

SUPPLEMENTAL AGREEMENT TO
MEMORANDUM OF UNDERSTANDING AND AGREEMENT CONCERNING THE
PROPOSED SUBDIVISION OF COMMON AREA SIX AT
SOUTH SHORE AT STAGECOACH

THIS SUPPLEMENTAL AGREEMENT TO MEMORANDUM OF UNDERSTANDING AND AGREEMENT CONCERNING THE PROPOSED SUBDIVISION OF COMMON AREA SIX AT SOUTH SHORE AT STAGECOACH (the "Supplement") is made and entered into by and among the MORRISON CREEK METROPOLITAN WATER AND SANITATION DISTRICT, a Colorado special district ("Morrison Creek"), the STAGECOACH PROPERTY OWNERS ASSOCIATION, a Colorado non-profit corporation ("SPOA"), and TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC., a Colorado cooperative association ("Tri-State").

WHEREAS, SPOA and Tri-State have entered into and executed a MEMORANDUM OF UNDERSTANDING AND AGREEMENT CONCERNING THE PROPOSED SUBDIVISION OF COMMON AREA SIX AT SOUTH SHORE AT STAGECOACH, executed by SPOA on February 1, 2024, and executed by Tri-State on February 6, 2024 (the "MOU Agreement"), a true copy of which, as finally executed, being attached to this Supplement as Exhibit "A"; and

WHEREAS, certain provisions of the MOU Agreement affect Morrison Creek, and the purpose of this Supplement is to provide supplemental agreements among SPOA, Tri-State, and Morrison Creek with respect to clarifying, amending, implementing and supplementing the MOU Agreement.

NOW, THEREFORE, IN CONSIDERATION OF The agreements, covenants, conveyances, and provisions of this Supplement, SPOA, Tri-State, and Morrison Creek do hereby covenant, convey, and agree as follows:

1. Definitions. Terms and parties referred to herein shall have the same definitions as such terms and parties are referred to in the MOU Agreement.
2. Confirmation that the Vault Contingency is Met. Morrison Creek confirms, for itself and not as agent for Routt County, that the proposed New Lots will not result in a reduction in the number of remaining permitted vaults at South Shore, because owners of New Lots will not be eligible to enter into a Vault Agreement with Routt County and/or Morrison Creek.
3. Delivery to Morrison Creek of the Special Warranty Deed for Lots 135, 136, and the TS Portion of CA 9, South Shore Subdivision (the "Lots 135/136/TS Portion CA9 Deed"). After the Escrow with the title company selected by Tri-State has been opened and the Lots 135/136/TS Portion CA9 Deed from Tri-State to Morrison Creek described in subsection (g) of Section 4 of Article II has been approved as to form by Morrison Creek and executed by Tri-State, properly acknowledged, and deposited with the escrow agent, then upon written request of Morrison Creek to SPOA, Tri-State, and the title company,

in which Morrison Creek affirms that it has commenced construction of the Road as described below in paragraph 5 of this Supplement (the "District Request"), the title company will within one business day after receipt of such District Request remove from escrow and file and record in the office of the Routt County Clerk and Recorder such Lots 135/136/TS Portion CA9 Deed. Morrison Creek will not complete such road if such Lots 135/136/TS Portion CA9 Deed is not recorded within such one business day or if, at the time of recording, Tri-State is not the record owner in fee simple absolute of the property described in such Lots 135/136/TS Portion CA9 Deed. The parties acknowledge that this paragraph 3 is a variance from the provisions of Recital G of the MOU Agreement, and the extent of such variance, is deemed an amendment to the MOU Agreement.

4. New Parcel Agreement, Replat. Article III of the MOU Agreement is amended to add the following new paragraph 6 to such Article III:

"6. New Parcel Agreement for All Lots in Recorded Replat. Immediately after the filing of the new Replat for the New Lots, Tri-State and Morrison Creek shall sign, acknowledge and Morrison Creek shall file for recording in the office of the Routt County Clerk and Recorder the New Parcel Agreement for the Replat, a copy of which is annexed as Exhibit "B" to this Supplement. Such Exhibit "B" assumes the name of the Replat will be Southern Shore Estates, but if the Replat is given a different name, such Exhibit "B" as finalized shall reflect the final given name of the Replat.

