INTERCEPTOR TRANSFER AGREEMENT

This INTERCEPTOR TRANSFER AGREEMENT is entered into on this _____ day of ______, 2017, by and between the ROXBOROUGH WATER AND SANITATION DISTRICT (the "District") and the CITY OF LITTLETON, COLORADO SEWER UTILITY ENTERPRISE, a water activity enterprise of the State of Colorado (the "City"), collectively referred to herein as the "Parties."

RECITALS

WHEREAS, the District is empowered by § 32-1-1004, C.R.S., to provide water and wastewater service within its boundaries; and

WHEREAS, the District constructed a regional sanitary sewer pipeline (the "Pipeline") for the purpose of transporting wastewater from the District's existing facilities to the Englewood/Littleton Wastewater Treatment Plant; and

WHEREAS, the southernmost portion of the Pipeline consists of a force main pipeline ("Force Main Pipe"), extending north from the District's existing wastewater treatment facility to the District's transition vault ("Transition Vault") located north of C-470 and east of South Platte Canyon Road; and

WHEREAS, the northernmost portion of the Pipeline consists of a gravity-flow line extending north from the Transition Vault to the tie-in at the City's sanitary interceptor which terminates at the Englewood/Littleton Wastewater Treatment Plant and is located west of the intersection of Belleview Avenue and Santa Fe Drive (the "Gravity Flow Pipe"); and

WHEREAS, a portion of the Gravity Flow Pipe is also accessed and used by Platte Canyon Water and Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado ("Platte Canyon") and the City (the "Shared Pipe"), and was constructed to provide sufficient wastewater flow capacity for the District, Platte Canyon and the City. The Shared Pipe is more particularly depicted on <u>Exhibit C</u> attached hereto and incorporated herein by reference; and

WHEREAS, on October 27, 2006, the District, Platte Canyon and the City entered into that certain "Intergovernmental Agreement Regarding Cost Sharing for Use of Shared Pipe" for purposes of allocating each party's respective capacity in the Shared Pipe as well as to set forth their respective payment obligations for the costs of constructing and maintaining the Shared Pipe (the "Cost Sharing IGA"); and

WHEREAS, the Cost Sharing IGA contemplated the future conveyance of the Gravity Flow Pipe, including the Shared Pipe, from the District to the City, and pursuant to Paragraph 13 of the Cost Sharing IGA, the parties thereto acknowledged and consented to the conveyance of the Shared Pipe, together with all maintenance and operations responsibilities thereto, from the District to the City, upon such terms as may be mutually agreed upon by the District and the City, and consented to by Platte Canyon, such consent not to be unreasonably withheld; and WHEREAS, the Cost Sharing IGA further provides that the City would accept ownership of the Gravity Flow Pipe from the District at such time that the District satisfied its repayment obligations pursuant to that certain Loan Agreement entered into between the District and the Colorado Water Resources and Power Development Authority ("CWRPDA"), dated May 1, 2005 ("2005 Loan"), or at such earlier time as the District may be permitted to transfer ownership of the Gravity Flow Pipe pursuant to the 2005 Loan; and

WHEREAS, the District desires to transfer ownership, including operations and maintenance responsibilities, of the Gravity Flow Pipe depicted in <u>Exhibit B</u> attached hereto and incorporated herein by reference, to the City, excepting from the transfer that portion of the Gravity Flow Pipe located on certain real property owned by the Department of the Army ("Army Flow Pipe"), which shall remain owned, operated and maintained by the District, and the City is willing to accept ownership and related operation and maintenance responsibilities of the Gravity Flow Pipe, subject to the terms and conditions set forth in this Agreement; and

WHEREAS, CWRPDA has provided its consent to the District's conveyance of the Gravity Flow Pipe to the City as evidenced by CWRPDA's letter, dated May 5, 2016, attached hereto as <u>Exhibit A</u> and incorporated herein by reference; and

WHEREAS, the Parties have negotiated this Interceptor Transfer Agreement (the "Agreement") for the purpose of setting forth the terms and conditions for the District to transfer ownership of the Gravity Flow Pipe, and all operation and maintenance responsibilities related thereto, to the City.

