default ("Default"). In the event that one Party deems the other Party to be in Default, it shall provide written notice indicating the Default. The Defaulting Party shall have thirty (30) days from the date of the notice to cure the Default or, if such Default is not capable of being cured within thirty (30) days, cure of such Default shall commence and be diligently pursued to completion. In no event shall the cure period exceed thirty (30) days for monetary Defaults, or sixty (60) days for

non-monetary Defaults, except by written consent of the non-Defaulting Party. In the event the Defaulting Party fails to cure the Default in accordance with this Section, the non- Defaulting Party may pursue all available remedies at law or equity. In any legal action, to the extent allowed by law, the prevailing Party shall be entitled to recover its reasonable attorney's fees and litigation costs from the other Party.

10. MISCELLANEOUS.

A. Appropriations. Any monetary obligation under this Agreement shall be subject to annual appropriation by the governing body of each Party. A failure of either Party to appropriate any annual monies required under this Agreement shall result in the termination of this Agreement on December 31 of the last calendar year for which such monies were appropriated. In such event, each Party's only financial obligation shall be the payment of fees and expenses incurred up to and including the effective date of termination. Nothing set forth herein shall make or constitute this Agreement as a multiple-year fiscal obligation of either Party, nor shall it constitute or create a debt on the part of either Party.

B. Governing Law and Venue. The Parties hereto agree that exclusive jurisdiction and venue for the resolution of any dispute relating to this Agreement shall lie in the District Court for Douglas County, State of Colorado.

C. Entire Agreement. This Agreement and the Emergency Interconnect IGA constitute the entire agreement between the parties relating to the subject matter thereof, and there are no prior or contemporaneous agreements, either oral or written, relating to the subject matter hereof except as expressly set forth herein.

D. Conflict Between Agreements. The Emergency Interconnect IGA shall remain in full force and effect. In the event of an irreconcilable conflict between this Agreement and the Emergency Interconnect IGA, the terms of this Agreement shall govern.

E. Agreement Modification. The Agreement may not be amended, altered, or otherwise changed except by a written agreement between the Parties.

F. Counterpart Execution. The Agreement may be executed in one or more counterparts, each of which when executed shall be deemed an original, all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by electronic delivery and, upon receipt, shall be deemed originals and binding upon the parties hereto.

G. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Parties or their officials, employees, contractors, or agents, or any other person acting on behalf of the Parties and, in particular, governmental immunity that may be afforded or available to the Parties pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

H. **Assignability.** This Agreement may be assigned, pledged or transferred, in whole or in part, by either Party, but only with the prior written consent of the other Party to this Agreement.

I. **No Public Dedication/No Third-Party Beneficiary.** Nothing contained herein shall be deemed to be a grant or dedication of any rights or use to the public in general, and no third-party beneficiary interests are created nor intended to be created by this Agreement.

J. Headings for Convenience. The headings and captions in this Agreement are intended solely for the convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

K. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given, at the address set forth below, or at such other address as has been previously furnished in writing, to the other party. Such notice shall be deemed to have been given three (3) days after deposit in the United States mail.

If to Castle Rock: Town of Castle Rock
Attn: Director of Castle Rock Water
175 Kellogg Court
Castle Rock, CO 80109

with copy to: Town of Castle Rock
Attn: Town Attorney
100 N. Wilcox Street
Castle Rock, CO 80104

If to Pinery: Pinery Water and Wastewater District
Attn: District Manager
5242 Old Schoolhouse Rd
Parker, CO 80134

with copy to: c/o: Folkestad Fazekas Barrick & Patoile, P.C.
Attn.: Joe D. Kinlaw, General Counsel
18 S. Wilcox Street, Suite 200
Castle Rock, CO 80104

L. **No Waiver.** No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

K. Recordation. The Parties agree that this Agreement shall be recorded in the records

of the Clerk and Recorder for Douglas County, Colorado.

L. Binding Agreement. The benefits and burdens of this Agreement shall inure to and be binding upon on the successors and assigns of the Parties.

M. Definitions and Interpretations. Except as otherwise provided herein, nouns, pronouns and variations thereof shall be deemed to refer to the singular or plural, and masculine or feminine, as the context may require. Any reference to a policy, procedure, law, regulation, rule or document shall mean such policy, procedure, law, regulation, rule or document as it may be amended from time to time.

