

RECEIVED MAR 29 2004

**METROPOLITAN DISTRICTS
INTERGOVERNMENTAL AGREEMENT
(WOODMEN HILLS-MERIDIAN RANCH)**

This Intergovernmental Agreement ("IGA") is made and entered into effective this 17th day of March, 2004 by and between Woodmen Hills Metropolitan District ("Woodmen Hills") and Meridian Service Metropolitan District ("Meridian Service"), collectively, the "Districts".

RECITALS

A. Woodmen Hills is an established quasi-municipal corporation and political subdivision of the State of Colorado formed pursuant to Title 32 Colorado Revised Statutes and is a special district which furnishes various municipal services to the Woodmen Hills development ("Woodmen Hills Development").

B. Meridian Service is an established quasi-municipal corporation and political subdivision of the State of Colorado formed pursuant to Title 32 Colorado Revised Statutes and is a special district which furnishes various municipal services to the Meridian Ranch development ("Meridian Ranch").

C. Pursuant to Colorado Constitution, Article XIV, Section 18(2)(a) and Section 29-1-203, Colorado Revised Statutes, Districts may cooperate and contract with each other to provide any function, services, or facilities lawfully authorized to each.

D. Meridian Service has the responsibility pursuant to an intergovernmental agreement to provide management services to the Meridian Ranch Metropolitan District.

E. Woodmen Hills, as an established district, is capable of providing management services in order to assist Meridian Service in carrying out its responsibilities.

F. Meridian Service and Woodmen Hills are adjoining districts and have interconnected portions of their water and waste water systems. Woodmen Hills maintains a water storage reservoir on property in Meridian Ranch which is filled from water provided by Woodmen Hills through the existing water transmission lines traversing Meridian Ranch.

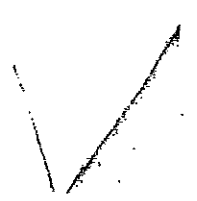
Meridian Service intends to send its waste water through the existing sewer lines traversing the Woodmen Hills Development.

G. The Districts desire to set forth their understanding with regard to the management and maintenance of their respective and interconnected systems.

NOW THEREFORE, based upon the mutual considerations and promises contained herein, the Districts agree as follows:

1. **Water/Waste Water Systems/Drainage Facilities.** Meridian Service shall be

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responsible for the design, construction, installation, maintenance and financing of all municipal infrastructure as set forth in the Meridian Service and Meridian Ranch Plans approved by the El Paso County Board of County Commissioners. This infrastructure includes a complete potable water system consisting of wells, pumps, motors, holding reservoirs, transmission lines, boosters, pumps, filters, PRV's, chlorination facilities, taps, SCADA monitoring systems, and other related facilities. This infrastructure shall include a complete municipal waste water collection system consisting of sewer outfall lines, taps and other related facilities. In addition, there will be constructed a complete drainage system including detention ponds, channel, and related facilities.

These municipal systems will be designed to at least the same standards as the Woodmen Hills infrastructure and shall connect to the same.

All costs associated with the repair, maintenance and replacement of the major drainage channel south of Stapleton Drive and west of the 35 acre Bennett Detention Basin shall be shared equally between the Districts.

All costs associated with the repair, maintenance and replacement of the 35 acre Bennett Detention Basin (located on the Woodmen Hills Development) and the minor drainage channel east of Eastonville Road to Judge Orr Road will be paid 40% by Meridian Service and 60% by Woodmen Hills.

Repairs and maintenance of the major and minor drainage channels and the 35 acre Bennett Detention Basin shall be managed by Woodmen Hills.

2. **Management.** Woodmen Hills shall manage the water system, wastewater system and drainage facilities of Meridian Service consisting of all field functions, including but not limited to, metering, connections, inspections, operation, treatment, and storage as needed on a 24-hour basis together with all administrative assistance such as record keeping, billing and collection.

3. **Management Fee.** For its services, Woodmen Hills shall be paid a monthly management fee of \$7,393.22. The parties will review this fee semi-annually beginning with January of each year and said fee may be adjusted as mutually agreed to by the Districts. This service may be terminated by either party upon 60 days written notice and only affects paragraphs 2 and 3 of this Agreement. Upon termination, the other provisions of this IGA shall remain in full force and effect until otherwise amended, modified or cancelled. For equipment or materials purchased for Meridian Service, these items will be at cost, without additional mark-up.