NOW, THEREFORE, in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually agree as follows:

AGREEMENT

1. <u>Conveyance of Gravity Flow Pipe</u>. Subject to the terms and conditions set forth herein, the District hereby sells, conveys, transfers and delivers to the City that portion of the Gravity Flow Pipe commencing at and including Manhole 249 and extending north to the tie-in at the City's sanitary interceptor which terminates at the Englewood/Littleton Wastewater Treatment Plant, as more particularly depicted on <u>Exhibit B</u> attached hereto. Such conveyance is inclusive of the Shared Pipe depicted on <u>Exhibit C</u> attached hereto. The City hereby accepts said conveyance and transfer from the District of that portion of the Gravity Flow Pipe described in this Paragraph 1 and depicted on <u>Exhibit B</u> attached hereto. The District shall execute a "Bill of Sale," as attached hereto as <u>Exhibit D</u> and incorporated herein by reference, to convey the Gravity Flow Pipe to the City. The conveyance of the Gravity Flow Pipe shall be deemed effective upon the occurrence of the following ("Effective Date"): (1) the delivery of a Bill of Sale from the District to the City; (2) the execution and, as applicable, recording of the Assignments and New Licenses, as such terms are defined and further described in Paragraph 5 hereof; and (3) the execution and recording of the Manhole 249 Easement as further described in Paragraph 8 hereof.

2. <u>Army Flow Pipe</u>. The Parties acknowledge that the District has installed certain odor control beds between the Transition Vault and Manhole 262 located on that portion of the Gravity Flow Pipe referred to herein as the Army Flow Pipe, and that proper maintenance of the odor control beds is essential to the integrity of the entire Pipeline. The Parties further acknowledge and agree that the District shall retain ownership of the Army Flow Pipe to allow the District to access and maintain the odor control beds and related components.

3. <u>Manhole 227 – Air Vent</u>. As part of the District's construction of the Gravity Flow Pipe, an air vent was installed on Manhole 227, which is located on property owned by the City and is an integral part to the District's operation of its Transition Vault. The Parties agree that the District shall be responsible for the ongoing operations and maintenance of the air vent on Manhole 227. Utilizing the license granted by the City to the District pursuant to Paragraph 7 hereof, the District shall have the right of ingress and egress in, to, through, over, under, and across the City's property as is necessary for the District to access Manhole 227 for purposes of operating, maintaining, repairing, and/or replacing the air vent and any related components thereto. The City shall ensure that the immediate area on and surrounding Manhole 227 is kept clear of any and all plants or other shrubbery, rubbish or any other structure or fixture, and that Manhole 227 is damaged due to the City's direct or indirect activities conducted on or in association with the Gravity Flow Pipe, the City shall be responsible for all costs associated with the District's repair or replacement of the air vent on Manhole 227.

4. <u>Reserved Capacity in Gravity Flow Pipe</u>. The Parties acknowledge that the Shared Pipe was constructed at 36 inches in diameter to provide sufficient wastewater flow capacity in the Shared Pipe for the District, the City, and Platte Canyon, and all of the Gravity Flow Pipe located south of the Shared Pipe was constructed at 24 inches (24") in diameter. The District hereby reserves for itself 6.006 million gallons per day of capacity in the entire Gravity Flow Pipe, including the 24" portion and the Shared Pipe. The City hereby agrees and acknowledges such reservation of capacity by the District and shall take no action to impair the District's access to and use of said capacity in the Gravity Flow Pipe.