5. Construction of Road. After SPOA and Tri-State have opened escrow and deposited all signed and acknowledged documents with the title company as specified in Articles II and III of the MOU Agreement and the new Replat for the New Lots has been executed by Tri-State and the County and recorded in the office of the Routt County Clerk and Recorder, and new paragraph 6 of Article III of the MOU Agreement as described in paragraph 4 above has been completed, Morrison Creek shall commence at its cost the physical construction of a subdivision road within the ROW of the road and cul-de-sac shown on the Replat for the New Lots as described in this paragraph 5 (the "Road"). The new Replat for the New Lots shall generally be in accord with the preliminary draft of the Southern Shore Estates subdivision plat attached to this Supplement as Exhibit "C." Continuation of construction of such Road by Morrison Creek is conditioned upon compliance with the provisions of paragraph 3 above. The design and specifications of the Road shall be prepared by Morrison Creek, and shall meet the requirements of the Routt County Road and Bridge Department for the construction of a private subdivision road within the Replat for the New Lots which is not required to be maintained by Routt County. Specifically, such Road will be approximately 512 feet in length, with 16-foot-wide unpaved driving surface, reasonable adjacent borrow ditches, such Road surface being graded for levelling and removal of vegetation, installation of Routt County standard road fabric, and then installation of 6" of pit run base and 3" of finish gravel. The Road design or construction will not be required to meet Routt County specifications for publicly maintained roadways by the County, and Morrison Creek is not required to obtain the acceptance of such Road by Routt County for ownership and snowplowing and maintenance of the Road. Instead, it is expected that the Road, when completed, will be

plowed and maintained/repared by the homeowners' association of the 5 Lots within the new Subdivision. All of the cost and expense of design and construction of the Road as above described shall be borne by Morrison Creek, which is the consideration supplied by Morrison Creek in return for the conveyance of the Lots 135/136/TS Portion CA9 Deed and the conveyance of the special warranty deed described in subsection (e) of paragraph 4 of Article II and described in paragraph 1 of Article IV of the MOU and Agreement. Morrison Creek will notify Tri-State, SPOA, and the title company when the Road has been completed as above provided (the "Initial Completion Notice"). Within 7 business days after delivery by Morrison Creek of the Initial Completion Notice, a knowledgeable civil engineer representative of Tri-State (the "Engineer"), at the cost of Tri-State, may inspect the completed Road in the presence of the General Manager of Morrison Creek. Such Road will conclusively be deemed to be constructed to the satisfaction of Tri-State and acceptable to Tri-State if no inspection by the Engineer occurs within such 7 business days or if, after a timely inspection, the Engineer has not delivered to Morrison Creek a written objection on behalf of Tri-State to the construction of the Road, stating specifics of each objection, within 3 days after such inspection. Such objections by such Engineer, if made, must be reasonable and based upon variance of the actual construction from the standard specifications and requirements of the Routt County Road and Bridge Department for such private subdivision roads in the County. Morrison Creek will as soon as practicable rectify at its cost reasonable objections to the construction of the Road as asserted by the Engineer, and shall upon completion thereof notify SPOA, Tri-State, and the title company of such completion (the "Final Completion Notice"). Upon such delivery by Morrison Creek of the Final Completion Notice, the Road shall conclusively be deemed to be completed to the satisfaction of Tri-State, without any further inspection by the Engineer. No work on the Road by Morrison Creek will be undertaken or completed between November 1 and the following June 1 due to potential inclement winter weather.

6. Conveyance of undivided one-half interest in Multi-Family Tract 1 from SPOA to Morrison Creek, On the 8th business day after delivery by Morrison Creek of the Initial Completion Notice, or if applicable on the 3rd business day after delivery by Morrison Creek of the Final Completion Notice, if applicable, SPOA and Tri-State shall cause the title company to complete and record in the office of the Routt County Clerk and Recorder the special warranty deed referred to in Paragraph 1 of Article IV of the MOU Agreement. After such conveyance, notwithstanding the provisions of Recital H of the MOU Agreement, the intent of Morrison Creek in obtaining ownership of such undivided one-half of Multi-Family Tract 1 is for the use, enjoyment, and development of such property interest for the purposes or interests of Morrison Creek as determined by the Board of Directors of Morrison Creek in its sole discretion. Morrison Creek acknowledges that SPOA may in its discretion oppose such use, enjoyment and development, and SPOA acknowledges that Morrison Creek may in its discretion oppose the use, enjoyment and development by SPOA of its one-half property interest in such Tract. After such acquisition, Morrison Creek and SPOA each reserves the lawful right to seek partition of Multi-Family Tract 1 at any future time in the discretion of each. The obligations of Tri-State and SPOA provided above in the first sentence of this paragraph 6 is enforceable by Morrison Creek by specific performance action in equity, and in the

event of any such action, the Court will award to the party substantially prevailing in such proceeding its reasonable attorneys' fees and costs of suit and discovery and experts.

7. Promises of Tri-State and SPOA to Each Other in MOU Agreement Are Not Binding Upon Morrison Creek Except as Provided in this Supplement. The provisions of the MOU Agreement which constitute representations, promises, agreements, conveyances, or covenants by Tri-State or by SPOA to each other are not incorporated into this Supplement and are not binding upon Morrison Creek except only to the extent specifically provided in this Supplement.
8. Supplement is Void if MOU Agreement Becomes Void. Article I of the MOU Agreement described contingencies by which such MOU Agreement may become void. If such MOU Agreement becomes void, then this Supplement shall be null and void and have no further effect.
9. Notices. Wherever in this Supplement it shall be required or permitted that notice or demand be given or served by one party to or on the other party or parties, such notice or demand shall be in writing and served either personally on the other party or sent by email to the other party or sent by certified mail, return receipt requested, postage prepaid, and any such notice shall be conclusively deemed served in the event of mailing upon and at the time of deposit of such notice in the U.S. Mails, addressed to the following respective addresses:

IF TO MORRISON CREEK, to:

General Manager
Morrison Creek Metropolitan W&S District
24490 Uncompahgre Rd.
Oak Creek, CO. 80467
Phone: 970-736-8250
Email: gdromero@mcwater.org

IF TO SPOA, to:

Stagecoach Property Owners Association
c/o Stagecoach Association Management
675 Snapdragon Way, Suite 100
Steamboat Springs, CO 80487
Phone: 970-875-2810
Email: genmgr@stage-coach.com

IF TO TRI-STATE, to:

Tri-State Generation & Transmission Assoc.
ATTN: H. Steven Gray, Sr. Manager, Land Rights and Permitting
PO Box 33695
Denver, CO 80233-0695
Phone: 303-452-6111
Email: steve.gray@tristategt.org

10. Miscellaneous. This Supplement shall be binding upon the parties hereto, their successors and assigns, and shall inure to the benefit of each of the parties. This

Agreement shall be construed under Colorado Law. The parties acknowledge that Morrison Creek is relying on, and does not waive or intend to waive by any provision of this Supplement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to Morrison Creek, its officers, officials, employees, or agents. References to any pronoun or to the singular or plural herein shall include any other pronoun and the plural or singular as necessary for a reasonable understanding of this instrument. Time is of the essence of this agreement, and the parties agree to respond expeditiously to each other. Venue for any legal proceeding arising out of this Supplement shall be in the District Court for Routt County, Colorado. This Supplement shall not be amended, nor rights hereunder be deemed waived, except by an instrument in writing executed by all the parties hereto. Morrison Creek has made no representations or promises whatsoever except those contained herein and in Exhibit B, and no other person, firm or corporation has, at any time, had any authority from Morrison Creek to make any representations or promise on behalf of Morrison Creek, and SPOA and Tri-State expressly agree that if any such representations or promises have been made by others, each of them hereby waives all right to rely thereon. No verbal agreement or implied covenant shall be held to vary the provisions hereof, any statute, law or custom to the contrary notwithstanding. The persons signing this Supplement for a party warrant and represent to each other party that they and each of them are fully authorized to execute this Supplement on behalf of the party he/she represents, and to bind such party fully to the terms and provisions of this Supplement, and that such party has taken all acts to authorize and approve this Supplement and to authorize such persons to execute this Supplement on behalf of such party. This Supplement may be signed separately in several counterparts, each of which shall be deemed an original, and all of which, when all parties have so signed, shall constitute the complete Supplement.

IN WITNESS WHEREOF, Each of the parties to this Supplement have signed this instrument on the respective dates set forth below, such Supplement to be fully effective when all parties have signed.

Morrison Creek Metropolitan Water and Sanitation District

5/6/2024, 2024 By: *Geovanny Romero*
General Manager

Stagecoach Property Owners Association

05/08/2024, 2024 By: *Eli Nykamp*
President

Tri-State Generation and Transmission Association, Inc.

5/2/2024, 2024 By: *Barry W Ingold*
Barry W. Ingold, Chief Operating Officer

Exhibit "A"

MEMORANDUM OF UNDERSTANDING AND AGREEMENT CONCERNING THE PROPOSED SUBDIVISION OF COMMON AREA SIX AT SOUTH SHORE AT STAGECOACH

This Memorandum of Understanding and Agreement (hereinafter, "Agreement") is entered into this 6th day of February, 2024, by and between the Stagecoach Property Owners Association ("SPOA"), a Colorado non-profit corporation and Tri-State Generation and Transmission Association, Inc., a Colorado cooperative association ("Tri-State").

RECITALS:

A. Tri-State Ownership of Existing Lots at South Shore. Tri-State is the owner of the following Lots and parcels shown on the original plat of the residential subdivision known as "South Shore at Stagecoach." Lots 60, 135, 136, Multi-Family Tract 1, the portion of Common Area 19 located east of Routt County Road 18A (hereinafter referred to as the, "TS portion of CA19"), the portion of Common Area 9 located west and south of the parcel owned by Morrison Creek Metropolitan Water and Sanitation District (hereinafter referred to as the, "TS portion of CA 9"), Common Area 13, and the portion of Common Area 6 located in the north one-half of the northwest quarter of Section 32 (hereinafter referred to as the "TS portion of CA 6").

B. Tri-State Proposal to Subdivide CA 6. Tri-State is also the owner of an approximately ten-acre parcel that borders the TS portion of CA 6 and is identified by Parcel ID number 950322001 (hereinafter referred to as the, "10-acre Parcel"). Tri-State now proposes to re-plat the TS portion of CA 6, along with the 10-acre Parcel, to form five new lots (hereinafter referred to singly as a, "New Lot" and together as, "New Lots"), each of which will have an area exceeding five acres. This division of the Tri-State portion of CA 6 and the 10-acre Parcel to form the New Lots is referred to hereinafter as the, "Re-Plat."

