EGS

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

February 5, 2014

John W. Hickenlooper
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director/State Engineer

Mr. Todd Williams, P.E.
Williams and Weiss Consulting, LLC
5255 Ronald Reagan Boulevard, Ste 220
Johnstown, CO 80534

RE: Wagner-Kauffman No. 3 Substitute Water Supply Plan (WDID 0402529)
Wagner-Kauffman No. 3 Pit, DRMS No. M-1999-069 (WDID 0403008)
Sections 17, 20 and 21, T5N, R68W, 6th P.M.
Water Division 1, Water District 4, Larimer County

Approval Period: January 1, 2014 through December 31, 2014
Contact Phone Number for Mr. Todd Williams: 303-653-3940

Dear Mr. Williams:

We have reviewed your letter dated November 12, 2013 requesting renewal of the above referenced substitute water supply plan for a sand and gravel pit on behalf of Jake Kauffman and Son, Inc. The required fee of $257.00 for the renewal of this substitute water supply plan has been submitted (receipt number 3662526). The original supply plan was approved on December 16, 1999, and was most recently approved on January 7, 2013 for operations through December 31, 2013.

SWSP Operation

This plan seeks to replace depletions resulting from mining operations at the Wagner/Kauffman No. 3 Pit ("W-K #3 Pit"). The W-K #3 Pit (WDID 0403008, well permit no. 65258-F) is located in Larimer County in portions of Sections 17, 20 and 21, Township 5 North, Range 68 West of the 6th P.M. Mining activities at the W-K #3 Pit are complete but reclamation activities will continue into 2014. The site contains two pits that will be lined, and a dewatering trench. The liner for the pit in the northwest portion of the site is still undergoing construction. The pit in the center of the site was fully lined and the liner test initiated in 2013, however the test was suspended prior to completion due to flooding that occurred in September 2013.

During the September 2013 flood event, surface water flowed into the lined pit. There was no call on the river at the time the water flowed into the gravel pit, therefore this diversion of surface water is not considered to have been out-of-priority. As such, there are no evaporative or other depletions that need to be replaced associated with the diversion and storage of this surface water. The Applicant intends to pump this water out of the pit and return it to the river once they have established a means of doing so. The water level in the lined pit will be monitored to ensure that the pit is not intercepting ground water and that all water in the pit is surface water. The Applicant is required to provide accounting, acceptable to the water commissioner, to ensure that the lined pit is not intercepting groundwater and that the lined pit is not storing any out-of-priority surface water. If it is determined that the pit is intercepting ground water, then this SWSP must be amended or a new SWSP obtained to replace depletions associated with the exposure of ground water in the pit.

Reclamation work at the site will initially focus on repairing damage caused by the flooding. At this time, it is not known when the liner test will be able to be completed for the center pit or when

construction will be finished on the liner for the pit in the northwest portion of the site. During this SWSP approval period depletions will be limited to evaporative losses from exposed ground water in the dewatering trench. The replacement water will be supplied by a lease from the City of Loveland.

Depletions

Depletions at the site are limited to evaporation from exposed ground water in the dewatering trench at the northwest pit. The current exposed ground water surface area is 0.09 acres, based on an estimated trench width of 3 feet and length of 1,332 feet. Although the dewatering trench may be partially backfilled during this plan period, for the purposes of this SWSP it was assumed that there will be no backfilling during 2014. Net evaporative depletions were calculated using a gross annual evaporation of 38 inches from the exposed ground water surface, with a credit of 9.7 inches for effective precipitation. The net depletion of ground water due to evaporation from the 0.09 acres exposed at the W-K #3 Pit totals 0.212 acre-feet for this plan period, as shown on the attached Table 1.

There will be no aggregate production or other consumption of ground water at the site during this SWSP approval period.