5. <u>Assignment of Easements and Licenses</u>. Except as other provided herein, the District shall assign to the City all of the District's right, title and interest in such easements and licenses that the District obtained to construct, operate and maintain the Gravity Flow Pipe. A list of the easements and licenses to be assigned to the City is attached hereto as <u>Exhibit E</u> and incorporated herein by reference (the "Assignments").

a. <u>New Licenses</u>. Certain property owners that previously granted the District licenses for the Gravity Flow Pipe have requested that the City enter into new license agreements with the property owners upon the conveyance of the Gravity Flow Pipe. The City hereby agrees to enter into license agreements with the City and County of Denver, acting by and through its Board of Water Commissioners and with the Public Service Company of Colorado (collectively, the "New Licenses").

b. <u>CDOT Permit</u>. The Parties acknowledge that portions of the Gravity Flow Pipe cross certain rights of ways owned by the Colorado Department of Transportation ("CDOT"). The

District obtained a CDOT permit ("Permit") to construct, operate and maintain the Gravity Flow Pipe in such rights of way, which Permit is not transferable. In the event the City must conduct future work on that portion of the Gravity Flow Pipe located in CDOT's rights of way, the City shall be required to obtain a new permit from CDOT.

c. <u>Termination of City Easements</u>. As part of the District's construction, installation, operation and maintenance of the Gravity Flow Pipe, the City and the District entered into that certain Easement Deed, dated September 26, 2006, as recorded in the records of the Douglas County Clerk and Recorder on October 6, 2006, at Reception No. B6143901 (Easement No. 1), and that certain Permanent Sanitary Sewer Easement, dated September 26, 2006, as recorded in the records of the Douglas County Clerk and Recorder on October 6, 2006, at Reception No. B6143901 (Easement No. 1), and that certain Permanent Sanitary Sewer Easement, dated September 26, 2006, as recorded in the records of the Douglas County Clerk and Recorder on October 6, 2006, at Reception No. B6143904 (Easement No. 2) pursuant to which the City granted the District permanent easements to construct, operate and maintain that portion of the Gravity Flow Pipe located on the City's property. Upon the Effective Date of the conveyance of the Gravity Flow Pipe to the City, the District and the City shall extinguish Easement No. 1 and Easement No. 2 via separate instrument executed by the District and the City, as required pursuant to Paragraph 23 of Easement No. 1 and Paragraph 17 of Easement No. 2.

6. <u>Operations and Maintenance</u>. Upon the Effective Date of the conveyance of the Gravity Flow Pipe to the City, the City shall own the Gravity Flow Pipe, excepting from said conveyance the Army Flow Pipe section as provided in Paragraphs 1 and 2 herein, and the City shall assume all responsibility for the proper operation and maintenance of the Gravity Flow Pipe, except as otherwise provided in Paragraphs 3 and 7 hereof. With the exception of the Shared Pipe and as otherwise provided in this Agreement, the City assumes all costs, expenses and other responsibilities related to the maintenance of the Gravity Flow Pipe and the District shall have no further responsibilities to operate and maintain the Gravity Flow Pipe or to pay any costs related thereto including, but not limited to, costs for repairs or replacement of the Gravity Flow Pipe. For the Shared Pipe, the City shall perform all routine and emergency maintenance on the Shared Pipe, as further provided in and in accordance with Paragraph 9 of the Cost Sharing IGA, with the costs of such routine and/or emergency maintenance being allocated among the City, the District and Platte Canyon pursuant to the percentages established in Paragraph 5.4 of the Cost Sharing IGA.

7. <u>License Agreement</u>. The City hereby grants to the District a non-revocable, nonexclusive license to access and inspect the Gravity Flow Pipe at any time for any purpose necessary and appropriate to ensure the integrity of the entire Pipeline including, but not limited to, the air vents installed on Manhole 227 as further provided in Paragraph 3 hereof. Except as otherwise provided in this Agreement, if the District determines that maintenance of the Gravity Flow Pipe transferred to the City herein, including repairs and replacement thereof, is required to ensure the integrity of the Pipeline, the District shall provide notice to the City and the City hereby agrees to conduct such maintenance requested by the District at the City's expense. In the event the City considers the District's maintenance request to be unnecessary or believes alternative maintenance methods should be pursued, the City shall provide written notice of its determination to the District within ten (10) days of receiving a maintenance request from the District ("City Determination Letter"). Within ten (10) days of receiving the City Determination. In the event the District rejects the City Determination Letter, the Parties shall work together to attempt to reach a solution acceptable to both Parties. If the Parties fail to reach an agreement, the District may take any action it deems necessary to ensure the integrity of the Pipeline, including but not limited to, court action.

