

TWENTY-SECOND INTERIM AGREEMENT WITH THE
NORTHERN INTEGRATED SUPPLY PROJECT WATER ACTIVITY ENTERPRISE,
FOR PARTICIPATION IN THE
NORTHERN INTEGRATED SUPPLY PROJECT

This Agreement is made and entered into as of _____, 2026, by and between the Northern Integrated Supply Project Water Activity Enterprise, a government-owned business within the meaning of Article X, § 20(2)(d) of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45.1-101 et seq., owned by the Northern Colorado Water Conservancy District (“District”), and whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the “NISP 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, CO 80516-0750 (“Participant”).

Recitals

- A. The NISP Enterprise is developing a water project (the “Project”) for the purpose of developing a new reliable water supply for the beneficial use of the Participant and other entities.
- B. Overall Project costs will be divided among the entities that participate in the Project.
- C. The First, Second, and Fourth Phases of the Project, and years one through six of the Third Phase, have been completed.
- D. The Third Phase, Years 7 through 21 (hereinafter referred to as “Phase 3A”), will consist of further agency consultation, permitting work with the U.S. Army Corps of Engineers and other agencies, compliance with the National Environmental Policy Act and other requirements for federal permitting, field work, and analysis for permitting, modeling, and other activities related to designing and permitting the Project.
- E. The Fifth Phase of the Project consists of the Glade Reservoir final design advancement, Highway 287 relocation final design and CM/GC design involvement, and completion of the Galeton Dam preliminary design.
- F. The Sixth Phase involves continued NISP conveyance delivery refinement, South Platte Water Conservation Project negotiations, analysis of direct use of South Platte water, land, and easement definition and purchase, and advancement of time-sensitive mitigation activities.
- G. The Seventh Phase involves the development of a NISP Allotment Contract, financial project planning, legal defense of the Project permits and approvals, and overall project administration.
- H. The Eighth Phase involves early pipeline construction, procurement of electrical

materials for the Highway 287 relocation, and advancement of the option agreement for the Timnath Inlet Canal.

- I. It is necessary that the NISP Enterprise pursue Phases 3A, 5, 6, 7, and 8 of the Project at this time in order to be able to complete the Project on the time schedule desired by the participants.
- J. Pursuing these Phases 3A, 5, 6, 7, and 8 of the Project on behalf of the participants will require continued funding from the participants.

Agreement

1. The Participant agrees to participate in Phases 3A, 5, 6, 7, and 8 of the Project, under and pursuant to the terms and conditions of this Agreement. The Participant acknowledges that it shares a common interest in the development of the Project and that privileged material may be shared with the Participant from time to time. A description of Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 is included in **Exhibit A**. Participation in this Agreement in no way obligates the Participant to participate in subsequent phases of the Project or to continue involvement in the Project in any manner.
2. For the purposes of cost allocation in Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 for the period May 1–December 31, 2026, the cost is based upon the Participant’s base requested capacity (expressed in acre-feet) divided by the total requested base Project yield (see attached **Exhibit B**). The Participant’s base requested capacity in the Project is 4,500 acre-feet of water yield, meaning its allocation of costs for the period May 1–December 31, 2026 equates to a total of \$2,873,077. Attached hereto as **Exhibit B** is a table showing the currently anticipated permitted capacity in the Project and the pro rata share of the costs of the Project for the period May 1–December 31, 2026, for each Participant based on the cost allocation above. The costs covered by this Agreement shall be separate from costs covered by the NISP Phase 1 Agreement between the NISP Enterprise and the Participant. The Participant may request an increase in base requested capacity, subject to Enterprise Board approval and payment of costs on a per-unit basis consistent with this Agreement. A request by Participant to reduce its base requested capacity after signing this agreement may occur as provided in the NISP Phase 1 Agreement between the NISP Enterprise and the Participant, upon which the Participant shall not be entitled to any return of funds paid to the NISP Enterprise consistent with this Agreement.
3. The Participant agrees to provide to the NISP Enterprise funds for its pro rata share of the anticipated May 1–December 31, 2026, costs necessary for Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 of the Project as described in Paragraph 2. The Participant will pay the NISP Enterprise its pro rata share of May 1–December 31, 2026, costs on or before May 15, 2026. The NISP Enterprise will invoice the Participant for this payment. These estimated costs will not be increased or exceeded without the prior written approval of the Participant. Participant funds that are not expended during Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 (regardless of whether they are expended in 2026 or a subsequent

year) will, after all said phases are complete, be rebated back to each participant pro rata based on each participant's contribution of funds to the Project in Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8. Alternatively, NISP Enterprise may apply unspent funds to other phases of the Project and/or future Interim Agreements with the prior permission of the Participant.

