

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (hereinafter "Agreement") is made and entered into this 14th day of February, 2022, between the City of Pueblo, a municipal corporation (hereinafter referred to as "City") and the Pueblo West Metropolitan District, acting by and through the Pueblo West Metropolitan District's Water and Wastewater Enterprise (hereinafter "Enterprise"). City and Enterprise are sometimes each referred to as a "Party" and collectively "Parties."

Recitals

WHEREAS, the Board of Water Works of Pueblo, Colorado (hereinafter "Pueblo Water") and Enterprise have entered into a Water Lease and Storage Agreement (hereinafter "Water Lease") pursuant to which Pueblo Water will make available for delivery to Enterprise 1,500 acre-feet of water on an annual basis for a period commencing November 1, 2022 and terminating October 31, 2027. The Water Lease may be renewed for an additional 5-year term upon the written mutual consent of Pueblo Water and Enterprise; and

WHEREAS, the City desires to promote infill development and the construction of affordable housing within the city limits; and

WHEREAS, Enterprise recognizes that the water and storage rights being temporarily transferred under the Water Lease belong to residents of the City and desires to cooperate with the City to further regional development.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants and promises contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Term of this Agreement. This Agreement will be in full force and effect beginning on the effective date of Water Lease and Storage Agreement and continuing during the term of said agreement and any renewals or extensions of the Water Lease and Storage Agreement.

2. Payments to City. Enterprise shall collect and pay to the City the amount of \$1,500.00 for every water tap issued by Enterprise, commencing on the effective date of the Water Lease and Storage Agreement and thereafter continuing during the term of this Agreement. Enterprise shall make such payments to the City on a quarterly basis, no later than 30 days after the close of each quarter. The City intends to use said funds to promote infill development and the construction of affordable housing within the city limits.

3. Sole Obligations of Enterprise. Notwithstanding anything herein to the contrary, all financial obligations under this Agreement shall be the sole obligations of the Enterprise and not the financial obligations or other indebtedness of the Pueblo West Metropolitan District (hereinafter "District"). Nothing herein constitutes, nor will be deemed to constitute, the creation of a debt or multi-year fiscal obligation of the District, or an obligation of future appropriations by the Board of Directors of the District, contrary to

Article X, § 20 of the Colorado Constitution or any other constitutional or statutory debt limitation.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement effective the day and year first written above.

ATTEST:

CITY OF PUEBLO,
A MUNICIPAL CORPORATION

By: _____
City Clerk

By: _____
Nicholas A Gradisar, Mayor

PUEBLO WEST METROPOLITAN DISTRICT,
ACTING BY AND THROUGH THE PUEBLO WEST
METROPOLITAN DISTRICT'S WATER AND
WASTEWATER ENTERPRISE

By: _____
Doug Proal, Enterprise President