8. <u>Manhole 249 Easement</u>. As set forth in Paragraph 1 hereof, the District's conveyance to the City of the Gravity Flow Pipe shall commence at and include Manhole 249 which is situated at the southernmost point of the Gravity Flow Pipe on the City's property. The Parties acknowledge that the District will require access to the Army Flow Pipe and the District's Force Main Pipe via Manhole 249. Concurrently with the District's conveyance of the Gravity Flow Pipe to the City, the City shall grant to the District a perpetual nonexclusive access easement in, to, through, over, under and across Manhole 249, such Manhole 249 to be used by the District to gain access to, inspect and service the Army Flow Pipe and the Force Main Pipe ("Manhole 249 Easement").

9. <u>Additional Instruments</u>. The District and the City agree to prepare and execute any other documents or instruments necessary to effectuate the conveyance of the Gravity Flow Pipe from the District to the City.

10. <u>No Warranties.</u> The District does not warrant that the Gravity Flow Pipe will be free from interruption caused by accidents or repairs. No such interruptions shall render the District liable for any damages and the City hereby expressly waives and releases all claims against the District for any damages resulting from the stoppage or interruption of service, including any damage to private property, except as may be caused by the negligent or willful misconduct of the District or its officers, agents or employees.

11. <u>Notices</u>. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be given in writing and shall be delivered in person, by certified mail, postage prepaid, return receipt requested, by a commercial overnight courier that guarantees next day delivery and provides a receipt, or by electronic mail communications ("E-Mail"), and such notices shall be addressed to the Parties below or to such other address as either Party may from time to time specify in writing to the other party. Notice shall be considered delivered upon delivery by certified mail, overnight courier, E-Mail or upon hand delivery. When using E-Mail to provide notice, the receiving party must respond via "reply" acknowledging receipt of the E-Mail notification. If the sending party fails to receive acknowledgement of such receipt, an alternative form of notification must be used.

If to the District:	Roxborough Water and Sanitation District 6222 North Roxborough Park Road Littleton, CO 80125 Attn: Larry D. Moore, General Manager E-mail: Larry@roxwater.org
With a copy to:	Alan D. Pogue, Esq. Icenogle Seaver Pogue, P.C. 4725 S. Monaco Street, Suite 225 Denver, CO 80237 E-mail: APogue@ISP-law.com

If to the City:	City of Littleton		
	2255 W. Berry Avenue		
	Littleton, CO 80165		
	Attn:		
	E-mail:		
With a copy to:	City of Littleton		
	2255 W. Berry Avenue		
	Littleton, CO 80165		
	Attn: City Attorney		

E-mail: littletoncityattorney@littletongov.org

12. <u>Amendment.</u> This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by the Parties.

13. <u>Assignment.</u> No assignment of any right or obligation contained in this Agreement shall be permitted without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld.

14. <u>Governmental Immunity.</u> Nothing in this Agreement shall be construed to be a waiver, in whole or in part, of any right, privilege, or protection afforded either of the Parties pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

15. <u>Enforcement.</u> The Parties agree that this Agreement may be enforced in law or equity, for specific performance, injunctive or other appropriate relief, including damages, as may be available according to the laws and statutes of the State of Colorado.

16. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

17. <u>Severance Clause.</u> If any provision of this Agreement is declared by any court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions; such remaining provisions shall be fully severable and this Agreement shall be construed and enforced as if such invalid provisions had never been inserted in this Agreement.

