

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2012

Board Item: 2.A.1

## Colorado River Cooperative Agreement Approval of Implementation Agreement for Breckenridge and Keystone Ski Areas

Action by Consent

Action

Information

After nearly four years of mediated negotiations, the Board and seventeen entities from the Western Slope reached consensus on the proposed Colorado River Cooperative Agreement (CRCA), which resolved several longstanding disputes involving the Board's present and future operations on the Western Slope. The CRCA was announced publicly on April 28, 2011, in a press conference with the Signatories and various elected officials.

Under the CRCA, the Board agreed to provide water to various West Slope entities. On July 13, 2011, the Board adopted a resolution of intent to appropriate water rights, in order to make the promised water legally available on the West Slope. Recipients of water who are not Signatories to the CRCA, more than twenty West Slope towns, districts and ski areas, must sign an Implementation Agreement to be eligible for water delivery. The Implementation Agreement specifies the amount of water to be provided and requires the recipient to honor certain provisions of the CRCA that resolve water rights issues with Denver Water.

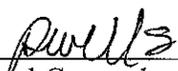
On February 21, 2012, the first Implementation Agreement was executed by Vail Summit Resorts, Inc. and Vail Resorts, Inc. on behalf of Breckenridge and Keystone Ski Areas. After the CRCA is fully executed and certain legal issues under the Blue River Decree have been fully resolved, Breckenridge will receive 302 acre-feet of water per year, and Keystone will receive 126 acre-feet. The ski areas will use the water primarily for snowmaking. The ski areas will be required to provide replacement water to Denver Water at the ratio of 1.4 to 1. Although it will be some time before water is actually delivered, execution of the Implementation Agreement is an important first step in moving toward execution and implementation of the CRCA.

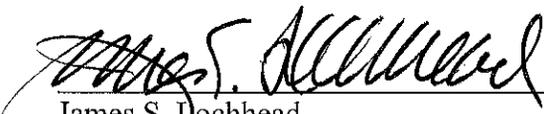
### Recommendation:

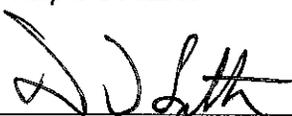
It is recommended that the Board approve execution of the attached Implementation Agreement with Vail Summit Resorts, Inc. and Vail Resorts, Inc.

### Approvals:

Respectfully submitted,

  
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General Counsel

  
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James S. Dochhead  
CEO/Manager

  
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Director of Planning