4. In the event that the Participant fails to make the payment set forth above at the specified time, the NISP Enterprise shall have the right to terminate this Agreement and cease all work on the Project for the benefit of the Participant. The NISP Enterprise shall give the Participant thirty (30) days' advance written notice of its intention to terminate this Agreement and cease work on the Project for the Participant's benefit under this Paragraph. The Participant shall have until the end of said 30-day period in which to make all past due payments in full in order to cure its default hereunder.
5. In the event that the Participant fails to execute a subsequent Interim Agreement when this Agreement expires, and Participant also has not executed an allotment contract establishing the terms of its continued participation in the Project, the NISP Enterprise shall cease work on the Project for the Participant's benefit as provided herein, and the Participant will be in default pursuant to the Phase 1 Agreement. Regardless of the reason for termination of the Participant's participation in the Project, the Participant remains responsible for its pro rata share of the May 1–December 31, 2026, costs of Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 of the Project under this Agreement, and the Participant shall not be entitled to any return of funds, except in circumstances under which Paragraph 7 applies.
6. The NISP Enterprise agrees to diligently pursue Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 of the Project in good faith to the extent that funds therefor are provided by the Participant under this Agreement and by other participants under similar agreements. By entering into this Agreement and accepting payments from the Participant, the NISP Enterprise does not obligate itself to, nor does the NISP Enterprise warrant that it will, proceed with the Project beyond Phase 8 or that it will construct or operate the Project. At the end of the Eighth Phase, the NISP Enterprise will determine after consultation with the participants whether to proceed with the Project. The NISP Enterprise agrees that, if the participants provide all required funding, if the NISP Enterprise has the ability, and if the NISP Enterprise reasonably determines that the Project is feasible and practical, it will pursue the construction and operation of the Project if requested to do so by a sufficient number of participants to fully fund the Project, together with any other funds held or obtained by the NISP Enterprise. In the event that the NISP Enterprise decides not to proceed with the Project, it will so notify the Participant and this Agreement will immediately and automatically terminate upon the giving of such notice.
7. In the event of termination of the Project, the Participant shall not be entitled to any return of funds paid to the NISP Enterprise for the Project, unless payments by participants exceed the NISP Enterprise's costs as of the date the Project is terminated, in which case a pro rata refund will be made. In the event of such termination, the Participant shall be entitled to receive copies of any work products developed by the

NISP Enterprise or its consultants on behalf of the Participant, and NISP Enterprise Board shall, in its sole discretion: (i) convey to the Participant, as a tenant in common with all other participants who have not been terminated under Paragraph 4 above, a pro rata interest in all real and personal property acquired by the NISP Enterprise for the Project with funds provided under this Agreement or similar agreements with other participants; or (ii) disburse to the Participants the proceeds of any sale of assets in proportion to each Participant's cost allocation. The Parties agree that this Paragraph does not apply to, and shall not alter, the terms and conditions in the NISP Phase 1 Agreements applicable to "NISP Phase 1 Assets," as that term is defined in the NISP Phase 1 Agreements.

8. The Participant shall have the right to assign this Agreement and the Participant's rights hereunder, with the written consent of the NISP Enterprise, which consent shall not be unreasonably withheld, to any entity that is eligible to receive water deliverable through the Project, that is financially able to perform this Agreement, and that is approved to receive a transfer of a NISP Allotment from Participant under the terms of the NISP Phase 1 Agreement.
9. In the event that this Agreement is terminated for any reason, the Participant shall not be entitled to any return of any funds paid to the NISP Enterprise for the Project except as provided in Paragraphs 3 and 7 above for those participants who have not been terminated under Paragraph 4 above, and the NISP Enterprise shall have no further obligations to the Participant.
10. Notwithstanding any other provision of this Agreement to the contrary, the Participant's maximum financial obligation under this Agreement shall be payment of the amount set forth in Paragraph 2 above. The Participant shall have the right to terminate this Agreement at any time. In the event of such termination, each of the parties hereto shall be immediately released from all obligations recited herein as if this Agreement had not been entered into.
11. In the event that additional costs must be incurred for Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 in the period May 1–December 31, 2026, beyond the total amount described in Exhibit B, the parties may amend this Agreement in writing to provide for further payment by the Participant of costs for 2026. However, the Participant is not obligated under this Agreement to pay any costs for Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 beyond the costs stated in Paragraph 2 above and Exhibit B.
12. This Agreement shall be interpreted under the laws of the State of Colorado. Venue for any disputes concerning this Agreement shall be in the Weld County, Colorado, District Court.
13. Nothing in this Agreement shall be construed to waive the protections and immunities afforded the NISP Enterprise and the Participant under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq., and any similar or successor statutes of the State of Colorado.