18. <u>No Third Party Beneficiaries.</u> Nothing in this Agreement shall be interpreted or construed to create any third party beneficiaries of this Agreement. The Parties expressly acknowledge that it is their intent that no third party beneficiaries be created by this Agreement or any interpretation or construction thereof.

19. <u>No Agency, Partnership, or Joint Venture</u>. Nothing in this Agreement shall be interpreted or construed to create any agency, partnership, or joint venture relationship between the Parties. The Parties expressly acknowledge that it is their intent that no agency, partnership,

or joint venture relationship be created between them by this Agreement or any interpretation or construction thereof.

20. <u>Successors and Assigns.</u> This Agreement shall be binding upon the Parties and their respective successors and assigns.

21. <u>Captions.</u> The headings of sections and paragraphs are included solely for convenience and reference. If any conflict between any heading and the text of this Agreement exists, the text shall control.

22. <u>Counterparts.</u> 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 Agreement.

23. <u>Entire Agreement.</u> This Agreement constitutes the entire agreement among the Parties with respect to conveyance of the Gravity Flow Pipe, and sets forth the rights, duties, and obligations of the Parties with respect to the Gravity Flow Pipe. Any prior agreements, promises, negotiations, or representations relating to the conveyance of the Gravity Flow Pipe and not expressly set forth in this Agreement shall have no force and effect.

24. <u>Platt Canyon Consent.</u> By signature attached hereto, Platte Canyon consents to the terms and conditions of this Agreement related to the transfer of the Shared Pipe, together with maintenance and operations responsibilities, from the District to the City.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective on the date and year first above written.

ROXBOROUGH WATER AND SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Dave Thomas, President

ATTEST:

By: John W. Dillon, Secretary/Treasurer

ATTEST:

THE CITY OF LITTLETON, COLORADO, SEWER UTILITY ENTERPRISE, a water activity enterprise of the State of Colorado

By: Wendy Heffner, City Clerk

By: Bruce O. Beckman, Mayor

APPROVED AS TO FORM:

By: Kenneth S. Fellman, Acting City Attorney

CONSENT TO TRANSFER OF SHARED PIPE

On October 27, 2006, Roxborough Water and Sanitation District, Platte Canyon Water and Sanitation District and the City of Littleton, Colorado entered into that certain "Intergovernmental Agreement Regarding Cost Sharing for Use of Shared Pipe" for purposes of allocating each party's respective capacity in the Shared Pipe (as defined therein) as well as to set forth their respective payment obligations for the costs of constructing and maintaining the Shared Pipe (the "Cost Sharing IGA"). Pursuant to Paragraph 13 of the Cost Sharing IGA, the parties acknowledged and consented to the conveyance of the Shared Pipe, together with all maintenance and operations responsibilities thereto, from the District to the City, upon such terms as may be mutually agreed upon by the District and the City, and consented to by Platte Canyon, such consent not to be unreasonably withheld.

By signature attached hereto, Platte Canyon consents to the terms and conditions of this Agreement related to the transfer of Shared Pipe, together with maintenance and operations responsibilities, from the District to the City.

Dated this _____ day of _____, 20___.

PLATTE CANYON WATER AND SANITATION DISTRICT

By: _____

Its: _____

EXHIBIT A

CWRPDA CONSENT TO CONVEYANCE



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

Logan Tower Bldg – Suite 620, 1580 Logan Street, Denver, Colorado 80203-1942 303/830-1550 • Fax 303/832-8205 • info@cwrpda.com

May 5, 2016

Mr. Larry Moore, General Manager Roxborough Water and Sanitation District 6222 N. Roxborough Park Road Littleton, CO 80125

RE: Colorado Water Resources and Power Development Authority (Authority) Loan Agreement with Roxborough Water and Sanitation District (District) dated May 1, 2005 (Loan) – request to convey a portion of the District's regional pipeline to the City of Littleton, Colorado

Dear Mr. Moore:

We are in receipt of, and have reviewed the District's request set forth in a letter dated February 18, 2016, from District's counsel, Alan Pogue, regarding the approval by the Authority of the District's conveyance of a portion of its project financed by the Loan to the City of Littleton. We are also in receipt of a calculation of estimated operational and maintenance (O&M) cost savings (provided by email on May 2, 2016 from Alan Pogue) that would accrue to the District as a result of this conveyance. Pursuant to the Loan, Authority consent is required before the District can convey any portion of the project financed by the Loan.