C. SPOA Ownership of CA 6. SPOA owns the portion of Common Area 6 in the South Shore at Stagecoach subdivision that is located in the south one-half of the northwest quarter of Section 32 (hereinafter referred to as the, "SPOA portion of CA 6").

D. Construction of an Access Road for the New Lots. To provide access to the New Lots, Tri-State proposes to construct a new Routt County standard gravel road from Shoshone Way, through Lot 60, and continuing into the interior of what is presently the TS portion of CA 6 (hereinafter referred to as the, "New Lots Road"). The approximate location of the road is shown in the map attached as Exhibit "A" which also shows the present intended approximate location of the New Lots. It is the intention of Tri-State that the New Lots Road will be constructed by Morrison Creek Metropolitan Water and Sanitation District (hereinafter referred to as, "Morrison Creek"), on terms to be negotiated separately by Tri-State and Morrison Creek. As consideration for the

construction of the road, Tri-State will convey certain real property interests to Morrison Creek, as more fully described below.

E. The Effect of Subdivision on Sanitary Vault Availability. The South Shore at Stagecoach subdivision, as originally platted, contained 218 Lots and 39 Multi-Family Tracts. Although the Morrison Creek sewage treatment plant is located at South Shore, it only serves, via pipeline, a few of the South Shore Lots. In order to obtain a building permit in Routt County, the applicant must have an approved method for disposing of sewage. Because of the lack of pipeline sewage service at South Shore and elsewhere in Stagecoach, Routt County and Morrison Creek entered into an "Intergovernmental Agreement", pursuant to which it was agreed that Routt County would allow a certain number of lots in various subdivisions to be issued building permits, even though they were not connected via pipeline to the sewage treatment plant, so long as the sewage from the residence on the lot was deposited in a sealed concrete "vault", and so long as Morrison Creek provided a service for removing the sewage from the vault and delivering it to the sewage treatment plant for disposal.

The number of building permits available under the Intergovernmental Agreement is determined by the land area of the subdivision. Since South Shore has an area of approximately 500 acres, approximately 100 vaults can be installed to dispose of residential waste. However, a number of the original South Shore Lots and Multi-Family Tracts were removed from residential use at the time the Stagecoach Reservoir was constructed. And there have been other changes to the Lots and Multi-family Tracts which have affected the availability of vaults. Also, a number of homes have been constructed since the time the Intergovernmental Agreement was signed, reducing the number of remaining permitted vaults. At the present time the number of remaining permitted vaults is approximately 50, even though there are still at least 150 Lots and Multi-Family Tracts without residences.

SPOA opposes any action by Tri-State that would result in an increase in the number of lots at South Shore eligible to receive one of the relatively few remaining permitted vaults. To avoid this result, Tri-State proposes that each New Lot will have an area of five acres or more. Under existing Routt County ordinances, this would allow the owner of the New Lot to construct a leach field for sewage disposal, rather than connect to a vault. Since SPOA's participation in this Agreement is contingent upon the foregoing, it is the intention of SPOA and Tri-State, that the New Lots will be encumbered by covenants requiring that any residence constructed on the Lot be connected to a leach field for sewage disposal.

SPOA also opposes any action by Tri-State that would result in the reduction of the number of permitted vaults currently available to Lot owners at South Shore. Since the development of the New Lots may result in the subtraction of the area of the New Lots from the South Shore total, it is not clear whether the proposed development will result in a reduction. For that reason it is the intention of SPOA that this agreement shall be

contingent on a finding by both Morrison Creek and Routt County that there will be no reduction in remaining permitted vaults.

F. New Lots Shall be Subject to the Stagecoach Covenants. It is the intention of both SPOA and Tri-State that the New Lots shall be subject to the Stagecoach Covenants. To satisfy this intention, the New Lots will be encumbered by a declaration, signed by Tri-State, to the effect that the title held by Tri-State is subject to the Stagecoach Covenants, as amended from time to time, and that these Covenants shall run with the land and be binding upon Tri-State's successors in title. The declaration will also clarify that each New Lot is to be treated as a single "Lot" under the Covenants. A separate document will be signed by SPOA, and filed simultaneously with the declaration, stating that SPOA accepts the addition of the New Lots to its jurisdiction and that each New Lot shall be treated as a single "Lot" under the Covenants.

G. Conveyance of Real Property to SPOA and Morrison Creek. The Parties have agreed that in return for SPOA's support of the Re-Plat, Tri-State will convey certain real property interests to SPOA, as more fully described below. The parties have also agreed that Tri-State will convey certain real property interests to Morrison Creek, although the conveyances to Morrison Creek will be subject to the satisfactory construction, by Morrison Creek, of the County- standard gravel road referred to above. These conveyances will happen only after all of the contingencies described below, including County approval of the Re-Plat, have been satisfied. To insure an orderly conveyance, Tri-State will sign and deliver to an escrow/title company of Tri-State's choice, prior to satisfaction of all the contingencies, conveyance documents in a form approved by SPOA.