4. **PreTreatment Standards.** For wastewater and potable water, Meridian Service shall be responsible for the adoption of, and enforcement of, pretreatment waste water standards acceptable to Woodmen Hills and the Paint Brush Hills Metropolitan District regional waste water treatment facility.

Woodmen Hills shall be responsible for the adoption of, and enforcement of,

pretreatment potable water standard acceptable to Meridian Service.

5. **District Water and Waste Water System.** Each District shall be responsible for all costs for the design, construction, maintenance, repair and replacement of the water and waste water systems within their respective boundaries, unless the failure or necessity to upsize is caused by the other district.

6. **Woodmen Hills and Meridian Service Reservoirs.** Meridian Service agrees to allow Woodmen Hills to use without cost the property in Meridian Ranch where Woodmen Hills has built its 2 million gallon water reservoir. Except for fencing and landscaping, Woodmen Hills shall be responsible for the design, construction, maintenance (both interior and exterior), repair and replacement of its water reservoir and adjoining piping and valves. The water reservoir color must be approved in advance by Meridian Service. The Woodmen Hills water reservoir shall be maintained to the same standards as the Meridian Service water reservoirs.

The cost of installation and maintenance of security fencing and gates around the reservoir site on Meridian Ranch will be paid 75% by Meridian Service and 25% by Woodmen Hills. The cost of installation and maintenance of landscaping shall be shared 75% by Meridian Service and 25% by Woodmen Hills. Woodmen Hills will use approved roadways and easements to access their water reservoir.

Both Districts own and operate separate water reservoirs. The Districts agree to coordinate the interior cleaning and/or repair of said tanks in order to conserve time and expense; however, the costs associated with the cleaning and/or repair shall be the responsibility of the District owning the same.

7. **Waste Water Treatment Plant (WWTP).** Woodmen Hills manages the Paint Brush Hills Regional Waste Water Treatment Plant ("WWTP") which is located on property within Meridian Ranch. Meridian Ranch effluent is presently treated at the WWTP. Woodmen Hills shall be responsible for all necessary personnel and equipment necessary to operate the WWTP including the necessary potable water system. The WWTP has been landscaped in order to screen the facility. The cost of this landscape screening was shared equally between the Districts. Maintenance, repair and replacement of the landscaping surrounding the WWTP is the sole responsibility of Woodmen Hills.

Should the WWTP be abandoned and wastewater is transported and treated through facilities owned by Meridian Service and/or Cherokee Metropolitan District, Woodmen Hills agrees to comply with discharge and pretreatment ordinances adopted by Cherokee Metropolitan District and Meridian Service. In addition, Woodmen Hills agrees to allow Meridian Service to use without cost the property located at McLaughlin Road, Falcon, Colorado, Assessor Schedule #4307202005 for the installation of a lift station, equalization pond and associated equipment. Woodmen Hills agrees not to use the property for any other purpose without first obtaining permission from Meridian Service which permission shall not be unreasonably withheld.

Currently Woodmen Hills has two lift stations located at the property referred to above ("Property"). When Meridian Service builds their pump station on the above referenced property, the districts agree to equally share the cost of maintaining the exterior appearance of all associated structures and the Property. When Meridian Service installs a lift station on the Property and the two Woodmen Hills lift stations are abandoned or incorporated into use by Meridian Service, then Meridian Service will assume full responsibility for the maintenance and operation of the lift stations located on the Property. It is agreed that Meridian Service will not be charged for the cost of Woodmen Hills lift stations. It is contemplated that Meridian Service and Woodmen Hills will use the Property as a storage yard shared on an equal basis for their miscellaneous equipment and supplies. Any cost associated with preparing the Property as a storage yard will be shared equally, and there will be mutual agreement as to what improvements will be made to the Property such as paving, fencing, landscaping, etc.

Terms and conditions associated with the abandonment of the WWTP will be covered under a separate agreement.

Wastewater lines located within Woodmen Hills that are to be oversized to handle the capacities produced by Meridian Service shall be the responsibility of Meridian Service. Meridian Service shall get permission from Woodmen Hills before starting of work. All work on Woodmen Hills Development will be designed to at least the same standards as the Woodmen Hills infrastructure.