N. Effect of Invalidity. If any provision of this Agreement is held illegal, invalid or unenforceable under present or future applicable law, such provision will be fully severable and this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision was not a part hereof.

O. Force Majeure. Subject to the terms and conditions of this paragraph, no party to this Agreement shall be liable for any delay or failure to perform under this Agreement due solely to conditions or events of force majeure, as that term is specifically defined herein; provided that: i) the non-performing party gives the other party prompt written notice describing the particulars of the occurrence of the force majeure; ii) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure event or condition; and iii) the non-performing party proceeds with all necessary diligence to remedy its inability to perform. As used herein, force majeure shall mean any delay or failure of a party to perform its obligations under this Agreement caused by events beyond the party's reasonable control and without the fault or negligence of the party, including, without limitation, (a) acts of God, (b) sudden actions of the elements such as floods, earthquakes, rock slides, avalanches, or tornadoes, (c) sabotage, (d) vandalism beyond that which can be reasonably prevented by the party, (e) terrorism, (f) war, (g) riots, (h) fire, (i) explosion, (j) extreme weather, (k) extreme snow, (l) blockades, (m) insurrection, (n) strike, slowdown or other labor disruptions, and/or (o) pandemics.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto as of the date first written above.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Mark Marlowe, Director Castle Rock Water

[Signatures Continue on Following Page]

PINERY:

DENVER SOUTHEAST SUBURBAN WATER
AND SANITATION DISTRICT, D/B/A PINERY
WATER AND WASTEWATER DISTRICT,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
Walter E. Partridge, Chairman

ATTEST:

By: _____
Jim McGannon, Secretary

EXHIBIT C
[FORM OF BILL OF SALE]

BILL OF SALE
[RIGHTS IN THE WISE PROJECT AND WISE INFRASTRUCTURE CAPACITY]

KNOW ALL PERSONS BY THESE PRESENTS that the **DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado **D/B/A PINERY WATER AND WASTEWATER DISTRICT** (the “Pinery”) in consideration of the receipt of the sum of **Two Million One Hundred Thirty-Eight Thousand Three Hundred Eighty-Eight and 05/100 Dollars** (\$2,138,388.05) (the “Purchase Price”), the receipt whereof is hereby acknowledged, has granted, bargained, sold, conveyed, transferred and delivered and by these presents does bargain, sell, grant, convey, transfer and deliver unto the **TOWN OF CASTLE ROCK**, a home rule municipality and political subdivision of the State of Colorado, by and through the Castle Rock Water Enterprise (“Castle Rock”) (each individually a “Party” and collectively, the “Parties”), the following goods, rights and interests set forth herein (capitalized terms used herein, if not separately defined in this Bill of Sale, will have the same meanings ascribed to them in that certain Agreement for Purchase and Sale of Rights in the WISE Project and WISE Infrastructure Capacity, dated January 20, 2026, by and between Castle Rock and Pinery), each as more specifically set forth on **Exhibit 1**, attached hereto and incorporated herein by this reference:

1. WISE Project Rights;
2. Member’s Pipeline Capacity in the Western Pipeline and Modifications (which includes the Smoky Hill Tank and other improvements);
3. The SLB Pipeline;
4. Member’s rights and obligations related to Binney Capacity in the future Binney Connection and Binney Pump Station;
5. Member’s rights and obligations related to DIA Capacity in the DIA Connection;
6. Member’s rights and obligations related to the Ridgegate Pipeline Capacity in the Ridgegate Pipeline.

This Bill of Sale may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one Bill of Sale. In addition, the parties agree to recognize signatures of this Bill of Sale transmitted by telecopy or email as if they were original signatures.

[Signature Page Follows]

IN WITNESS WHEREOF, the Pinery and Castle Rock have executed this Bill of Sale, effective
_____, 2026

**DENVER SOUTHEAST SUBURBAN WATER
AND SANITATION DISTRICT D/B/A PINERY
WATER AND WASTEWATER DISTRICT,
a quasi-municipal corporation and political subdivision
of the State of Colorado**

By: Walter Partridge, Chairman

ATTEST:

Heidi Tackett, Secretary

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

Approved as to content:

Mark Marlowe, Director, Castle Rock Water