The W-K #3 Pit site will continue to be dewatered during the plan period. Since 2000, all water pumped from the dewatering trench has been discharged into an adjacent unlined 24.7-acre pond which is part of the Kauffman #1 Pit (DRMS M-1978-327, WDID 0403009). The Kauffman #1 Pit is covered under a separate SWSP (WDID 0402530) and is owned and operated by the Applicant. The current exposed ground water in Kauffman No. 1 Pit was exposed prior to 1981 in connection with sand and gravel mining and as such evaporation from the Kauffman No. 1 Pit is not required to be augmented (see § 37-90-137(11)(b), C.R.S. & 2009CW49). Due to the large size of the Kauffman # 1 Pit relative to the volume of water projected to be pumped from the dewatering trench, the additional volume attributable to the dewatering flows will not create a measureable increase in evaporation. The dewatering pump discharges into the Kauffman #1 Pit at a location approximately 100 feet from the intake point. You have estimated that water discharged into the Kauffman No. 1 Pit will accrue to the Big Thompson River at approximately the same timing as depletions from pumping the water out of the W-K #3 Pit. So long as dewatering at the W-K #3 Pit is continuous during this plan period and all dewatering flows continue to be discharged into the adjacent unlined Kauffman No. 1 Pit, the assumption that there will be no net depletions as a result of dewatering at the W-K #3 Pit will be accepted for the purposes of this SWSP.

The monthly depletions to the Big Thompson River due to past and projected use at the W-K #3 Pit were lagged from the pit site using the AWAS program developed by the IDS Group at Colorado State University. The following parameters were used in the stream depletion model for the period of 2012-2014: a distance from the centroid of the exposed ground water to the river (X) of 2,400 feet; a distance from the river through the site to the no flow aquifer boundary (W) of 4,000 ft; an aquifer transmissivity (T) of 50,000 gallons/ft/day; and a specific yield (S) of 0.2. To be consistent with previous SWSP approvals for this site, lagged depletions caused by mining operations prior to 2012 were determined using the previously approved distance from the exposed water surface area to the river (X value) of 200 feet.

The lagged stream depletions due to past and projected use at the site are estimated to total 0.26 acre-feet during this plan period, as shown on the attached Table 4.

Replacements

Replacement water for this pit will continue to be made available throughout the year from a lease of 65.0 acre-feet of fully consumable water from the City of Loveland ("Loveland"). A copy of the

lease is attached to this letter. This leased water is also used to replace depletions at the Kauffman No. 1 Pit (M-1978-327, WDID 0403009). A total of 9.50 acre-feet of water has been dedicated to the Kauffman No. 1 Pit SWSP (WDID 0402530) during this plan period. The duration of the lease is from January 1, 2013 through December 31, 2015.

Under the terms of the lease, replacements can be made using a variety of water owned by Loveland including, but not limited to, Windy Gap reusable effluent, water stored in Loveland Storage Reservoir (commonly known as Green Ridge Glade Reservoir) as decreed in case no. 82CW202A, and Colorado Big Thompson Project ("C-BT") water. In the event that Loveland plans to use C-BT water as a replacement source, Loveland shall comply with the Interim Rule issued by the Northern Colorado Water Conservancy District ("Northern District") in May 2005, regarding the use of Colorado-Big Thompson ("CBT") Project water in substitute water supply plans. **Prior to such use of C-BT Project water, Loveland is required to notify this office, the division engineer and the water commissioner of the amount of C-BT Project water dedicated to this plan and provide a copy of the Northern District's approval letter as required by paragraph I(g) of the Northern District's May, 2005 Interim Rule.**

The monthly depletions and replacement requirements are indicated on the attached Table 5. A four (4) percent transit loss from Green Ridge Glade Reservoir to the W-K #3 Pit has been applied to the required replacement water deliveries.

Long Term Augmentation

In accordance with the attached letter dated April 30, 2010 from the Colorado Division of Reclamation, Mining, and Safety ("DRMS"), all sand and gravel mining operators must comply with the requirements of the Colorado Reclamation Act and the Mineral Rules and Regulations for the protection of water resources. The April 30, 2010 letter from DRMS requires that you provide information to DRMS to demonstrate you can replace long term injurious stream depletions that result from mining related exposure of ground water. The DRMS letter identifies four approaches to satisfy this requirement. Approach #3 is to file a financial warranty to cover the cost of installing a liner. There is currently a surety bond outstanding for this project in the amount of $570,000 to assure the reclamation of the site is completed as currently proposed.

