

SUPERIOR METROPOLITAN DISTRICT NO. 1
RESOLUTION NO. SMD#1 - 5
SERIES 2017

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUPERIOR METROPOLITAN DISTRICT NO. 1 APPROVING A SECOND AMENDMENT TO THE FIFTH INTERIM AGREEMENT WITH THE MUNICIPAL SUBDISTRICT, NORTHERN COLORADO WATER CONSERVANCY DISTRICT WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE FOR PARTICIPATION IN THE WINDY GAP FIRING PROJECT

WHEREAS, the District has entered into agreements with the Municipal Subdistrict, Northern Colorado Water Conservancy District, acting by and through its Windy Gap Firing Project Water Activity Enterprise for participation in the Windy Gap Firing Project;

WHEREAS, the fifth phase of the Project consists of continuation of work to obtain local, state and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; development of contracts; development of alternatives for financing; and related activities; and

WHEREAS, additional funds are necessary to complete the fifth phase of the Project, so the Enterprise is requesting additional funds from the District in the amount of \$561,079 for the 2017 calendar year.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SUPERIOR METROPOLITAN DISTRICT NO. 1; AS FOLLOWS:

Section 1. The Board hereby approves the second amendment to the Fifth Interim Agreement for participation in the Windy Gap Firing Project, in substantially the form attached hereto, subject to final approval by the District's general counsel.

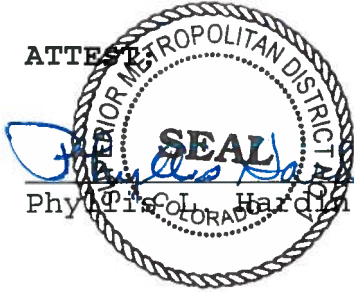
Section 2. The Board hereby authorizes the expenditure of funds in the amount of \$561,079 for the District's share of the 2017 calendar year costs, which will be due on May 31, 2017.

ADOPTED this 24th day of April, 2017.

Clint Folsom

Clint Folsom, President

ATTEST



Phyllis L. Hardin
Phyllis L. Hardin, Secretary

SECOND AMENDMENT TO FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
SUPERIOR METROPOLITAN DISTRICT NO. 1
FOR PARTICIPATION IN THE
WINDY GAP FIRING PROJECT

This Second Amendment is made and entered into as of May 12, 2017, by and between the Municipal Subdistrict, Northern Colorado Water Conservancy District (a quasi-municipal entity and political subdivision of the State of Colorado) (the "Subdistrict"), acting by and through its Windy Gap Firing Project Water Activity Enterprise (a government-owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45.1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the "WGF Enterprise"), and the Superior Metropolitan District No. 1, whose address is 124 East Coal Creek Drive, Superior, Colorado 80027 ("Participant"), for the purpose of amending the Fifth Interim Agreement between the parties (the "Agreement").

RECITALS

WHEREAS, The WGF Enterprise is continuing work on the Fifth Phase of the Project which consists of completion of all local, state and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; and related activities. Completion of the Fifth Phase of the Project on behalf of the Participants will require additional funding in 2017; and

WHEREAS, In September of 2016, the City of Loveland executed an Amendment to the Fifth Interim Agreement which adjusted their storage capacity in the Project and which is considered the First Amendment to the Fifth Interim Agreement.

NOW THEREFORE, in consideration of the foregoing recitals, the Parties agree as follows:

1. Paragraph 2 of the Agreement is amended to provide that Participant's storage capacity in the Project shall be 4,726 acre feet of water, an increase of 226 acre feet.
2. The Agreement is amended by deletion of paragraph 3 and the substitution of the following new paragraph 3.
3. Participant agrees to provide to the WGF Enterprise funds for its pro rata share of the costs necessary to complete the Fifth Phase of the

Project.

A. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$719,329 for the 2016 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2016 calendar year costs.

B. The WGF Enterprise estimates that Participant's pro rata share of the cost of the Fifth Phase of the Project is \$561,079 for the 2017 calendar year. Participant will pay the WGF Enterprise its pro rata share of the 2017 calendar year costs on or before May 31, 2017. This estimated cost will not be increased or exceeded without the prior written approval of Participant.

If the Fifth Phase of the Project cannot be completed within these estimated costs, the WGF Enterprise is not obligated to complete the Fifth Phase of the Project for the benefit of Participant unless sufficient additional pro rata funds as determined by the WGF Enterprise are provided by Participant. Attached hereto as Exhibits A, and B are tables showing the pro rata share of the costs of the Project for each Participant for 2016 and 2017 based upon then-current allocations of capacity in the Project. The storage allocations and costs shown on Exhibit B reflect each Participant's share of estimated 2017 costs for the Fifth Phase based upon a revised allocation of storage capacity in the Project as described in Paragraph 2 of the Agreement. Each participant's cost reflects an appropriate adjustment on its payment obligation based on this revised storage allocation.

3. All other terms and conditions of the Agreement shall continue in full force and effect except as specifically amended herein.

