

INTERGOVERNMENTAL AGREEMENT
(Bond Repayment)

THIS INTERGOVERNMENTAL AGREEMENT (“IGA”) is adopted and approved with an effective date of September 2, 2025, by and among the Town of Castle Rock (the “Town”), Castle Pines Metropolitan District, acting by and through its Water and Sanitation Activity Enterprise (“CP Metro”), and Castle Pines North Metropolitan District (“CP North”) and Plum Creek Water Reclamation Authority (“PCWRA”). The Town, CP Metro, and CP North may be individually referred to herein as a “Member” and collectively as the “Members.”

RECITALS

- A. PCWRA owns a reservoir (the “Reuse Reservoir”) for the storage and distribution of treated wastewater which is used by four local golf courses for irrigation.
- B. Each Member has within its boundaries at least one golf course which uses irrigation water from the Reuse Reservoir.
- C. PCWRA has determined the need to rehabilitate the Reuse Reservoir, including a new liner, aeration system, a new pump station, and other capital improvements (the “Project”).
- D. Each of the Members has determined that to secure and continue the availability of reuse water for golf course irrigation, the Project is in the best interests of its residents, taxpayers, and rate payers.
- E. In order to finance the Project, PCWRA has applied for a loan from the Colorado Water Resources and Power Development Authority (the “CWRPDA”), a body corporate and political subdivision of the State of Colorado, and the Board of Directors of PCWRA has passed or will pass a Resolution approving and authorizing a Loan Agreement with the CWRPDA, and PCWRA has executed or will execute a Loan Agreement with the CWRPDA for a loan not to exceed \$8,500,000 (the “Loan Agreement”).
- F. The repayment obligations under the Loan Agreement will be evidenced by a governmental agency bond (the “Bond”) to be issued by PCWRA to the CWRPDA, and which Bond shall be payable only from revenue of PCWRA.
- G. The revenue of PCWRA historically includes payments by the Members sufficient to cover PCWRA’s costs of operating the Reuse Reservoir and providing irrigation water to the golf courses, based upon specific charges (the “Reuse Charges”) included in the regular billings by PCWRA to each of the Members.
- H. Upon the issuance of the Bond PCWRA will include in the Reuse Charges to each of the Members, in addition to operating costs and other charges, an amount sufficient to cover the payments under the Loan Agreement as they become due.
- I. The percentage of the total loan repayment amount that is allocated to each Member is as follows:
 - Town of Castle Rock 25%
 - Castle Pines Metropolitan District 50%
 - Castle Pines North Metropolitan District 25%

- J. The payment by each of the Members of the full amount of the Reuse Charges, including the portion based upon the above percentage of the loan repayment costs, will be essential for PCWRA to meet its payment obligations under the Loan Agreement.
- K. While it is recognized that each Member will invoice the respective golf course(s) within its boundaries for the amount of the Reuse Charges, including the amount needed to cover its share of PCWRA's obligations under the Loan Agreement, PCWRA's receipt of funds sufficient to meet its obligations under the Loan Agreement cannot be dependent upon the golf courses' respective willingness or ability to pay.

NOW, THEREFORE, in consideration of the above recitals and the promises herein contained, and as an express inducement to PCWRA to enter into the Loan Agreement, the Members and PCWRA agree together as follows:

1. Each Member, as a primary party and not merely as a guarantor or surety, unconditionally and irrevocably agrees to the prompt and full payment (and not merely the collectability) of the amount of each invoice for Reuse Charges, including without limitation the portion thereof that is equal to such Member's obligation (if any) for an amount equal to PCWRA's payments under the Loan Agreement based on the above percentage, through and including the last and final payment in accordance with the payment schedule set forth in Exhibit C of the Loan Agreement, as the same may be hereafter amended, modified, extended, renewed or restated, regardless of whether such Member has received a corresponding payment from the golf course(s) within its boundaries; provided, however, that the Loan Agreement shall be an agreement of PCWRA only, and none of the Members shall in any way be deemed to be parties, guarantors or sureties under the Loan Agreement. Further, each Member's financial obligation with respect to the Loan Agreement shall not exceed each Member's proportional allocation, as set forth in Recital I, above, of the total repayment amount under the Loan Agreement.
2. This IGA shall supersede and, for the duration of the Loan Agreement, take precedence over, any contrary, conflicting, or inconsistent agreement between or among the parties hereto relating to the Loan Agreement and the repayment of the loan thereof, including without limitation any contrary, conflicting, or inconsistent provision of the PCWRA Establishing Agreement, and any amendment thereof; provided, that all provisions of the Establishing Agreement and any amendments thereto that are not in conflict with the provisions of this IGA shall remain in full force and effect.
3. The laws of the State of Colorado shall govern the validity, performance, and enforcement of this IGA. Should any party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be in Douglas County, Colorado.
4. This IGA constitutes the entire and complete agreement of the parties on the subject matter herein. No promise or undertaking has been made by any party, and no understanding exists with respect to the transaction herein contemplated, except as expressly set forth herein. Any modification or amendment must be in a written form and executed in the same manner as this IGA.
5. In the event that either party deems it necessary to pursue legal action to enforce any provision of this IGA, the prevailing party shall be entitled to recover its reasonable attorney fees and costs, including but not limited to expert witness fees, actually incurred in such action; provided the parties waive any claims against each other for consequential damages arising out of or relating to this Agreement, including, but not limited to, special, incidental, indirect, consequential, exemplary, or punitive damages of any kind arising out of or related to the performance or non-performance of the Agreement, and

regardless of whether such losses, damages or liability arises from breach of contract or warranty, tort (including negligence), indemnity, strict liability or otherwise.

6. This IGA shall be binding upon and inure to the benefit of the parties, their successors, and authorized assigns.

7. By executing this IGA, the parties acknowledge and represent to one another that all procedures necessary to contract and execute this IGA have been performed and that the person signing for each party has been duly authorized to do so and to bind said party to the terms and conditions hereof.

8. This IGA may be executed in duplicate original counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same document.

9. The parties hereto may not assign this Agreement or parts hereof or its rights hereunder without the express written consent of all of the other parties; provided, PCWRA may assign this Agreement and/or its rights hereunder to CWRPDA or a third-party trustee or similar entity without consent if necessary under the Loan Agreement. Any attempt to assign this Agreement in the absence of such written consent shall be null and void *ab initio*.

10. Notwithstanding any language in this Agreement or any representation or warranty to the contrary, the parties hereto shall not be deemed or constitute partners, joint venture participants, or agents of the other. Any actions taken by the parties pursuant to this Agreement shall be deemed actions as an independent contractor of the others.

11. 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 the parties. It is the express intention of the parties that any person or entity other than the parties shall be deemed to be only an incidental beneficiary under this Agreement.

12. Nothing in this Agreement or in any actions taken by the parties or their respective elected officials, directors, officers, agents and employees pursuant to this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., and any other applicable law.

13. No elected official, director, officer, agent or employee of the parties shall be charged personally or held contractually liable under any term or provision of this Agreement, or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

14. This Agreement shall remain in full force and effect during the term of the Loan Agreement, and this Agreement shall automatically terminate upon termination of the Loan Agreement for any reason on its terms.

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IN WITNESS WHEREOF the Members and PCWRA have caused this IGA to be executed to be effective on the date first above written.

CASTLE PINES METROPOLITAN DISTRICT

By _____
President

ATTEST:

By _____
Secretary

CASTLE PINES NORTH METROPOLITAN DISTRICT

By _____
President

ATTEST:

By _____
Secretary

TOWN OF CASTLE ROCK

By _____
Mayor

ATTEST:

By _____
Town Clerk

PLUM CREEK WATER RECLAMATION AUTHORITY

By _____
Board President

ATTEST:

By _____
Board Secretary