Conditions of Approval

I hereby approve the proposed substitute water supply plan in accordance with §37-90-137(11), C.R.S., subject to the following conditions:

1. This plan is approved with the effective date of January 1, 2014 and shall be valid through December 31, 2014 unless otherwise revoked or modified. If either lagged or projected depletions will extend beyond the plan's expiration date, a renewal request must be submitted to this office with the statutory fee (currently $257) no later than **November 15, 2014.** According to the projection shown in the attached Table 4, lagged depletions will extend through July 2015.
2. A well permit was obtained for the current use and exposed pond surface area of the gravel pit in accordance with § 37-90-137(2) and (11), C.R.S., permit no. 65258-F.
3. The total surface area of the groundwater exposed after December 31, 1980 must not exceed 0.09 acres, which results in a maximum evaporative annual loss at the Wagner/Kauffman No. 3 Pit of 0.26 acre-feet.
4. If it is determined that the water in the lined pit includes ground water, then this SWSP must be amended or a new SWSP obtained to replace depletions associated with the exposure of such

ground water in the pit.

5. No amount of product shall be mined below the ground water table, and no aggregate washing is permitted during this SWSP approval.
6. The Applicant has not proposed to use any water for dust suppression under this SWSP. Therefore ground water from this site cannot be used for dust suppression, unless an amendment is made to this plan.
7. Total consumption at the Wagner/Kauffman No. 3 Pit must not exceed the aforementioned amount unless an amendment is made to this plan.
8. Approval of this plan is for the purposes as stated herein. Any additional uses for which the water may be used must first be approved by this office.
9. All releases of replacement water must be sufficient to cover all out-of-priority depletions in time, place, and amount and must be made under the direction and/or the approval of the water commissioner. The release of replacement water may be aggregated to maximize beneficial use. The water commissioner and/or the division engineer shall determine the rate and timing of an aggregated release.
10. The replacement water that is the subject of this plan cannot be sold or leased to any other entity. As a condition of subsequent renewals of this substitute water supply plan, the replacement water must be appurtenant to this site until a plan for augmentation is obtained. All replacement water must be concurrent with depletions in quantity, timing and locations.
11. In the event Loveland plans to use C-BT Project water as a replacement source, Loveland shall comply with the Interim Rule issued by the District in May 2005 regarding the use of C-BT Project water in substitute water supply plans. Prior to the use of the C-BT Project water, Loveland shall notify this office, the division engineer and the water commissioner of the amount of C-BT Project water dedicated to this plan and provide a copy of the District's approval letter as required by paragraph I(g) of the District's May, 2005 Interim Rule.
12. The name, address and phone number of the contact person who will be responsible for the operation and accounting of this plan must be provided with the accounting form to the division engineer and water commissioner.
13. The Applicant is required to provide accounting, acceptable to the water commissioner, to ensure that the lined pit is not intercepting groundwater and that the lined pit is not storing any out-of-priority surface water. Adequate accounting of depletions and replacements must be provided to the division engineer in Greeley (Div1Accounting@state.co.us) and the water commissioner (Jason Smith at Jason.Smith2@state.co.us) on a monthly basis, unless otherwise approved in writing by the Water Commissioner. Submitted accounting shall conform to the Administration Protocol *"Augmentation Plan Accounting, Division One – South Platte River"* (attached).
14. Conveyance loss for delivery of replacement water to the location where depletions from the Wagner/Kauffman No. 3 Pit affect the Big Thompson River is subject to assessment and modification as determined by the division engineer.
15. The approval of this substitute water supply plan does not relieve the Applicant and/or the landowner of the requirement to obtain a water court decree approving a permanent plan for augmentation or mitigation to ensure the permanent replacement of all depletions, including long-term evaporation losses and lagged depletions after gravel mining has ceased. If reclamation of the mine site produces a permanent water surface exposing groundwater to evaporation, an application for a plan for augmentation must be filed with the Division 1 Water Court at least three (3) years prior to the completion of mining to include, but not be limited to,

long-term evaporation losses. If a lined pond results after reclamation, replacement of lagged depletions shall continue until there is no longer an effect on stream flow. Granting of this plan does not imply approval by this office of any such court application(s).

16. Dewatering at this site will produce delayed depletions to the stream system. As long as the pit is continuously dewatered, the water returned to the stream system should be adequate to offset the depletions attributable to the dewatering operation. Once dewatering at the site ceases, the delayed depletions must be addressed. Accordingly, dewatering is required to continue during the term of this approval. At least three years prior to completion of dewatering, a plan must be submitted that specifies how the post pumping dewatering depletions (including refilling of the pit) will be replaced, in time, place and amount.