The District's request is to convey one component of the project financed with the Authority Loan to the City of Littleton. This component consists of 5.9 miles of gravity fed interceptor line that conveys the wastewater to the Littleton/Englewood wastewater treatment plant. Given the benefit of the estimated O&M cost savings to the District, the Authority hereby approves the conveyance of this component of the project to the City of Littleton, Colorado.

If you have any questions, please feel free to contact Keith McLaughlin at 303-830-1550, extension 1022 or me at 303-830-1550, extension 1015.

Sincerely

Michael Brod Executive Director

EXHIBIT B

DEPICTION OF GRAVITY FLOW PIPE

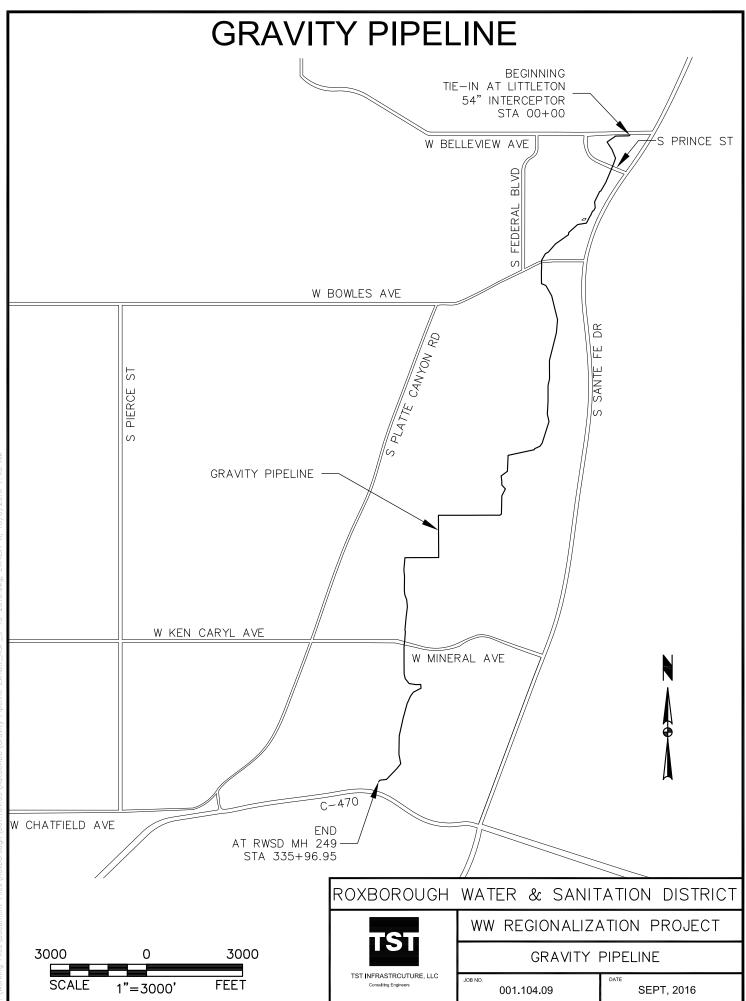


EXHIBIT C

DEPICTION OF SHARED PIPE

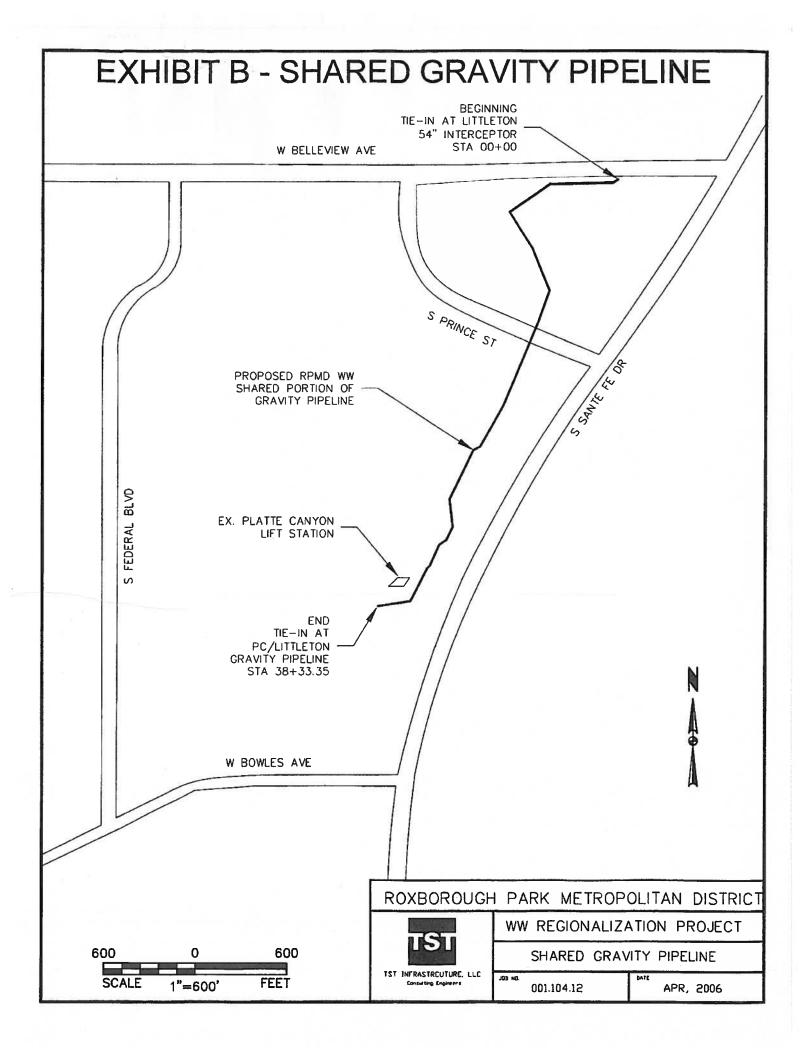


EXHIBIT D

BILL OF SALE

BILL OF SALE GRAVITY FLOW PIPE

KNOW ALL MEN BY THESE PRESENTS that Roxborough Water and Sanitation District (the "District"), for good and valuable consideration, the receipt of which is hereby acknowledged, paid by the City of Littleton, Colorado, Sewer Utility Enterprise (the "City"), does grant and convey unto the City, its successors and assigns, the District's right, title, and interest in certain public improvements known as the Gravity Flow Pipe and all appurtenances related thereto, and excepting from said grant and conveyance that portion of the Gravity Flow Pipe located on certain real property owned by the Department of the Army, as more particularly depicted on Exhibit 1, attached hereto and incorporated herein by reference and as constructed pursuant to those certain As-Builts provided to the City following the District's completion of construction of the Gravity Flow Pipe (the "Improvements").

TO HAVE AND TO HOLD, unto the City, its successors and assigns forever, and the District, for itself, its successors and assigns, covenants and agrees to and with the City and its successors and assigns, to warrant and defend the sale of said Improvements, hereby made unto the City, its successors and assigns, against all and every person or persons whomsoever, and warrants that the conveyance of the Improvements to the City, its successors and assigns, is made free from any claim or demand whatsoever.

IN WITNESS WHEREOF, the District, through its authorized representative, has caused its name to be hereunto subscribed this _____ day of _____, 2016.

ROXBOROUGH WATER AND SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____

)) ss.

)

Its: President

STATE OF COLORADO

COUNTY OF _____

The foregoing instrument was acknowledged before me on this _____ day of ______, 20____, by ______ as President of Roxborough Water and Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado.

