

**SECOND AMENDMENT TO THE  
SOUTH METRO WISE AUTHORITY  
FORMATION AND ORGANIZATIONAL  
INTERGOVERNMENTAL AGREEMENT**

**THIS SECOND AMENDMENT TO THE SOUTH METRO WISE AUTHORITY FORMATION AND ORGANIZATIONAL INTERGOVERNMENTAL AGREEMENT** ("Agreement") is made and effective on the 1st day of January, 2020, by and between the political subdivisions listed on **Exhibit A**, which is attached hereto and incorporated herein ("Members") which comprise the "**South Metro WISE Authority**" ("SMWA").

**RECITALS**

**WHEREAS**, the Members entered into that certain South Metro WISE Authority Formation and Organizational Intergovernmental Agreement (the "WISE IGA"), which formed the SMWA and set forth the responsibilities, powers, duties, and services between the Members; and

**WHEREAS**, SMWA is a party to that certain Amended and Restated WISE Partnership – Water Delivery Agreement between Denver Water, the City of Aurora, acting by and through its Utility Enterprise, and the South Metro WISE Authority, effective December 31, 2013 ("WDA"); and

**WHEREAS**, the SMWA and Douglas County, Colorado ("County") are parties to that certain WISE Water Reservation Agreement, dated January 28, 2015 ("County Option"), whereby the County reserved the right to certain WISE water deliveries as further described in the County Option, which deliveries and rights can be assigned pursuant to Section 4 of the County Option; and

**WHEREAS**, pursuant to the County Option, the County provided notice dated June 28, 2019, assigning its rights to the water delivered under the County Option to SMWA for purposes of transferring such rights to the SMWA members; and

**WHEREAS**, certain Members, including the Town of Castle Rock, the Parker Water & Sanitation District, the Stonegate Village Metropolitan District, and the Meridian Metropolitan District ("Participating Members"), desire to assume the rights and obligations regarding the water deliveries set forth in the County Option; and

**WHEREAS**, SMWA is entering into an Assignment and Assumption Agreement with the Participating Members contemporaneously with the Agreement herein, whereby SMWA is assigning, and the Participating Members are assuming, those rights and obligations set forth in the County Option; and

**WHEREAS**, under the WISE IGA, the Executive Board may establish replacement reserves and require Members to contribute to those reserves in accordance with the Member's pro-rata share (quantified in Exhibit B below) or other equitable pro-ration; and

**WHEREAS**, the Members desire to further amend the WISE IGA regarding the Executive Board's determination of the appropriate amount of reserves.

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

### **AGREEMENT**

1. Increase in overall Subscription Amounts. Section 2.K. of the WISE IGA is amended to reflect that the total of all of the Members' annual Subscription Amounts is amended and increased to 10,000 ac-ft.
2. Increase in Participating Members' Subscription Amounts. The following Participating Members' Subscription Amounts shall be amended:
  - a. The Town of Castle Rock agrees to assume an additional 1,000 ac-ft for a total of 2,000 ac-ft.
  - b. The Meridian Metropolitan District agrees to assume an additional 475 ac-ft for a total of 775 ac-ft.
  - c. The Parker Water & Sanitation District agrees to assume an additional 800 ac-ft for a total of 2,000 ac-ft.
  - d. The Stonegate Village Metropolitan District agrees to assume an additional 500 ac-ft for a total of 1,000 ac-ft.
  - e. A complete list of the Members' Subscription Amounts is provided as **Exhibit B** below and is incorporated herein. This Exhibit B replaces Exhibit C to the WISE IGA.
3. Assumption. The Participating Members assume and agree to perform the rights and obligations of SMWA pursuant to the County Option as set forth therein, including but not limited to payments of the amounts associated with the Participating Members' share of the Assignment as set forth in the County Option and the WISE IGA, as well as compliance with the terms and conditions of the WDA. Such assumption shall be effective as of January 1, 2020.
4. Replacement Reserves. Section 6.L. of the WISE IGA is hereby repealed and replaced as follows:

- a. The Executive Board may establish replacement reserves and require Members to contribute thereto in accordance with a Member's Pro-Rata Share or other equitable pro-ration.
  - b. The Executive Board shall have full discretion and authority to determine when to refill the reserve funds under the WISE IGA. There shall be no limit on the Executive Board's discretion and authority to amend, revise, or adjust the reserve policy as deemed necessary by the Executive Board.
  - c. The Executive Board shall evaluate the sufficiency of the reserves and determine the appropriate amount thereof no more frequently than every three years or as the Executive Board otherwise deems necessary. The Executive Board shall review the reserve amount and adjust same in accordance with the then current needs and obligations of the Authority.
  - d. At a minimum, the reserve fund shall include \$1,500,000 for emergency capital repairs plus an amount equal to three months' worth of the current year's budgeted operational expenses, excluding the water acquisition payments under the WDA.
5. Counterparts and Facsimiles. This Agreement may be executed in counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. Facsimile or scanned signatures shall be an acceptable form of execution of this Agreement. The effective date stated above shall be the effective date of this Second Amendment regardless of the date of execution by the parties hereto.
6. The Members acknowledge and agree that all other terms of the WISE IGA shall remain in full force and effect and this Second Amendment to the WISE IGA shall not amend, modify, or alter the WISE IGA in any respect except as provided herein.

