

**TOWN OF CASTLE ROCK/RAVENNA METROPOLITAN DISTRICT  
SPOT WATER LEASE AGREEMENT**

THIS WATER LEASE AGREEMENT ("Agreement") is entered into \_\_\_\_\_, 2017 by and between the Town of Castle Rock, a home rule municipal corporation, acting by and through the Town the Castle Rock Water Enterprise ("Town"), as Lessor, whose address is 100 N. Wilcox Street, Castle Rock, Colorado 80104 and Ravenna Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado ("Ravenna"), as Lessee, whose address is: c/o Pinnacle Consulting Group, Inc.; 1627 East 18<sup>th</sup> Street; Loveland, Colorado 80538, collectively referred to as the Parties.

**RECITALS**

**WHEREAS**, the Town owns certain water in the Chatfield Basin that is reusable and fully consumable after its first use for municipal purposes by the Town. From time to time, a certain amount of this water is surplus to the needs and obligations of the Town ("Surplus Water");

**WHEREAS**, the Town anticipates it will have Surplus Water available from time to time in 2017; and

**WHEREAS**, Ravenna desires to lease a certain portion of the Surplus Water from the Town in accordance with the terms and conditions of this Agreement.

**AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Ravenna agree as follows:

1. The Town hereby leases to Ravenna a total of 195 acre-feet (AF) of the Surplus Water ("Leased Spot Water"), which will be made available as follows:

- A. Not to exceed 6.66 AF per day from March 29 to April 14, 2017;
- B. Not to exceed 5.13 AF per day from April 15 to April 30, 2017;
- C. Leased Spot Water requested outside of those date ranges, up to 195 AF total, shall be coordinated with the Town.

2. The Town shall provide Ravenna each day with flow measurement data at the discharge point for the Leased Spot Water for the preceding day. Actual day-to-day deliveries of Leased Spot Water to Ravenna may be adjusted at any time by the Town, and Ravenna may elect at any time to decline to take delivery of any portion of the Leased Spot Water proposed for delivery by the Town. Ravenna shall not be obligated to pay for any Leased Spot Water it elects not to take delivery of. Ravenna and the Town shall coordinate daily operational information by phone, fax, email or other suitable means in order to assure effective delivery management. Ravenna may verify at any time the accuracy of the flow measurement device used by the Town

to measure the Leased Spot Water at the discharge point. The rate of delivery of Leased Spot Water shall be mutually agreed upon by the Parties.

3. The point of delivery of the Leased Spot Water shall be at the PCWRA outfall to East Plum Creek and Ravenna shall bear any transit losses charged by the Water Commissioner between the outfall and the take-out point. Ravenna plans to take the Leased Spot Water from Plum Creek at the Sedalia Diversion owned and operated by United Water and Sanitation District. Ravenna shall pay to the Town \$300.00 per acre foot for each acre-foot of Leased Spot Water measured at the point the Leased Spot Water is discharged from the Plum Creek Water Reclamation Authority into Plum Creek and accepted for delivery by Ravenna. Ravenna will measure the quantity of Leased Spot Water taken from Plum Creek by use of a regularly-calibrated primary flow measuring device. Ravenna shall provide Town with an accounting of the water on a daily basis. The Town shall provide a monthly invoice to Ravenna and Ravenna shall make payment within 30 days of receipt.

4. The Town shall allow Ravenna to divert, store, inject, use, reuse, and successively reuse to extinction and make all decreed uses of all Leased Spot Water, and shall confirm to Ravenna satisfaction that all Leased Spot Water is decreed for all such uses and has been recognized and is administered by the Colorado State Engineer for all such uses.

5. Leased Water shall be delivered "as is," but shall be of a quality that meets all standards and effluent limitations specified in Colorado Discharge Permit System Permit No. CO-0038547, as amended, or in any other discharge permit issued by the Water Quality Control Division or by the U.S. EPA authorizing discharges from the Plum Creek Water Reclamation Authority facility; such quality to be measured at the authorized discharge point(s) specified in any such discharge permit. By entering into this lease and taking delivery of the Leased Spot Water, Ravenna acknowledges that such water is suitable for all purposes that Ravenna shall make of the water, if the Leased Spot Water meets the requirements of this paragraph. Ravenna and any entity providing water to Ravenna shall be precluded from arguing or otherwise asserting that effluent discharged from the Plum Creek Water Reclamation Authority and carried in East Plum Creek and Plum Creek to the Sedalia Diversion is not of suitable quality to meet the requirement of use to which water delivered to Ravenna has normally been put. Ravenna shall have no obligation to take delivery of or pay for any of the Leased Spot Water that does not satisfy the requirements of this paragraph.

6. The term of this Agreement shall commence on its execution and expire December 31, 2017. Provided however, by mutual written agreement of the Parties, this Lease Agreement may be renewed on the same or on different terms.

7. Ravenna's obligations under this Agreement are limited to making the payments as described in paragraph 3 above for the Leased Spot Water it elects to take.

8. All notices which may be required to be given by either Party to the other shall be made in writing and either hand delivered or sent by first class United States mail, postage prepaid, addressed as follows, or by facsimile, or via electronic means:

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

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

If to Ravenna: Ravenna Metropolitan District  
Attn: Jim A. Worley, District Manager  
c/o Pinnacle Consulting Group, Inc.  
1627 18<sup>th</sup> Street  
Loveland, CO 80538

9. This Agreement represents the entire Agreement between the Parties on the matters set forth herein and supersedes all prior negotiations, representations or agreements respecting said matters whether written or oral.

10. The execution of the Agreement by the Town as lessor and Ravenna as lessee constitutes the execution of a binding lease agreement by those Parties on the terms and conditions contained herein.

**LESSOR:**

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Sally A. Misare, Town Clerk

\_\_\_\_\_  
Jennifer Green, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Robert J. Slentz, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Dir. of Castle Rock Water

**STATE OF COLORADO )**  
**) ss.**  
**COUNTY OF DOUGLAS )**

The foregoing instrument as acknowledged before me this \_\_ day of \_\_\_\_\_, 2017 by Sally A. Misare as Town Clerk and Jennifer Green as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.  
My commission expires:

\_\_\_\_\_  
Notary Public

**LESSEE:**

**ATTEST:**

Ravenna Metropolitan District

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**Approved as to form:**

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[illegible]

The foregoing instrument as acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2017 by \_\_\_\_\_ as \_\_\_\_\_ and \_\_\_\_\_ as \_\_\_\_\_ for Ravenna.

Witness my official hand and seal.  
My commission expires:

Notary Public