17. If dewatering of the site is discontinued, the pit would fill creating additional depletions to the stream system due to increased evaporation. To assure that additional depletions to the river do not occur, a bond for $570,000 has been obtained through the Colorado Division of Reclamation, Mining, and Safety ("DRMS") for lining or backfilling of the pits. Therefore, if the dewatering is discontinued this bond can finance the completion of the lining of these pits or the backfilling, thus preventing depletions to the stream system. This bond is required to be in place until the two liners are approved by the State Engineer's Office and until DRMS authorizes their release, or a partial release.

18. This substitute water supply plan may be revoked or modified at any time should it be determined that injury to other vested water rights has or will occur as a result of this plan. Should this substitute water supply plan expire without renewal or be revoked prior to adjudication of a permanent plan for augmentation, all excavation of product from below the ground water table and all other use of water at the pit must cease immediately.

19. In accordance with amendments to §25-8-202(7), C.R.S., and Senate Bill 89-181 Rules and Regulations adopted on February 4, 1992, the State Engineer shall determine if the substitute supply is of a quality to meet requirements of use to which the senior appropriation receiving the substituted supply has normally been put. As such, water quality data or analysis may be requested at any time to determine if the requirements of use of the senior appropriator are met.

20. The decision of the state engineer shall have no precedential or evidentiary force, shall not create any presumptions, shift the burden of proof, or serve as a defense in any pending water court case or any other legal action that may be initiated concerning this plan. This decision shall not bind the state engineer to act in a similar manner in any other applications involving other plans, or in any proposed renewal of this plan, and shall not imply concurrence with any findings of fact or conclusions of law contained herein, or with the engineering methodologies used by the Applicant.

Please contact Sarah Brucker in Denver at (303) 866-3581, or Michael Hein in Greeley at (970) 352-8712, if you have any questions concerning this approval.

Sincerely,

for Jeff Deatherage, P.E.
Chief of Water Supply

Attachments: Tables 1, 4, and 5
City of Loveland Lease
April 30, 2010 letter from DRMS
Accounting Protocol

cc: Michael Hein, Assistant Division Engineer, michael.hein@state.co.us
810 9th Street, Ste. 200, Greeley, CO 80631, (970) 352-8712

Jason Smith, Water Commissioner, District 4, jason.smith2@state.co.us

Division of Reclamation Mining and Safety

JD/TLK/srb: Wagner-Kauffman Pit #3 renewal (14)

Table 1

Wagner-Kauffman Pit #3
Jake Kauffman and Son, Inc.

2014 Post-1981 Exposed Water Surface Evaporative Losses

Total Exposted Water Surface Area = 0.09 acres

		January	February	March	April	May	June	July	August	September	October	November	December	Totals
Distribution of Annual Evap.		0.03	0.035	0.055	0.09	0.12	0.15	0.15	0.14	0.10	0.07	0.04	0.03	1.00
Pond Evaporation	inches	1.14	1.33	2.09	3.42	4.56	5.51	5.7	5.13	3.8	2.66	1.52	1.14	38.0
Effective Precipitation	inches	0.31	0.25	0.84	1.39	1.43	1.11	0.96	1.07	0.98	0.84	0.35	0.21	9.7
Net Pond Evap	af/acre	0.07	0.09	0.10	0.17	0.26	0.37	0.40	0.34	0.24	0.15	0.10	0.08	2.35
Net Evaporation	**acre-feet**	**0.006**	**0.008**	**0.009**	**0.015**	**0.023**	**0.033**	**0.036**	**0.030**	**0.021**	**0.014**	**0.009**	**0.007**	**0.212**

Notes:

- Total Exposed water surface is width of de-watering trench (3 ft) multipled by length (~~2,300~~ 1,332 ft). See Map 3 for the location of the de-watering trench.
- Evaporation rates are taken from NOAA Technical Report NWS 33. Distribution of evaporation taken from State Engineers Office.
- Effecitive Precipitation = 0.7 * Average Precipitation (from 1996 through 2009 for Loveland Weather Station from NCWCD)

Table 4

Kauffman Pit #1

Jake Kauffman and Son, Inc.

