

Exhibit "B"

Interpretive Memorandum

This Interpretive Memorandum (this "Memorandum") is entered into as of the _____ day of _____, 2017, by and between the KEN-CARYL RANCH WATER AND SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"), and the CITY of LITTLETON, COLORADO, a municipal corporation (the "City").

Introduction

As of the date of this Memorandum, District and City have entered into an Addendum (the "Addendum") to their October 11, 1983 Sewer Service Agreement (the "Sewer Service Agreement"), relating to certain requirements that have been imposed upon City by the United States Environmental Protection Agency. The City has entered into a number of similar addenda with other entities that have sewer service agreements with it, and has requested that the District execute the City's standard form of Addendum to Sewer Agreement.

The District has determined that the City has sufficient authority to comply with applicable State of Colorado and federal industrial pretreatment regulations under Colorado law and the existing terms of the Sewer Service Agreement. However, in the interest of cooperating with the City and assisting with the City's efforts to comply with federal regulators, the District is willing to execute the Addendum, provided that both the City and the District execute this Memorandum to clarify the intent of the Addendum and the meaning of certain terms and provisions contained therein. It is the intention of both the District and the City that this Memorandum constitute a binding agreement between the District and the City, and that the language of this Memorandum will be controlling in the event of a conflict between the language in the Addendum and the language in this Memorandum.

Clarifying Provisions

1. City of Littleton Authority. Sections I.1.A., I.1.B., I.1.C. II.1.C., II.1.D. and II.1.F. of the addendum all refer to City's authority to undertake certain activities as an agent of, or on behalf of the District. The language of those provisions notwithstanding, City and District acknowledge and agree that the City is not authorized to act as an agent of or on behalf of the District under the Sewer Service Agreement or under the Addendum and that District will not be liable for the actions of the City or any of its agents, contractors or employees. Rather, the Sewer Service Agreement and the Addendum together constitute an Intergovernmental Agreement as authorized under the provisions of C.R.S. Section 29-1-203, which allows local governments to "contract with one another to provide any function, service or facility lawfully authorized to each...", and the City's authority to enforce the requirements of its Industrial Pretreatment Program arise as a result of its joint authority to do so under the terms of the Sewer Service Agreement as modified by the Addendum.
2. Notice to District. Except in the event of an emergency, the City shall make a good faith effort to provide the District with a minimum of 24 hours advance notice before the City enters upon the premises of any "Industrial User" or "Nondomestic User," as defined under the

Memorandum and EPA regulations, for the purpose of conducting an inspection or to enforce the City's Industrial Pretreatment Regulations. In the event an immediate entry is required due to an emergency condition, City shall provide District with notice of its activities as soon as possible thereafter, preferably within 24 hours after the first entry. The City shall make good faith efforts to provide the District with a minimum of five days advance notice before commencing any enforcement actions involving administrative compliance orders or administrative penalties against an Industrial User or Nondomestic User located within the District's service area. The City shall make good faith efforts to provide notice to the District regarding all other enforcement actions, such as verbal notifications and notices of violation (NOV), against an Industrial User or Nondomestic User within 24 hours of such action.

3. Rules and Regulations. Littleton acknowledges that Section II.1.A. of the Addendum, which requires the District to adopt certain rules and regulations, has been satisfied by Section 2.3.2 of the District's current rules and regulations which provide that use of the District's sewer mains shall be subject to the applicable rules, regulations and ordinances of City, including, as applicable, City's pre-treatment requirements.

4. Fees and Charges. In all instances where the Addendum provides that City may charge the District for any inspections or other activities that the City is authorized to undertake, such charges will only be assessed pursuant to a duly adopted City fee schedule which is generally applicable to all other similarly situated parties.

This terms of this Memorandum are agreed to as the Effective Date of the Addendum.

THE CITY OF LITTLETON, COLORADO,
A Colorado home rule city

**KEN-CARYL RANCH WATER AND
SANITATION DISTRICT,**
a quasi-municipal corporation and political
subdivision of the State of Colorado

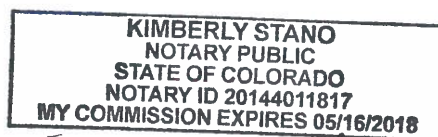
By: _____

By: Buddy J. Becker

Attest: _____

Name: Buddy J. Becker

Title: Board Chairman



Kimberly Stano 5/11/17