(remainder of page intentionally left blank – signature pages to follow)

IN WITNESS WHEREOF, the Members have executed this Second Amendment to the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement between the political subdivisions listed on **Exhibit A** as of the date first written above.

<p>CENTENNIAL WATER &amp; SANITATION DISTRICT</p>   <p>BY: _____</p>	<p>TOWN OF CASTLE ROCK</p>   <p>BY: _____</p>
<p>DENVER SOUTHEAST SUBURBAN WATER AND SANITATION DISTRICT d/b/a PINERY WATER AND WASTEWATER DISTRICT</p>   <p>BY: _____</p>	<p>COTTONWOOD WATER AND SANITATION DISTRICT acting by and through its Cottonwood Water Enterprise</p>   <p>BY: _____</p>
<p>INVERNESS WATER &amp; SANITATION DISTRICT</p>   <p>BY: _____</p>	<p>DOMINION WATER AND SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, acting by and in its capacity as a water activity enterprise pursuant to Article 45.1, Title 37, C.R.S.</p>   <p>BY: _____</p>
<p>PARKER WATER AND SANITATION DISTRICT</p>   <p>BY: _____</p>	<p>MERIDIAN METROPOLITAN DISTRICT</p>   <p>BY: _____</p>

<p>STONEGATE VILLAGE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, acting by and through the "Stonegate Village Metropolitan District Water Activity Enterprise"</p> <p>BY: _____</p>	<p>RANGEVIEW METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, acting by and in its capacity as a water activity enterprise pursuant to Article 45.1, Title 37, C.R.S.</p> <p>BY: _____</p>
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**EXHIBIT A**  
**LIST OF MEMBERS AND CONTACT INFORMATION**

Centennial Water & Sanitation District 62 West Plaza Drive Highlands Ranch, CO 80126-2304 Facsimile: 303-791-0437	Town of Castle Rock 100 North Wilcox Street Castle Rock, CO 80104 Facsimile: 303-688-0437
Denver Southeast Suburban Water & Sanitation District (dba Pinery Water and Wastewater District) 5242 Old Schoolhouse Road Parker, CO 80134 Facsimile: 303-841-2123	Cottonwood Water and Sanitation District c/o Mulhern MRE, Inc. 188 Inverness Drive West, Suite 150 Englewood, CO 80112 Facsimile: 303-414-0671
Inverness Water & Sanitation District c/o Mulhern MRE, Inc. 188 Inverness Drive West, Suite 150 Englewood, CO 80112 Facsimile: 303-414-0671	Dominion Water & Sanitation District 9250 East Costilla Avenue, Suite 210 Greenwood Village, CO 80112 Facsimile: 303-232-9088
Parker Water and Sanitation District 18100 Woodman Drive Parker, CO 80134 Facsimile: 303-901-0175	Meridian Metropolitan District 6380 South Fiddlers Green Circle, Suite 400 Greenwood Village, CO 80111 Facsimile: 303-740-6954
Stonegate Village Metropolitan District c/o Mulhern MRE, Inc. 188 Inverness Drive West, Suite 150 Englewood, CO 80112 Facsimile: 303-414-0671	Rangeview Metropolitan District c/o Special District Management Services, Inc. 141 Union Boulevard, Suite 150 Lakewood, CO 80228 Facsimile: 303-292-3475

**EXHIBIT B**  
**MEMBERS' SUBSCRIPTION AMOUNTS**  
**AND PRO RATA SHARE**

<b>Member</b>	<b>Subscription Amount</b>	<b>Pro-Rata Share</b>
Town of Castle Rock	2,000 ac-ft	20%
Centennial Water & Sanitation District	1,000 ac-ft	10%
Cottonwood Water & Sanitation District	400 ac-ft	4%
Denver Southeast Suburban Water and Sanitation District d/b/a Pinery Water and Wastewater District	500 ac-ft	5%
Dominion Water & Sanitation District	1,325 ac-ft	13.25%
Inverness Water & Sanitation District	500 ac-ft	5%
Meridian Metropolitan District	775 ac-ft	7.75%
Parker Water & Sanitation District	2,000 ac-ft	20%
Rangeview Metropolitan District	500 ac-ft	5%
Stonegate Village Metropolitan District	1,000 ac-ft	10%
<b>TOTAL</b>	<b>10,000 ac-ft</b>	<b>100%</b>