H. Conveyance of Multi-Family Tract 1 a Material Condition of the Agreement. For SPOA, a material condition of its agreement is the conveyance by Tri-State of Multi-Family Tract 1. Morrison Creek wishes to acquire the property for the construction of future housing for employees. SPOA, for its part, is presently opposed to the construction of multi-family housing on the property, although SPOA's position on the matter may change in the future. SPOA would prefer to see the property used for other purposes to benefit the general membership of the Association. It is not necessary to resolve this difference at the present time. So, SPOA and Morrison Creek have agreed to hold title to the property jointly and continue their discussion about future use of the property. Tri-State initially proposed to retain title until Morrison Creek completes construction of the access road for the New Lots. However, Morrison Creek is not a party to this Agreement and SPOA is unwilling to condition conveyance of Multi-Family Tract 1 on future actions by Morrison Creek. The parties have agreed, therefore, that Tri-State will convey Multi-Family Tract 1 to SPOA upon satisfaction of the contingencies described herein. And SPOA has agreed that it will convey a one-half undivided interest in the property to Morrison Creek upon confirmation by Tri-State that Morrison Creek has completed the construction of the access road to the satisfaction of Tri-State.

NOW, THEREFORE, IT IS AGREED BY THE PARTIES AS FOLLOWS:

I. CONTINGENCIES.

1. Permitted Vaults. If either Morrison Creek or Routt County conclude, at any time prior to the filing of a plat, signed by the County, showing the New Lots, that the creation of the New Lots will result in a reduction in the number of remaining permitted vaults at South Shore, then this Agreement shall be null and void and have no further effect.

2. County Approval of the RePlat. If Routt County fails to approve the Re-Plat on terms acceptable to Tri-State, then this Agreement shall be null and void and have no further effect. Tri State shall be deemed to have accepted the Re-Plat if it signs the new plat and the said plat is also signed by the County and filed in the office of the County Recorder.

II. INITIAL ACTIONS TO BE TAKEN BY THE PARTIES

1. Filing of the Petition for a Re-Plat. Tri-State shall prepare and file a petition to the County requesting the consolidation and subdivision of the TS portion of CA 6 and the 10-acre Parcel into the New Lots. In connection with this petition, Tri-State is not limited to the configuration of the New Lots shown in Exhibit A but shall be free to draw proposed boundaries as it sees fit, provided, however, that each of the New Lots must qualify, under applicable County standards, for the construction of a leach field to dispose of waste. In order to prevent needless mis-understandings, Tri-State shall notify SPOA of the proposed boundaries of the New Lots prior to filing the petition with the County. SPOA shall support the petition, so long as it complies with the intentions of the parties, as stated above, throughout the approval process. SPOA shall have no obligation to pay any portion of, or reimburse Tri-State for, any expense incurred by Tri-State in connection with the petition or the approval process.

2. Confirmation that the Vault Contingency is Met. Once the petition for a Re-Plat has been filed, SPOA shall contact both Morrison Creek and the County and request written confirmation from each that the proposed New Lots will not result in a reduction in the number of remaining permitted vaults at South Shore.

3. New Lots Subject to the Covenants. SPOA shall prepare and submit to Tri-State for approval a form of declaration whereby Tri State agrees to subject the title of the New Lots to the Stagecoach Covenants. SPOA shall also prepare and submit to Tri-State for approval a form of document, to be signed by SPOA accepting jurisdiction of the New Lots. Once the form of the documents has

been agreed, Tri-State and SPOA shall sign the documents and deliver them to the title company acting as escrow in this transaction, as described below.

4. Opening of Escrow and Preparation of Conveyance Documents. Upon the filing with the County of the petition for a Re-Plat, the parties shall jointly open an escrow account at a title company selected by Tri-State. In this regard, the parties shall sign standard form escrow instructions reasonably requested by the title company. The purpose of the escrow is for the title company to hold signed conveyance documents until all contingencies have been satisfied. In this regard, the title company shall arrange for appropriate conveyance documents to be prepared and shall deliver copies to Tri-State and SPOA. Once the language of the conveyance documents has been agreed to by Tri-State and SPOA, the parties shall sign the documents and return them to the title company. The deadline for the parties to sign conveyance documents and deliver them to escrow shall be the date set for the meeting of the County Commissioners to approve the Re-Plat.