Lagged Depletion Values (ac-ft)- 2000 - 2014

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2004	-0.26	-0.31	-0.52	-0.84	-1.16	-1.51	-1.67	-1.55	-1.05	-0.82	-0.5	-0.32	-10.51
2005	-0.26	-0.31	-0.52	-0.84	-1.16	-1.51	-1.67	-1.55	-1.05	-0.82	-0.5	-0.32	-10.51
2006	-0.26	-0.31	-0.52	-0.84	-1.16	-1.51	-1.67	-1.55	-1.05	-0.82	-0.5	-0.32	-10.51
2007	-0.32	-0.43	-0.79	-1.28	-1.8	-2.33	-2.58	-2.39	-1.61	-1.27	-0.78	-0.46	-16.04
2008	-0.76	-0.73	-0.91	-1.43	-2.02	-2.03	-2.47	-1.71	-1.61	-1.71	-0.72	-0.41	-16.51
2009	-0.46	-1.08	-0.54	-1.23	-1.41	-1.6	-1.74	-1.64	-1.76	-1.18	-1.15	-0.99	-14.78
2010	-0.44	-0.48	-0.83	-1.31	-1.82	-2.35	-2.6	-2.4	-1.62	-1.28	-0.79	-0.47	-16.39
2011	-0.38	-0.47	-0.82	-1.31	-1.82	-2.35	-2.6	-2.4	-1.62	-1.28	-0.79	-0.47	-16.31
2012	-0.16	-0.11	-0.09	-0.08	-0.07	-0.07	-0.06	-0.06	-0.06	-0.06	-0.05	-0.04	-0.91
2013	-0.04	-0.03	-0.03	-0.03	-0.02	-0.03	-0.03	-0.04	-0.04	-0.04	-0.04	-0.03	-0.4
2014	**-0.03**	**-0.02**	**-0.02**	**-0.02**	**-0.02**	**-0.02**	**-0.02**	**-0.02**	**-0.03**	**-0.02**	**-0.02**	**-0.02**	**-0.26**
2015	-0.02	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	0	0	0	0	0	-0.08
2016	0	0	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

For the 2000 - 2011 period, the following parameters were used in the AWAS Model: W -= 4,000 ft, Transmissivity = 50,000, Specific Yield = 0.2, X = 200 ft

For the 2012 - 2014 period, the following parameters were used in the AWAS Model: W -= 4,000 ft, Transmissivity = 50,000, Specific Yield = 0.2, X = 2,400 ft

Table 5

Kauffman Pit #1

Jake Kauffman and Son, Inc.

2014 Water Balance - Lagged Depletions and Replacement Supplies from City of Loveland

Month	Consumptive Use (ac-ft)	Lagged Depletions (ac-ft)	City of Loveland Transit Losses (ac-ft)	Total Water Required from City of Loveland (ac-ft)
January	0.01	-0.03	-0.001	-0.03
February	0.01	-0.02	-0.001	-0.02
March	0.01	-0.02	-0.001	-0.02
April	0.02	-0.02	-0.001	-0.02
May	0.02	-0.02	-0.001	-0.02
June	0.03	-0.02	-0.001	-0.02
July	0.04	-0.02	-0.001	-0.02
August	0.03	-0.02	-0.001	-0.02
September	0.02	-0.03	-0.001	-0.03
October	0.01	-0.02	-0.001	-0.02
November	0.01	-0.02	-0.001	-0.02
December	0.01	-0.02	-0.001	-0.02
Totals	**0.21**	**-0.26**	**-0.01**	**-0.27**

Notes:

WATER LEASE

THIS WATER LEASE ("Lease") is made and entered into this 13 day of November, 2012, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality, whose address is 500 East Third Street, Loveland, Colorado 80537 ("City"), and JAKE KAUFFMAN & SON, INC., a Colorado corporation, whose address is 808 South County Road 9E, Loveland, Colorado 80537 ("Lessee").

WHEREAS, Lessee desires to acquire augmentation water for the purpose of augmenting certain wells, ponds, or pumps along the Big Thompson River; and

WHEREAS, the City is the owner of certain water that may be used for the purpose of augmentation; and

WHEREAS, the City is willing to lease, on a temporary basis, a portion of its water, which may include, but is not limited to, Windy Gap re-use water or water stored in the Loveland Storage Reservoir (commonly known as Green Ridge Glade Reservoir) under the terms and conditions of the Transfer Decree entered in Case No. 82CW202A to Lessee on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Term. This Lease shall be effective for a term of three (3) years commencing January 1, 2013 and ending December 31, 2015, unless sooner terminated as provided herein.