WITNESS my hand and official seal.

(S E A L)

My commission expires: _____.

Notary Public

EXHIBIT 1

(To Bill of Sale)

DEPICTION OF GRAVITY FLOW PIPE

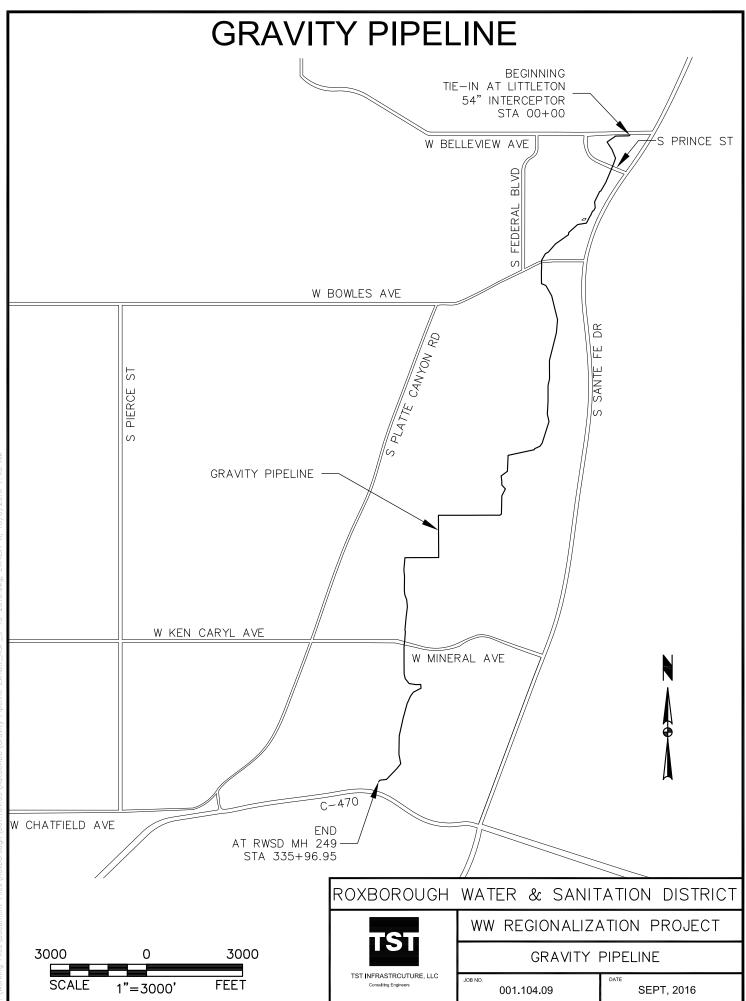


EXHIBIT E

LIST OF EASEMENTS AND LICENSES TO BE ASSIGNED

Document	Grantor	Dated	Recording Information
Easement Agreement	James and Kathleen Ackerman	December 30, 2005	Recorded in Arapahoe County on March 24, 2006 at Reception No. B6045832
Easement Agreement	Robert J. Reindl	April 20, 2006	Recorded in Arapahoe County on May 2, 2006 at Reception No. B6066824
Easement Agreement	Ira Sealy and Susan Sealy	February 10, 2006	Recorded in Arapahoe County on March 24, 2006 at Reception No. B6045834
Easement Agreement	State of Colorado, acting by and through the Department of Natural Resources, Colorado Water Conservation Board	March 30, 2006	Recorded in Arapahoe County on April 7, 2006 at Reception No. B6054374
Easement Deed	Easement Deed South Suburban Park and Recreation District		Recorded in Arapahoe County on March 24, 2006 at Reception No. B6045840, and re-recorded on June 29, 2006 at Reception No. B6095182
License Agreement	Nevada Ditch Holding Company	October 10, 2006	Not Recorded
Maintenance License Columbine Country Club		October 6, 2006	Recorded in Arapahoe County on November 9, 2006 at Reception No. B6159883