The conveyance documents to be prepared by the title company are as follows:

- a. A quitclaim deed conveying Tri-State's interest [if any] in the SPOA Portion of CA 6, to SPOA; and
- b. A special warranty deed conveying all of Tri-State's right title and interest in Common Area 13 to SPOA; and
- c. A special warranty deed conveying all of Tri-State's right, title and interest in the TS portion of Common Area 19 to SPOA; and
- d. A special warranty deed conveying all of Tri-State's right, title and interest in Multi-Family Tract 1 to SPOA; and
- e. A special warranty deed, to be signed by SPOA, conveying a one-half undivided interest in Multi-Family Tract 1 to Morrison Creek and a one-half undivided interest in Multi-Family Tract 1 to SPOA, as tenants in common; and
- f. A document, to be signed by Tri-State, the effect of which is to grant and/or convey to SPOA, in perpetuity, a twenty foot wide easement running along the rear and west boundaries of the TS Portion of Common Area 9, for the purpose of constructing recreational trails; and
- g. A special warranty deed, conveying all of Tri-State's right, title and interest in Lots 135, 136 and the TS Portion of Common Area 9 (, subject to the twenty foot wide easement in favor of SPOA), to Morrison Creek.

The title company shall file the conveyance documents at the County Recorder's office, and deliver copies to the parties, upon receipt of instructions from both SPOA and Tri-State to the effect that any contingencies with respect to

the conveyances have been satisfied. The costs of the escrow shall be borne by the parties as follows: Tri-State shall pay the cost of preparing the conveyance documents. SPOA shall pay the cost of title insurance, and the commitment to provide such insurance, for property conveyed to SPOA, and all other costs shall be paid one-half by SPOA and one-half by Tri-State. There shall be no allocation between the parties with respect to real property taxes or SPOA assessments.

III. ACTIONS TO BE TAKEN BY THE PARTIES AFTER ALL CONTINGENCIES HAVE BEEN SATISFIED.

1. Declaration Submitting the New Lots to the Stagecoach Covenants.

Immediately after the filing of the new plat for the New Lots, Tri-State shall sign and file at the office of the County Recorder the declaration subjecting the New Lots to the Stagecoach Covenants. Immediately after the filing of the declaration by Tri-State, SPOA shall file the document accepting jurisdiction for the New Lots.

2. Quit Claim Deed for the SPOA Portion of CA 6. SPOA and Tri-State shall instruct escrow to file the quit-claim deed conveying Tri-State's interest in the SPOA portion of CA 6 [if any] to SPOA.

3. Special Warranty Deed for Common Area 13. SPOA and Tri-State shall instruct escrow to file the special warranty deed conveying all of Tri-State's right title and interest in Common Area 13 to SPOA.

4. Special Warranty Deed for TS Portion of CA 19. SPOA and Tri-State shall instruct escrow to file the special warranty deed conveying all of Tri-State's, right, title and interest in the TS Portion of Common Area 19 to SPOA.

5. Special Warranty Deed for Multi-Family Tract 1. SPOA and Tri-State shall instruct escrow to file the special warranty deed conveying all of Tri-State's right, title and interest in Multi-Family Tract 1 to SPOA.

IV. ACTIONS TO BE TAKEN BY THE PARTIES UPON COMPLETION OF THE ROAD PROVIDING ACCESS TO THE NEW LOTS

1. Special Warranty Deed for a One-Half Interest in Multi-Family Tract 1. Upon completion of the road to the satisfaction of Tri-State, SPOA and Tri-State shall instruct escrow to file the special warranty deed conveying all of SPOA's right, title and interest in Multi-Family Tract 1 in equal shares to Morrison Creek and SPOA, as tenants in common.

2. Grant and/or Conveyance of Trail Easements Across CA 9. Upon completion of the road to the satisfaction of Tri-State, SPOA and Tri-State shall instruct

escrow to file the document granting and/or conveying the twenty-foot rear and side trail easements across the TS Portion of CA 9 to SPOA. This document shall be filed prior to the deed conveying Lots 135, 136 and the TS Portion of CA 9.

3. Special Warranty Deed for Lots 135, 136 and the TS Portion of CA 9.

Upon completion of the road to the satisfaction of Tri-State, SPOA and Tri-State shall instruct escrow to file the special warranty deed conveying all of Tri-State's right, title and interest in Lots 135, 136 and The TS Portion of CA 9 to Morrison Creek.

V. GENERAL PROVISIONS

1. Time is of the Essence. Time is of the essence with respect to all actions of the parties described in this Agreement. In this regard, and without limiting the generality of the preceding sentence, the parties specifically agree to respond expeditiously to each other, as well as Routt County, and to attend meetings called by the County or either of the parties, upon reasonable notice.

2. Mutual Cooperation and Good Faith. The parties shall cooperate with each other, in good faith, to achieve the objectives and intended results described in this Agreement. This duty of good faith shall include the signing of such additional documents as shall be reasonably required.

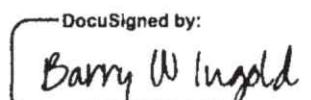
3. Colorado Law Applies. This Agreement shall be interpreted and enforced under the law, statutory and common, of the State of Colorado. Venue for any legal proceeding shall lie with the District Court in Steamboat Springs, CO.