2. Water. The City shall supply up to sixty-five (65) acre-feet of augmentation water per year to Lessee for Lessee's temporary substitute supply plan(s) for replacement of depletions, including evaporation, at Kauffman #1 Pit and Wagner/Kauffman #3 Pit, M-99-069, at Kauffman Pit M-78-327 (also known as Great Western Pit #1), or as directed by the River Commissioner or the Office of the State Engineer.

3. Annual Lease Payment.

a. Regardless of water supply source, Lessee shall annually pay the City Four Hundred Dollars ($400) per acre-foot of water delivered under this Lease.

b. The Lessee's engineer shall supply to the City an anticipated schedule of replacement for the calendar year, by November 1 of the previous calendar year. The Lessee is responsible for notifying the City if this schedule changes.

c. The City shall coordinate replacement of the water to the Big Thompson River with the River Commissioner or the Office of the State Engineer. Accounting of such will be made available to the River Commissioner and the Office of the State Engineer.

d. The City will submit a bill to the Lessee for all water replaced to the Big Thompson River, in accordance with this Lease.

e. Lessee shall pay said amount to the City within thirty (30) days of receiving the City's bill.

4. Termination by City. In the event the City has an urgent need for water, as determined in the sole discretion of the City, for reasons including, but not limited to, drought, the City may terminate this Lease. The City will endeavor to give Lessee thirty (30) days notice of such termination, but shall not be required to do so. In the event of such termination, Lessee shall be liable to pay the City for augmentation water received to the effective date of termination.

5. Termination of Delivery for Nonpayment. In the event Lessee fails to pay for augmentation water when payment is due as set forth in paragraph 3, above, the City, in addition to seeking recovery of sums due, may terminate delivery of augmentation water to Lessee.

6. Lease Contingent Upon Plan Approval. The parties understand and agree that this Lease shall be contingent upon approval of Lessee's temporary substitute supply plan by the Office of the State Engineer.

7. No Warranties. Delivery of water by the City under this Lease shall be on an "as is" basis only, and the City neither expressly nor impliedly warrants the quality of the water. The water leased hereunder is not warranted as suitable for any particular purpose.

8. Notices. Written notices required under this Lease and all other correspondence between the parties shall be directed to the following and shall be deemed received when hand-delivered or three (3) days after being sent by certified mail, return receipt requested:

If to the City:
City of Loveland Water and Power Department
Attention: Stephen C. Adams, Director
200 North Wilson Avenue
Loveland, Colorado 80537

If to Lessee:
Jake Kauffman & Son, Inc.
Attention: Mary Kauffman
808 South County Road 9E
Loveland, Colorado 80537

9. Governing Law and Venue. This Lease shall be governed by the laws of the State of Colorado, and venue shall be in the County of Larimer, State of Colorado.

10. Severability. In the event a court of competent jurisdiction holds any provision of this lease invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Lease.

11. Headings. Paragraph headings used in this Lease are for convenience of reference and shall in no way control or affect the meaning or interpretation of any provision of this Lease.

12. Assignability. Lessee shall not assign this Lease without the City's prior written consent.

13. Binding Effect. This Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, personal representatives, successors, and assigns.

14. Entire Agreement. This Lease contains the entire agreement of the parties relating to the subject matter hereof and, except as provided herein, may not be modified or amended except by written agreement of the parties.

IN WITNESS WHEREOF, the parties have executed this Lease on the day and year first above written.

CITY OF LOVELAND, COLORADO

By: Stephen C Adams
Stephen C. Adams
Department of Water and Power

ATTEST:

Jeanne M. Weaver
City Clerk Deputy

APPROVED AS TO FORM:

Assistant City Attorney

CITY OF LOVELAND SEAL COLORADO

JAKE KAUFFMAN & SON, INC.

By: Frank Kauffman
Frank Kauffman, Owner/President

STATE OF ~~COLORADO~~ Arizona)
) ss.
COUNTY OF ~~LARIMER~~ Maricopa)

The foregoing Lease was acknowledged before me this 8th day of November, 2012, by Frank Kauffman as Owner/President of Jake Kauffman & Son, Inc.

Witness my hand and official seal.

Marlene A. Wicklzer
Notary Public

My commission expires 12-06-12.

Marlene A. Wicklzer
Notary Public- Arizona
Maricopa County
My Commission Expires
December 6, 2012