8. **Interconnected Water System.** The Districts' potable water systems are interconnected at the intersection of Stapleton Drive and Meridian Ranch Boulevard. The purpose of this interconnection is to insure that a municipal supply of water is available to each District in the time of emergencies caused by fire flow requirements, equipment failures, line breakage and temporary shortages. It is not the intent that either District is responsible for providing water to the other District. Therefore the Districts agree to equalize the water flow usage on a monthly basis. The Districts in an emergency may borrow from the other District without charge provided that the amount borrowed is returned the following month. No emergency may last more than thirty days.

Neither District may borrow more water than was borrowed the previous month.

Should one District need water from the other past the thirty day emergency period or for any other reason, then subject to selling board approval, the water may be purchased at a bulk rate of \$2.00 per thousand gallons. This price will be adjusted annually based on the Denver-Boulder CPI, or if not available, its nearest equivalent. However, it is not the intention for one District to be the regular water supplier to the other District.

Water reservoirs shall not be permitted to drain below fire capacity. Should an emergency occur to both Districts, and if necessary, both Districts agree to go on water rationing. Districts agree to use the same water rationing plan, which is to be adopted at a later date. This does not prevent any one District from adopting water rationing for emergency or conservation purposes.

The Cherokee potable water pipeline connects to the Cherokee potable water reservoir adjoining Marksheffel Boulevard and then parallels Tamlin Road to the southerly edge of Woodmen Hills Development. Both parties agree to pay for the cost of operations and maintenance of said water line based upon the proportionate use of said line.

Woodmen Hills water delivered through the Cherokee potable water pipeline is delivered to a transfer pump station operated by Woodmen Hills. Woodmen Hills agrees to install a separate electric meter at their expense in order to accurately determine the cost of the electricity to pump water through the transfer pump station. Meridian Service agrees to pay for their share to have water delivered through the Woodmen Hills transfer pump station. The charge for this electricity cost to Meridian Service will be at actual electric cost plus 10 percent. This electricity cost will be billed to Meridian Service on a monthly bases.

In order to accommodate each District, the Districts agree to grant the necessary easements and rights-of-way for municipal infrastructure as may be reasonably needed and requested.

9. **Water Meter at Stapleton Drive.** Woodmen Hills shall be responsible for monitoring and recording data from the water meter located at the intersection of Stapleton Drive and Meridian Ranch Boulevard. Monthly accounting shall be provided to Meridian Service. Nothing shall preclude Meridian Service from monitoring and recording data from the above referenced water meter.

10. **Wastewater Treatment.** Pursuant to a separate agreement, Meridian Ranch is to be provided a minimum of 500 sewer taps into the WWTP. The monthly fee to provide wastewater treatment for these sewer taps is to be \$5.00 per month for each residence payable monthly by Meridian Service. The monthly fees will commence for each residence upon the setting of a water meter. These fees shall commence January 1, 2004.

11. **General Construction, Repairs, Modifications or Maintenance.** Each District must notify the other District if they plan to do any work to the systems which might affect the other District's system in any way. Changes in design, specifications or timing of services must be agreed upon by both parties as it relates to interconnected systems. Neither District can modify their own system if it adversely affects the other District's system. If it is discovered that such a condition occurs, then the District that has caused the condition must rectify and correct the condition as soon as possible.

12. **Cherokee Replacement Plan.** Meridian Service has an existing Intergovernmental Agreement with Cherokee Metropolitan District in the development of a tertiary waste water plant with a plan to return treated effluent to the alluvium of the Upper Black Squirrel Creek Designated Ground Water Basin at a point of recharge south of Ellicott, Colorado. The Districts agree to continue to cooperate with this replacement plan.

13. **Other Municipal Services.** All other municipal services (park-recreation, roads, etc.) as contemplated in the Districts' Plans, shall be the responsibility of each district.