STAGECOACH PROPERTY OWNERS ASSOCIATION

By: 
It's President Eli Nylka

Dated: 2.1.24

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

DocuSigned by:

DA8A3377BF4340A...
By: Barry W. Ingold
It's: Chief Operating Officer

Dated: 2/6/2024

Exhibit “B”

NEW PARCEL AGREEMENT FOR
SOUTHERN SHORE ESTATES

THIS NEW PARCEL AGREEMENT (the "Agreement") is made and entered into by and between the persons and/or entities whose names, addresses, and signatures are set forth at the end of this Agreement ("Owner"), and the Morrison Creek Metropolitan Water and Sanitation District, a Colorado special district located in Routt County, Colorado ("District")

RECITALS:

WHEREAS, it is the policy of the District to encourage or require that all wells constructed within the boundaries of the District be titled in the name of the District in order to enhance the water supply in the Stagecoach area by preserving and protecting all wells, domestic, exempt or otherwise, BUT the District and Owner desire that the District waive such policy with respect to the real property which has been platted as a subdivision known as SOUTHERN SHORE ESTATES, all of which property as included in the plat of Southern Shore Estates is sometimes referred to as the "Southern Shore Estates Subdivision" or the "Subdivision," consisting of 5 separate Lots or Parcels, each exceeding 5 acres in size, and such Lots or Parcels in Southern Shore Estates Subdivision are sometimes hereinafter collectively referred to as the "Lots" and individually referred to as a "Lot"; and

WHEREAS, Tri-State Generation and Transmission Association, Inc., a Colorado cooperative corporation ("Tri-State" or "Owner"), is the owner of all of the property included within the Southern Shore Estates Subdivision, and Tri-State is hereinafter referred to as the "Owner"; and

WHEREAS, the Owner or a successor owner in ownership of each Lot in the Subdivision, have constructed, or intend to construct, an engineered septic system for such applicable Lot when a residence has been or is intended to be constructed thereon, and have constructed or intend to construct a water well within the Lot to provide water service to such Lot; and

WHEREAS, in the future, new extensions of the District's central sewage collection trunk line and/or central water supply trunk line or appurtenances may become situated within 400 feet of the future location of a dwelling on one or more of the Lots in the Subdivision; and

WHEREAS, Owner acknowledges that there is no central distribution water trunk line or central sewage collection trunk line within the Subdivision at the present time and that there is a possibility that the District or others may construct such a water trunk line or sewage collection trunk line within or adjacent to the Subdivision and within 400 feet of one or more single-family dwellings on one or more of the Lots; and

WHEREAS, Owner acknowledges that owner(s) of a Lot in the Subdivision may be required by the Colorado State Engineer or the Division Engineer for Water Division No. 6 to obtain an Augmentation Contract ("Augmentation Contract") with the Upper Yampa Water Conservancy District ("UYWCD") as a precondition to the issuance of exempt well permits within the Subdivision, such Contracts requiring annual well production monitoring and payment of annual fees to the UYWCD; if so required, the District will not sign such water augmentation contracts for owners of Lots in the Subdivision and will not undertake the responsibility of water production monitoring from such wells or the collection of annual fees from such well owners for payment to the UYWCD, and therefore the District does not desire to own or have any responsibility for any such exempt residential water wells within the Subdivision and does not mandate any such Contract; and

WHEREAS, the District desires to waive its policies requiring water wells within similar large-lot subdivisions to have all residential water wells therein titled in and owned by the District, but only to the extent of allowing the owner or owners of each Lot within the Southern Shore Estates Subdivision to obtain exempt water well residential permits in the respective names of such owner or owners and not in the name of the District, and thereby allowing such owner(s) (not the District) indefinitely to own and be responsible for such permitted exempt water well and all costs related thereto.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Owner and the District hereby agree as follows, intending to bind all future owners of Lots within the Subdivision:

1. The Owner and the District agree that if either a new water or new sewer trunk line of the District is constructed and installed in the future by the District or any other person within 400 feet of the dwelling on a Lot within the Subdivision, then the owner or owners of such applicable Lot shall at the sole cost of such owner or owners promptly construct appropriate service line(s) and facilities and interconnect the water and/or sewage disposal facilities within such dwelling on such applicable Lot to such applicable trunk line of the District, in accordance with the rules and regulations of the District. The owner or owners of such applicable Lot will pay, at the time of such interconnection, water and/or sewage disposal tap-on fees to the District at the District's then existing rates (unless such owner or owners are then entitled to any tap-on fee credits pursuant to policies and procedures of the District), shall pay for all costs of all service lines and connections, and hereby agrees to comply with the rules and regulations of the District in making such interconnections. Owner and its successors in ownership of each Lot understand that the District will require the owner of a Lot to connect on to a new District water or sewer trunk line in the event such a new water or sewer trunk line of the District is constructed within 400 feet of a dwelling on a Lot in the Subdivision, regardless of the time or source of construction or payment for construction of such trunk line.

