

**NON-POTABLE LINE CONSTRUCTION
INTERGOVERNMENTAL AGREEMENT
(ACWWA - Concord)**

THIS NON-POTABLE LINE CONSTRUCTION INTERGOVERNMENTAL AGREEMENT (Agreement) is made this 9th day of OCTOBER, 2008 by and between the Arapahoe County Water and Wastewater Authority (ACWWA) and Concord Metropolitan District (District), collectively referred to herein as the Parties.

RECITALS

WHEREAS, ACWWA is the water and sanitary sewer provider for the property within the boundaries of the District; and

WHEREAS, ACWWA has determined that for purposes of maximizing water use efficiency it is in the best interest of its customers to construct and utilize a non-potable water system for irrigation purposes within its service area; and

WHEREAS, the District is empowered to provide water services and improvements within and outside its boundaries for the benefit of the users and taxpayers within its boundaries and has determined that construction of certain non-potable lines is in the best interest of the District; and

WHEREAS, pursuant to C.R.S. § 29-1-203, the District and ACWWA desire to cooperate on the construction of the non-potable system within the District in order to maximize efficiency and provide non-potable water service to existing and future development within the District.

COVENANTS

NOW THEREFORE, for and in consideration of the premises and promises herein contained, the Parties agree as follows:

1. "Highfield" Line Extension. The District will construct and install the 12 inch non-potable line from the connection point at the western boundary of the Highfield property to the east side of Concord Center Drive and connect to the "Southyard" line extension as indicated on Exhibit A hereto ("Highfield Line"). ACWWA shall pay for all customary and reasonable costs related to installation/construction, design and materials for this segment of the line within 30 days of receipt of invoice from the District. The District shall provide written back up of costs invoiced which total amount shall not exceed \$100,000.00 without prior written approval from ACWWA.

2. "Southyard" Line Extension. ACWWA shall construct and pay for or cause the owners of the Southyard property to construct and pay for, the 8 inch non-potable line extending from the west terminus of the 12 inch Highfield Line extension to the eastern property line of the UPS site as indicated on Exhibit A hereto ("Southyard Line"). The Southyard Line shall be completed prior to or in coordination with the District construction of the lines for which it is responsible.

3. District Lines. The District will construct and pay all design, installation, construction and material costs for the 6 inch non-potable line running south from the Southyard Line past the intersection of DCIP lots 4A-1 and C-1 as indicated on Exhibit A hereto. The District shall also construct and pay all installation/construction and material costs for the 6 inch line running south from the intersection of James Casey Road and DCIP Lot 6 to the intersection of DCIP Lots 6, 4D-1 and 4A-1 (collectively, all such lines shall be known as the "District Lines"). This line shall be required to be installed at such time as Lots 5 & 6 are developed.

4. Re-Tap of Existing Irrigation Services. ACWWA shall be solely responsible for all costs related to the connections (including crossing Concord Center Drive to serve DCIP Lot 3, if required), taps and meters from the Concord Center Drive 6 inch main line to serve the existing individual irrigation taps for DCIP lots 1, 3, 2A, 2B and 2C if and when such taps are removed from the current potable connection.

5. Transfer and Maintenance. At completion of a warranty period of 1 year from the date of acceptance of a discrete portion of the District Lines by the District, the District shall transfer such portion of the District Lines and appurtenances to ACWWA via Bill of Sale in form reasonably agreed to by the parties. Thereafter, ACWWA shall be solely responsible for all operations, replacement and maintenance of such portion of the District Lines.

MISCELLANEOUS

6. Relationship of Parties. This Agreement does not and shall not be construed as creating a relationship of joint venturers, partners, or employer-employee between the Parties.

7. Liability of Parties. No provision, covenant or agreement contained in this Agreement, nor any obligations herein imposed upon each Party nor the breach thereof, nor the issuance and sale of any bonds by a Party, shall constitute or create an indebtedness of the other Party within the meaning of any Colorado constitutional provision or statutory limitation. Neither Party shall have any obligation whatsoever to repay any debt or liability of the other Party.

8. Assignment. Neither this Agreement, nor any of either Party's rights, obligations, duties or authority hereunder may be assigned in whole or in part by either Party without the prior written consent of the other Party. Any such attempt of assignment shall be deemed void and of no

force and effect. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

9. Modification. This Agreement may be modified, amended, changed or terminated, except as otherwise provided herein, in whole or in part, only by an agreement in writing duly authorized and executed by both Parties. No consent of any third party shall be required for the negotiation and execution of any such agreement.

10. Waiver. The waiver of a breach of any of the provisions of this Agreement by either Party shall not constitute a continuing waiver or a waiver of any subsequent breach by the other Party of the same or another provision of this Agreement.

11. Integration. This Agreement contains the entire agreement between the Parties and no statement, promise or inducement made by either Party or the agent of either Party that is not contained in this Agreement shall be valid or binding.

12. Severability. Invalidation of any of the provisions of this Agreement or of any paragraph, sentence, clause, phrase, or word herein, or the application thereof in any given circumstance, shall not affect the validity of any other provision of this Agreement.

13. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

14. Headings for Convenience Only. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to define, limit or describe the scope or intent of any of the provisions of this Agreement.

15. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when personally delivered or upon three business days following mailing by registered or certified mail, postage prepaid, addressed as follows:

If to ACWWA: Gary Atkin, Manager
Arapahoe County Water and Wastewater Authority
13031 E. Caley Ave.
Centennial, CO 80111

If to Concord: Concord Metropolitan District
C/O R.S. Wells Corp.
8390 E. Crescent Parkway, Suite 500
Greenwood Village, CO 80111-2811

or at other such addresses as said parties may hereafter or from time to time designate by written notice to the other party given in accordance with this Section.

16. Government Authority. The District and ACWWA shall comply with any and all valid state, federal or local laws or regulations covering the subject of this Agreement, and any and all valid orders, regulations or licenses issued pursuant to any federal, state or local law or regulation governing the subject of this Agreement.

17. Fair Dealing. In all cases where the consent or approval of one party is required before the other may act, or where the agreement or cooperation of either or both parties is separately or mutually required as a legal or practical matter, then in that event the parties agree that each will act in a fair and reasonable manner with a view to carrying out the intents and goals of this Agreement as the same are set forth herein, subject to the terms hereof; provided, however, that nothing herein shall be construed as imposing on either party any greater duty or obligation to the other than that which already exists as a matter of Colorado law, including but not limited to any fiduciary duty or other responsibility greater than that of reasonable parties contracting at arms length.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

ATTEST:

Maria A. Mackenzie
Secretary

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY

[Signature]
President

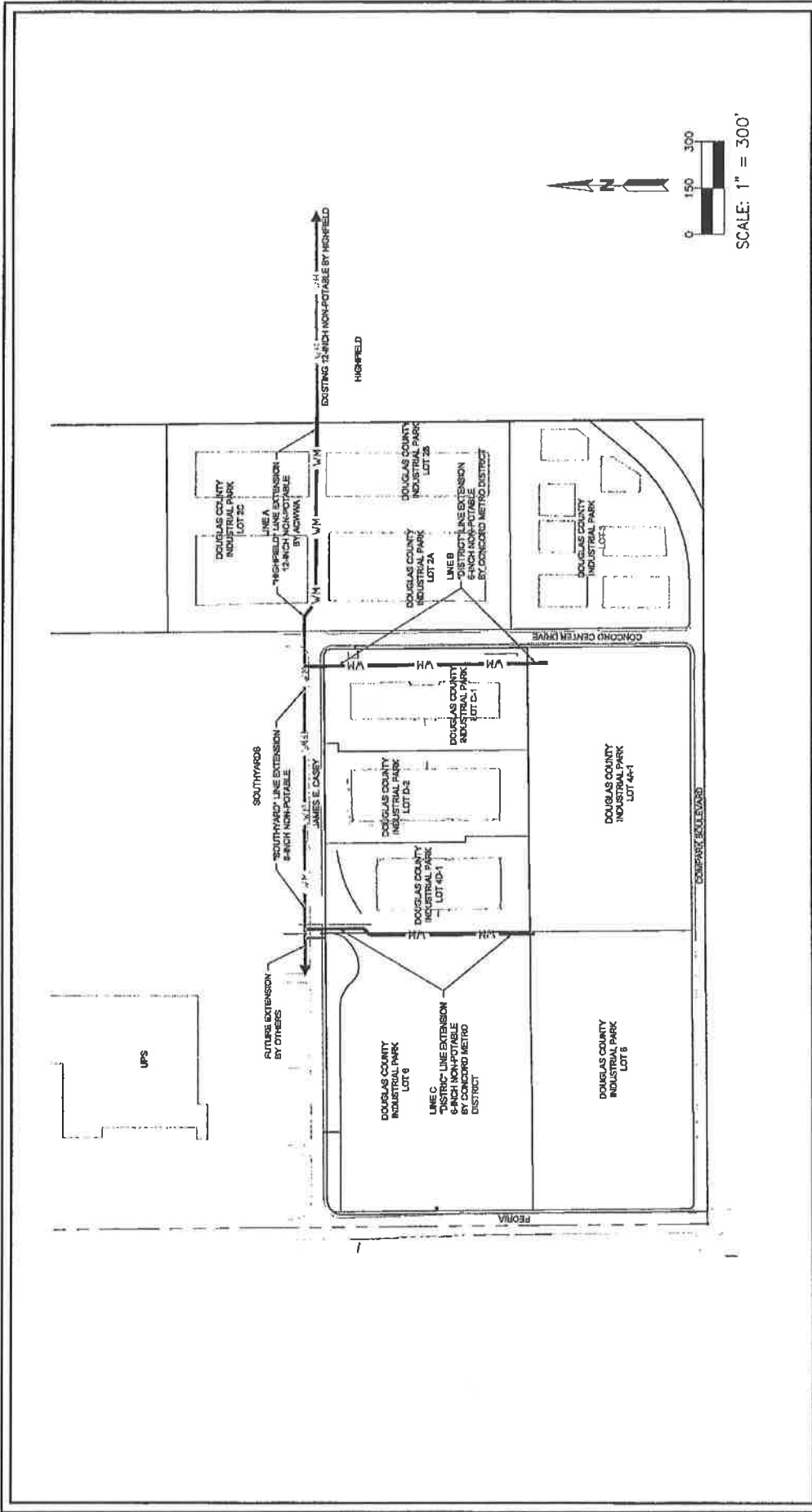
ATTEST

[Signature]
Secretary

CONCORD METROPOLITAN DISTRICT

[Signature]
President

EXHIBIT A



DOUGLAS COUNTY INDUSTRIAL PARK
NON-POTABLE WATER LINE LAYOUT

EXHIBIT A

SEPTEMBER 4, 2008