14. Any and all obligations of the NISP Enterprise that may arise under this Agreement, whether financial or otherwise, shall be payable solely from the revenues, income, rents, and receipts earned by the NISP Enterprise. Nothing herein shall be deemed to prevent the NISP Enterprise from making any payments from any other legally available source. In no event shall the NISP Enterprise be required to spend any money from taxes in violation of Section 20(4) of Article X of the Colorado Constitution in the performance of its obligations under this Agreement or which would cause the NISP Enterprise to lose its enterprise status as such status is defined in the Colorado Constitution. In addition, neither the NISP Enterprise nor the District shall be required to expend any funds or impair any assets of the District in the performance of any of the NISP Enterprise's obligations under this Agreement. The obligations of the NISP Enterprise under this Agreement do not constitute a debt or indebtedness of the NISP Enterprise or the District within the meaning of any constitutional, charter, or statutory provision or limitation, and shall not be considered or held to be a general obligation of the NISP Enterprise or the District.

15. Except for the obligation to pay money, neither party shall be liable to the other party for any delay or inability to perform its obligations hereunder by reason of acts of God, acts of the public enemy, riot, civil commotion, insurrection, acts or failure to act of governmental authorities, war, pandemic, or any other cause or causes beyond the party's reasonable control.

16. This Agreement is the entire agreement between the NISP Enterprise and the Participant regarding participation in Phase 3A, Phase 5, Phase 6, Phase 7, and Phase 8 of the Project and shall be modified by the parties only by a duly executed written instrument approved by the Participant and the NISP Enterprise's Board of Directors.

17. This Agreement is subject to approval by the NISP Enterprise's Board of Directors and shall become binding on the NISP Enterprise only upon such approval.

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.

By: _____

Name: _____

Title: _____

THE NORTHERN INTEGRATED SUPPLY PROJECT WATER ACTIVITY
ENTERPRISE

By: _____

Name: _____

Title: _____

EXHIBIT A
DESCRIPTION OF PHASE 3A, PHASE 5, PHASE 6, PHASE 7, and PHASE 8
NORTHERN INTEGRATED SUPPLY PROJECT

Phase 3A consists of a continuation of further agency consultation, permitting work with the U.S. Army Corps of Engineers and other agencies, compliance with the National Environmental Policy Act and other requirements for federal permitting, field work, and analysis for permitting, modeling, and other activities related to designing and permitting the Project.

Phase 5 will consist of the Glade Reservoir final design advancement, the Highway 287 relocation final design and CM/GC design involvement, and completion of the Galeton Dam preliminary design.

Phase 6 involves the following additional 2026 activities:

- NISP conveyance will continue to be refined, including evaluation of Participant flow requirements, pipeline sizing and route refinement, design advancement, and conveyance cost estimating.
- South Platte Water Conservation Project negotiations will be advanced with the affected ditch companies.
- Direct use of the South Platte water will be analyzed.
- Land and easement requirements will be more specifically identified and acquired.
- Mitigation plans will continue to be advanced, and time-sensitive mitigation activities may be pursued.

Phase 7 involves, in addition to overall project administration, the following 2026 activities:

- Allotment contract development
- Project financial planning
- Legal defense of the Project permits and approvals.

Phase 8 involves the following 2026 activities:

- Potential early pipeline construction
- Procurement of overhead electric materials and construction of the relocation of overhead powerlines for the HW 287 relocation.
- Advancement of the option agreement for the Timnath Inlet Canal.

EXHIBIT B
 PARTICIPANT YIELD AND COSTS
 PHASE 3A, PHASE 5, PHASE 6, PHASE 7, and PHASE 8

NISP Twenty-Second Interim Agreement Budget Allocation
 4/2/2026

Participant	Mar. 2026 Amount (Units)	New % of Project*	Amount **
Central Weld Co. W.D.	250	1.28%	\$159,615
Dacono	1250	6.41%	\$798,077
Erie	4500	23.08%	\$2,873,077
Fort Lupton	100	0.51%	\$63,846
Fort Morgan	2700	13.85%	\$1,723,846
Frederick	2600	13.33%	\$1,660,000
Lafayette	1800	9.23%	\$1,149,231
Lefthand W.D.	3000	15.38%	\$1,915,385
Windsor	3300	16.92%	\$2,106,923
Total	19500	100%	\$12,450,000

**Rounded to the nearest
 hundredth*

***Rounded to the nearest
 dollar*