14. **Miscellaneous.**

a. **Governing Law.** The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Colorado.

b. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

c. **Captions.** The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

d. **Assignability.** Neither party may assign its rights under this Agreement without the prior written consent of the other, which consent will not be unreasonably withheld provided that the assignment is to another Colorado special district or other political subdivision of the State of Colorado.

e. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

f. **Modifications; Waiver.** No waiver, modification, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

g. **Entire Agreement.** This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby.

h. **Partial Invalidity.** Any provision of this Agreement which is unenforceable or invalid or the inclusion of which would impair the validity, legality or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

i. **No Third Party Rights.** Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

j. **Attorneys' Fees.** In the event of any controversy, claim or dispute between the parties affecting or relating to the subject matter or performance of this Agreement,

the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable attorneys' fees and costs incurred in such action.


k. Dispute Resolution. The parties agree that should any dispute arise over this Agreement, the same shall be resolved by binding and mandatory arbitration to be held in El Paso County, Colorado before one mutually-agreed to arbitrator who shall make all decisions concerning procedure and discovery. Should the parties be unable to agree upon said arbitrator, the same shall be appointed by an El Paso County District Court Judge. The cost of the arbitrator shall be paid equally by the parties.

l. Annual Review. The parties agree to review this agreement at their respective March Board Meetings (or the next board meeting after March) each year to update and amend as mutually agreed upon.

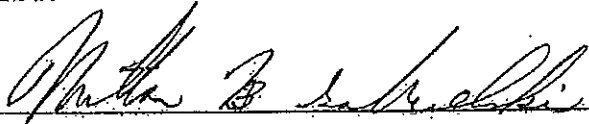
Made and entered into the year and date first above written.

SIGNATURE PAGE FOLLOWS

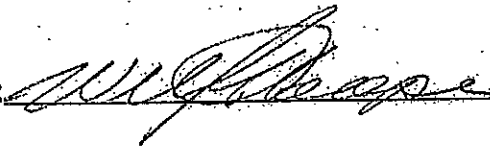
MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: 
Laura Lamert, President

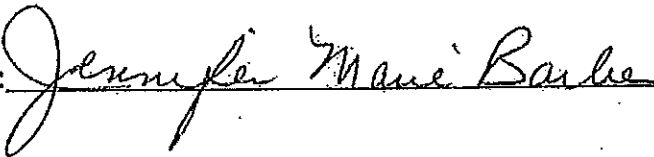
ATTEST:

BY: 

WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

ATTEST:

BY: 

IGA-WOODMEN HILLS 3-12-04

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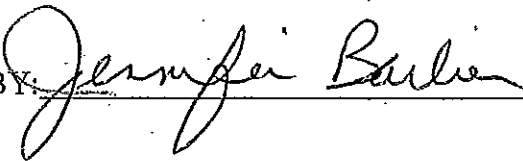
SECOND ADDENDUM TO
AGREEMENT RE WASTE WATER TREATMENT BY:
(WOODMEN HILLS/MERIDIAN RANCH)

This Addendum is made to that certain Intergovernmental Agreement ("IGA") dated the 15th day of June 2005 by and between Woodmen Hills Metropolitan District ("Woodmen Hills") and Meridian Ranch Metropolitan District and Meridian Service Metropolitan District (collectively "Meridian").

Section 1 of the IGA is hereby amended by changing the referenced two dates of December 31, 2007 to January 1, 2010 and changing the referenced fee of \$7.00 to \$8.00.

Made and entered into effective this 15th day of November 2007.

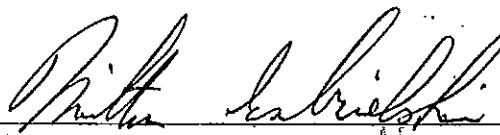
WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

MERIDIAN RANCH METROPOLITAN DISTRICT

BY: 

MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: 

**AGREEMENT RE WASTE WATER TREATMENT
(WOODMEN HILLS/MERIDIAN RANCH)**

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RECITALS

A. Woodmen Hills is an established quasi-municipal corporation and political subdivision of the State of Colorado formed pursuant to Title 32 Colorado Revised Statutes and is a special district which furnishes various municipal services to the Woodmen Hills development.

B. Meridian Service is a newly formed quasi-municipal corporation and political subdivision of the State of Colorado formed pursuant to Title 32 Colorado Revised Statutes and is a special district which also furnishes various municipal services to the Meridian Ranch development.

C. Woodmen Hills and Paintbrush Hills Metropolitan District own and operate a waste water treatment plant ("WWTP").

D. Pursuant to Colorado Constitution, Article XIV, Section 18(2)(a) and Section 29-1-203, Colorado Revised Statutes, Districts may cooperate and contract with each other to provide any function, services, or facilities lawfully authorized to each.