SUPERIOR METROPOLITAN
DISTRICT NO. 1

By: Clint Folsom
Name: CLINT FOLSON
Title: MAYOR

MUNICIPAL SUBDISTRICT, NORTHERN
COLORADO WATER CONSERVANCY
DISTRICT, ACTING BY AND THROUGH
THE WINDY GAP FIRING PROJECT
WATER ACTIVITY ENTERPRISE

By: Don Carlson
Name: DON CARLSON
Title: ASSISTANT MGR

EXHIBIT A - Amended

Windy Gap Firming Project Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2016: \$ 13,775,950

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	25,200	\$ 4,028,243
CWCWD	330	\$ 52,751
Erie	6,000	\$ 959,105
Fort Lupton	1,050	\$ 167,843
Greeley ²	8,750	\$ 1,398,695
Lafayette	1,800	\$ 287,732
Little Thompson WD	4,850	\$ 775,277
Longmont	10,000	\$ 1,598,509
Louisville	2,700	\$ 431,597
Loveland ¹	9,000	\$ 1,438,658
PRPA	12,000	\$ 1,918,211
Superior	4,500	\$ 719,329
TOTAL	<u>86,180</u>	<u>\$ 13,775,950</u>

2016 Phase 5 Costs Per Acre-Foot of Storage: \$ 159.85

Notes: 1. This Exhibit A reflects Loveland's revised storage capacity based on a September 2016 Amendment to 5th Interim Agt.

2. Greeley's "Share of Phase 5 Cost" includes \$279,739 that Greeley will pay as the result of the reallocation of WGFP capacity from Evans to Greeley.

EXHIBIT B

Windy Gap FIRMING Project
 Allocation of Costs for First Amendment to Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2017: | \$ 10,464,291 |

Participant	Requested Storage Volume (af)	Total Participant Contributions Through 2015	Phase 4 Participant Contributions Through 2015	Phase 5 2016 Participant Contributions	Phase 4+5 Participant Contributions to Date	2017 Un-adjusted Participant Contributions	Phase 4+5 Participant Obligation to Date	Phase 4+5 Participant Payment Adjustment	2017 Adjusted Participant Contributions
				\$ 13,775,950		\$ 10,464,291			
Broomfield	26,464	\$ 4,814,330	\$ 3,852,466	\$ 4,028,243	\$ 7,880,709	\$ 3,076,966.63	\$ 8,077,903	\$ 197,194	\$ 3,274,180
CWCWD	346	67,624	\$ 50,448	\$ 52,751	\$ 103,198	\$ 40,229.39	\$ 105,613	\$ 2,415	\$ 42,845
Erie	6,000	1,127,959	\$ 948,081	\$ 959,105	\$ 1,907,187	\$ 697,619.40	\$ 1,831,447	\$ (75,740)	\$ 621,880
Fort Lupton	1,103	110,720	\$ 110,720	\$ 167,843	\$ 278,563	\$ 128,245.70	\$ 336,681	\$ 58,118	\$ 186,364
Greeley ¹	9,189	2,180,569	\$ 1,586,660	\$ 1,398,695	\$ 2,985,355	\$ 1,068,404.11	\$ 2,804,861	\$ (180,494)	\$ 887,910
Lafayette	900	377,587	\$ 275,176	\$ 287,732	\$ 562,908	\$ 104,642.91	\$ 274,717	\$ (288,191)	\$ (183,548)
Little Thompson WD	4,850	511,419	\$ 511,419	\$ 775,277	\$ 1,286,696	\$ 563,909.02	\$ 1,480,420	\$ 193,724	\$ 757,633
Longmont	10,000	2,963,224	\$ 2,047,162	\$ 1,598,509	\$ 3,645,671	\$ 1,162,699.00	\$ 3,052,412	\$ (593,259)	\$ 569,440
Louisville	2,835	567,348	\$ 412,762	\$ 431,597	\$ 844,360	\$ 329,625.17	\$ 865,359	\$ 20,999	\$ 350,624
Loveland	9,451	1,971,377	\$ 1,284,331	\$ 1,438,658	\$ 2,722,989	\$ 1,098,866.82	\$ 2,884,834	\$ 161,846	\$ 1,260,713
PRPA	14,136	2,881,626	\$ 1,904,878	\$ 1,918,211	\$ 3,823,089	\$ 1,643,581.31	\$ 4,314,889	\$ 491,801	\$ 2,135,392
Superior	4,726	1,227,454	\$ 711,654	\$ 719,329	\$ 1,430,983	\$ 549,481.55	\$ 1,442,570	\$ 11,587	\$ 561,079
TOTAL	90,000	18,801,237	#####	\$ 13,775,950	#####	\$ 10,464,291	\$ 27,471,707	\$ 0	\$ 10,464,291

Phase 4 Cost per Acre Foot: \$ 305.24

Notes: 1. The calculation of "Phase 5 2016 Participants Contributions" allocated to Greeley includes \$279,739 that Greeley will pay in addition to Greeley's \$887,910 "2017 Adjusted Participant Contributions" as the result of the reallocation of WGFP capacity from Evans to Greeley.