

SETTLEMENT OF CLAIMS REGARDING COLORADO'S PAST  
USE OF WATER UNDER THE REPUBLICAN RIVER COMPACT

WHEREAS, the Republican River Compact (Compact) equitably apportions the waters of the Republican River Basin among Colorado, Kansas, and Nebraska (States); and

WHEREAS, Congress approved the Compact in 1943, 57 Stat. 86 (1943); and

WHEREAS, the States entered into a Final Settlement Stipulation (FSS), dated December 15, 2002, to resolve pending claims brought by Kansas against Nebraska in the Supreme Court of the United States regarding the Compact in the case of *Kansas v. Nebraska and Colorado*, No. 126 Original; and

WHEREAS, the FSS was approved by decree of the Supreme Court of the United States on May 19, 2003, 538 U.S. 720 (2003); and

WHEREAS, Colorado and Kansas intend for this settlement agreement to foster economic growth in Northeast Colorado and Northwest Kansas that will benefit the residents of both states; and

WHEREAS, Colorado and Kansas now wish to resolve disputes over Colorado's past use of water under the Compact and FSS and to continue into a new era of cooperative management of the waters of the Republican River Basin.

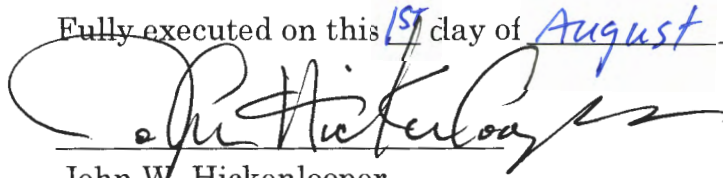
NOW THEREFORE BE IT AGREED,

1. Colorado shall pay Kansas \$2 million to resolve any disputes over Colorado's past use of water under the Compact and FSS for any accounting period ending on or prior to December 31, 2013;
2. Colorado agrees to pursue a good faith effort to spend an additional \$2 million by December 31, 2027, in the South Fork of the Republican River Basin within Colorado to further the purposes of the Compact and to assist with Colorado's compliance with the Compact and FSS;
3. Colorado agrees to waive and to be forever barred from bringing all claims for damages, all other claims asserted, and all claims that could have been asserted against Kansas for violations of the Compact and the FSS for any accounting period ending on or prior to December 31, 2013;
4. Kansas agrees to waive and to be forever barred from bringing all claims for damages, all other claims asserted, and all claims that could have been asserted against Colorado for violations of the Compact and the FSS for any accounting period ending on or prior to December 31, 2013;

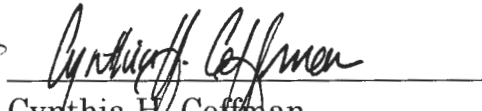
5. Kansas agrees to pursue a good faith effort to spend the \$2 million paid pursuant to paragraph 1 for the benefit of the South Fork of the Republican River Basin within Kansas to further the purposes of the Compact and to assist Kansas in maintaining compliance with the Compact and the FSS;
6. Colorado and Kansas each agree to present respective reports to the annual meeting of the Republican River Compact Administration detailing any expenditures made pursuant to paragraphs 1, 2, and 5, until the \$2 million described in paragraph 1 and the \$2 million described in paragraph 2 are fully expended;
7. By entering into this settlement agreement, neither Colorado nor Kansas admits to violating the Compact. Furthermore, the amount of payment was the subject of negotiation among Colorado and Kansas, does not constitute a valuation of water in either state, and may not be used by them as evidence of the value of water in any future dispute in the Republican River Basin or any other basin; and
8. Failure by Colorado to pay Kansas under paragraph 1 of this settlement agreement by December 31, 2018 shall release both Colorado and Kansas from any obligations under this settlement agreement. Failure by Colorado to spend funds under paragraph 2 of this settlement agreement shall not release either Colorado or Kansas from this settlement agreement. Failure by Kansas to spend funds under paragraph 5 of this settlement agreement shall not release either Colorado or Kansas from this settlement agreement.

The undersigned Governors and Attorneys General for Colorado and Kansas, having authority to commit their respective states to a settlement of claims, hereby commit them to the terms of this settlement agreement.

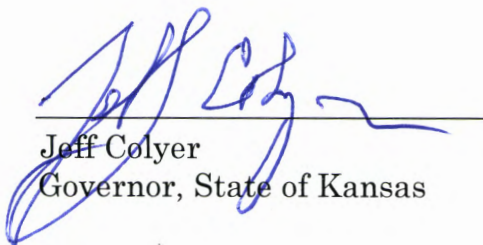
Fully executed on this 15<sup>th</sup> day of August, 2018.



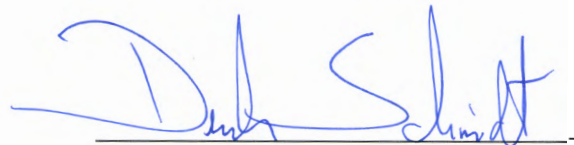
John W. Hickenlooper  
Governor, State of Colorado



Cynthia H. Coffman  
Attorney General, State of Colorado



Jeff Colyer  
Governor, State of Kansas



Derek Schmidt  
Attorney General, State of Kansas

By:  \_\_\_\_\_

ROBERT JAROS, CPA, MBA, JD (or designee)

Colorado State Controller