E. Meridian Service has the responsibility pursuant to an intergovernmental agreement to provide management services to the Meridian Ranch Metropolitan District.

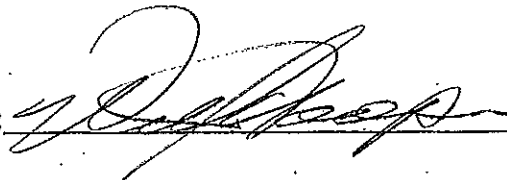
F. Woodmen Hills has excess capacity in the WWTP which it can make available to Meridian.

NOW THEREFORE, based upon the mutual considerations and promises contained herein, the Districts agree as follows:

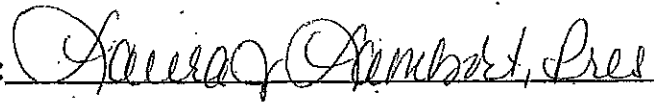
1. **WWTP Taps.** Woodmen Hills shall make available to Meridian up to 350 single family wastewater taps until December 31, 2007 at no charge for a tap fee; provided that for those taps being used, Meridian shall pay the monthly user fee presently set at \$7.00 per unit per month. Once Meridian has completed its force main from Falcon to Highway 94 and has connected to the new Cherokee WWTP, any taps used by Meridian shall revert to Woodmen Hills at no cost to Meridian. After December 31, 2007, should Meridian continue to make use of any of the 350 taps, Meridian shall pay Woodmen Hills the then going tap fee rate which is presently set at \$5,000 and this fee shall be non refundable.

2. **User Fees.** Once connected, Meridian shall be responsible for the payment of all monthly user charges at the current Woodmen Hills rate for each user receiving a tap from Woodmen Hills.

WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

MERIDIAN RANCH METROPOLITAN DISTRICT

BY: 

MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: 

**AGREEMENT RE WASTE WATER TREATMENT
(WOODMEN HILLS/MERIDIAN RANCH)**

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F. Woodmen Hills has excess capacity in the WWTP which it can make available to Meridian.

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WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

MERIDIAN RANCH METROPOLITAN DISTRICT

BY: Aurora J. Lambert, Pres.

MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: Aurora J. Lambert, Pres.

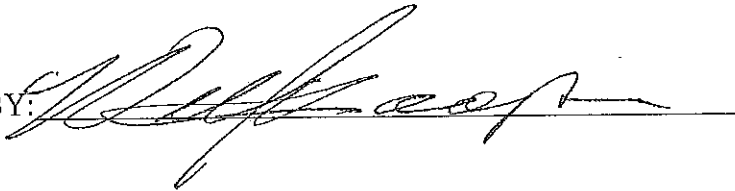
**ADDENDUM TO
AGREEMENT RE WASTE WATER TREATMENT
(WOODMEN HILLS/MERIDIAN RANCH)**

This Addendum is made to that certain Intergovernmental Agreement ("IGA") dated the 15th day of June 2005 by and between Woodmen Hills Metropolitan District ("Woodmen Hills") and Meridian Ranch Metropolitan District and Meridian Service Metropolitan District (collectively "Meridian").

Section 1 of the IGA is hereby amended by changing 350 single family wastewater taps to 446 single family wastewater taps.

Made and entered into effective this 20th day of July 2006.

WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

MERIDIAN RANCH METROPOLITAN DISTRICT

BY: 

MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: 

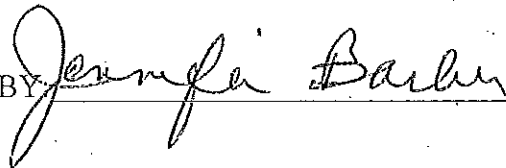
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(WOODMEN HILLS/MERIDIAN RANCH)**

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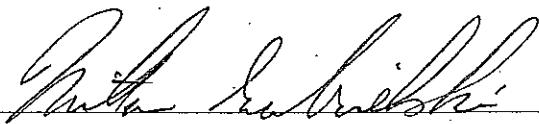
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WOODMEN HILLS METROPOLITAN DISTRICT

BY: 

MERIDIAN RANCH METROPOLITAN DISTRICT

BY: 

MERIDIAN SERVICE METROPOLITAN DISTRICT

BY: 