

SECOND AMENDMENT TO FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
THE TOWN OF ERIE
ERIE WATER ACTIVITY ENTERPRISE
FOR PARTICIPATION IN THE
WINDY GAP FIRING PROJECT

This Second Amendment is made and entered into as of _____, 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 Town of Erie, acting by and through its Erie Water Activity Enterprise (a water activity enterprise and 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 P.O. Box 750, Erie, Colorado 80516-0750 ("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 6,000 acre feet of water, an increase of 0 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 \$959,105 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 \$621,880 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.

TOWN OF ERIE, ACTING BY AND
THROUGH ITS ERIE WATER
ACTIVITY ENTERPRISE

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

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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 | Share of Phase 5 Cost |
|--------------------|--------------------------------|-----------------------------|
| Broomfield | 25,200 | \$ 4,028,243 |
| CWCWD | 330 | \$ 52,751 |
| Erie | 6,000 | \$ 959,105 |
| Evans | 1,750 | \$ 279,739 |
| Fort Lupton | 1,050 | \$ 167,843 |
| Greeley | 7,000 | \$ 1,118,956 |
| Lafayette | 1,800 | \$ 287,732 |
| Little Thompson WD | 4,850 | \$ 775,277 |
| Longmont | 10,000 | \$ 1,598,509 |
| Louisville | 2,700 | \$ 431,597 |
| Loveland | 9,000 | \$ 1,438,658 |
| PRPA | 12,000 | \$ 1,918,211 |
| Superior | 4,500 | \$ 719,329 |
| TOTAL | 86,180 | \$ 13,775,950 |

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

Note: This Exhibit A reflects Loveland's revised storage capacity based on a September 2016 Amendment to 5th Interim Agt
Exhibit A to 2nd Amendment to 5th Int Agt/Exhibit A 3/13/2017

EXHIBIT B

Windy Gap Firing 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 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 | \$ 3,274,160 |
| CWCWD | 346 | 67,624 | 50,448 | 52,751 | 103,198 | 40,229.39 | 105,613 | 2,415 | 42,645 |
| Erie | 6,000 | 1,127,959 | 948,081 | 959,105 | 1,907,187 | 697,619.40 | 1,831,447 | (75,740) | 621,880 |
| Evans | 1,838 | 264,210 | 264,210 | 279,739 | 543,949 | 213,704.08 | 561,033 | 17,084 | 230,788 |
| Fort Lupton | 1,103 | 110,720 | 110,720 | 167,843 | 278,563 | 128,245.70 | 336,681 | 58,118 | 186,364 |
| Greeley | 7,351 | 2,180,569 | 1,322,450 | 1,118,956 | 2,441,406 | 854,700.03 | 2,243,828 | (197,578) | 657,122 |
| Lafayette | 1,890 | 377,587 | 275,176 | 287,732 | 562,908 | 219,750.11 | 576,906 | 13,998 | 233,748 |
| 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 | 2,884,835 | 161,846 | 1,260,713 |
| PRPA | 13,146 | 2,881,626 | 1,904,878 | 1,918,211 | 3,823,089 | 1,528,484.11 | 4,012,701 | 189,612 | 1,718,096 |
| Superior | 4,726 | 1,227,454 | 711,654 | 719,329 | 1,430,983 | 549,491.55 | 1,442,570 | 11,587 | 561,079 |
| TOTAL | 90,000 | 19,065,447 | \$ 13,695,757 | \$ 13,775,950 | \$ 27,471,707 | \$ 10,464,291 | \$ 27,471,707 | \$ 0 | \$ 10,464,291 |

Phase 4 Cost per Acre Foot: \$ 305.24