2. The Owner and each of its successor owners of any Lot shall not cause, or knowingly permit or allow, any water well, whether a domestic well, exempt well, or otherwise,

to be drilled or installed on a Lot, except in accordance with the following procedure and requirements:

- a. Every water well permit application for a water well proposed to be used on a Lot shall be filed by the Owner or the successor owner(s) of such Lot, and not by the District, with the office of the Colorado State Engineer (the "SEO"), at the expense of such Owner or successor owner(s). Such Lot owner(s) are solely responsible for obtaining the well permit application forms, completing the same to the best knowledge, information, and belief of such owner(s), and delivering the completed permit application to the Colorado State Engineer's Office, and to comply with all provisions of any new well permit issued by the SEO for the applicable well. Such owner(s) may be required by the SEO or by the Division Engineer for Water Division No. 6 to enter into and execute a water augmentation contract with the UYWCD to augment each such well, and if so required, such owner(s) are solely responsible at his or her or their or its cost to negotiate and obtain such water augmentation contract from the UYWCD and to comply with all terms and provisions thereof. The District has no responsibility to locate, apply for, contract for, construct, own, lease, operate, maintain, repair, or replace any such water well on any Lot or within the Subdivision.
- b. If there exists any water well of the District within 600 feet of the proposed exempt well location on a Lot, the owner(s) of such Lot is required to give notice of the well permit application to the District, and the District may take such actions as are prudent and protective of the District's municipal water supply.
- c. After a well permit is obtained, the drilling, completing and installing of any water well of any kind, and any improvements to treat, store, transport, or pump any water from such well, shall be the responsibility of the owner(s) of the Lot who own such well, and the District has no responsibility to accomplish any of the foregoing or to pay for any costs of same. Promptly after completion of any such well, such owner(s) shall complete and file with the Colorado State Engineer's office such well driller's reports and forms and such completion and beneficial use statements and other forms required by the SEO in order to complete the application process and the vesting of the rights in the well in the name of the owner(s). Copies of any well permit application and documents supplied by a Lot owner to the Colorado State Engineer's Office or the office of the Division Engineer for Water Division No. 6, and any well permit issued, and any well driller's reports, and any water augmentation contract with the UYWCD, shall be delivered to the District Manager for preservation in the District records.
- d. All conditional and absolute water rights for water produced or to be produced by any such water well on a Lot may be applied for by and at the cost of the owner(s) of such Lot, and shall be in the name of and owned by the owner(s) of such Lot

and not the District. The District shall have no liability or responsibility with respect to any such water well on the Lot.

3. Notwithstanding the foregoing, the District reserves the right, in its discretion, to provide municipal water and wastewater service to improvements within the Subdivision or on one or more of the Lots in the Subdivision, and to construct and install new water and sewage collection lines and facilities within easements and rights-of-way which the District may become entitled to use, in the sole discretion of the District. The Owner hereby conveys and dedicates to the District, and the District accepts, perpetual and non-exclusive easements for the installation, maintenance, repair, and replacement of water and sewage collection lines and appurtenances, and for access of persons, vehicles, and equipment thereto for such purposes, on, over, across, and under (i) a 15-foot-wide strip of land adjoining each side of all back Lot lines (being lot lines not fronting on roadways or another Lot) and all lot lines fronting on roads; (ii) a 10-foot wide strip of land adjoining each side of all side Lot lines (being lot lines between Lots); (iii) each of the streets, avenues, and roads shown and dedicated on the plat of the Subdivision for access; and (iv) any Open Space or Greenbelt parcel or area shown and so labeled or designated on the recorded plat of the Subdivision.

4. Nothing herein shall obligate the District directly or indirectly, to construct or finance or acquire any water or sanitary sewer trunk lines or facilities within the Subdivision or to or near any Lot.

5. This Agreement shall be binding upon the Owner, and its successors and assigns to each and all of the Lots in the Subdivision, shall run with the Lots and Subdivision to the successive owners thereof and shall inure to the benefit of the District. This Agreement shall be construed under Colorado Law. References to any pronoun or to the singular or plural herein shall include any other pronoun and the plural or singular as necessary for a reasonable understanding of this instrument. This Agreement is irrevocable and binding upon Owner after Owner's execution hereof, regardless of the time of execution hereof by the District. This Agreement may be executed by the General Manager or any director or attorney-in-fact for the District.

EXECUTED on the respective dates set forth below.

OWNER:
TRI-STATE GENERATION AND
TRANSMISSION ASSOCIATION, INC., a
Colorado cooperative corporation,

Date: _____, 2024

By: _____
(Signature)

STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by _____, as _____, of Tri-State Generation and Transmission Association, Inc., a Colorado cooperative corporation.

WITNESS my hand and official seal.

Notary Public

My Commission expires: _____

MORRISON CREEK METROPOLITAN
WATER AND SANITATION DISTRICT

Date: _____, 2024

By: _____
District Manager

STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by Geovanny Romero, as District Manager of the Morrison Creek Metropolitan Water and Sanitation District, a Colorado special district.

WITNESS my hand and official seal.

Notary Public

My Commission expires: _____

Exhibit "C"

