



Town of Johnstown

TOWN COUNCIL REGULAR MEETING

450 S. Parish, Johnstown, CO
Monday, July 19, 2021 at 7:00 PM

MISSION STATEMENT: Enhancing the quality of life of our residents, businesses, and visitors through community focused leadership.

AGENDA

CALL TO ORDER

Pledge of Allegiance

ROLL CALL

AGENDA APPROVAL

SPECIAL PRESENTATIONS

- [1.](#) 2020 Financial Audit Presentation

PUBLIC COMMENT

Members of the audience are invited to speak at the Council meeting. Public Comment is reserved for citizen comments on items not contained on the printed agenda. Citizen comments are limited to three (3) minutes per speaker. When several people wish to speak on the same position on a given item, they are requested to select a spokesperson to state that position.

CONSENT AGENDA

The Consent Agenda is a group of routine matters to be acted on with a single motion and vote. Council or staff may request an item be removed from the Consent Agenda and placed on the Regular Agenda for discussion.

- [2.](#) Minutes July 7, 2021
- [3.](#) June 2021 Financial Statements
- [4.](#) List of Bills - July 2021
- [5.](#) Second Reading: Ordinance No. 2021-202 An Ordinance Authorizing the Issuance of Revenue Bonds to Provide for Improvements to the Wastewater System and Establishing Covenants in Connection with the Financing for the Payment of the Bonds from Wastewater Revenues; and Approving Other Matters in Connection with the Financing.
- [6.](#) Second Reading: Ordinance 2021-203 Disconnecting portions of the Maxfield Annexation No. 1 from the Town of Johnstown
- [7.](#) Water Sewer Service Agreement - Johnstown Plaza Apartments 5150 Ronald Reagan Boulevard

TOWN MANAGER REPORT

- [8.](#) Town Manager's Report

TOWN ATTORNEY REPORT

PUBLIC HEARING

- [9.](#) Ordinance 2021-204 Annexing property known as the North Ridge Annexation

- [10.](#) Ordinance 2021-205 Approving the Establishment of PUD-MU Zoning for the North Ridge Annexation
- [11.](#) Ordinance 2021-206 Approving the North Ridge P.U.D. Outline Development Plan

NEW BUSINESS

- [12.](#) North Ridge Annexation Agreement
- [13.](#) 2021 Old Town Street and Drainage Rehabilitation Project
- [14.](#) Resolution 2021-22: A Resolution of the Town of Johnstown, Colorado, Amending Revenues for the Fiscal Year 2021 Budget
- [15.](#) Application Requesting A Fractional Water Share Sale for 5 S. Raymond Avenue

COUNCIL REPORTS AND COMMENTS

MAYOR'S COMMENTS

ADJOURN

AMERICANS WITH DISABILITIES ACT NOTICE

In accordance with the Americans with Disabilities Act, persons who need accommodation in order to attend or participate in this meeting should contact Town Hall at (970) 587-4664 within 48 hours prior to the meeting in order to request such assistance.

The Community That Cares

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TOWN OF JOHNSTOWN, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2020

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FINANCIAL SECTION



JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the Town Council
Town of Johnstown
Johnstown, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Johnstown, Colorado, as of and for the year ended December 31, 2020, which collectively comprise the basic financial statements of the Town, as listed in the table of contents. These financial statements are the responsibility of the Town of Johnstown, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Johnstown, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 33-37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Johnstown's basic financial statements. The combining and individual fund schedules and State Compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated in all material respects in relation to the financial statements as a whole.

John Luthr & Associates, LLC

July 8, 2021

Management's Discussion and Analysis

This section of the annual financial report offers readers of the Town of Johnstown a discussion and analysis of the Town's financial performance during the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information furnished in the Town's financial statements, which immediately follow this section.

Financial Highlights

- Assets and deferred outflow of resources for The Town exceeded liabilities and deferred inflow of resources by \$208 million, an increase of \$21.1 million, or 11 percent.
- As of December 31, 2020, net position for governmental activities was \$139.9 million, up \$14.4 million or 11.48 percent from December 31, 2019. Business type activities reported a net position of \$68.9 million, up \$6.7 million or 10.8 percent in the same time frame.
- General revenues account for \$23,589,570 or 52.87 percent of all revenues. The Town had \$21,020,525 in program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions.
- The Town had \$18,705,430 in expenses related to governmental activities, of which \$9,651,254 were offset by program specific charges for services and operating grants, contributions. Taxes of \$21,355,249 and other general revenues of \$2,234,321 and transfers in of \$220,000 as shown on the statement of activities, offset the costs.
- The Town had water, sewer, and drainage charges for service income totaling \$6,406,289. Grants and capital contributions revenues for these funds totaled \$4,962,982. The cost of providing water, sewer, and drainage services totaled \$4,760,336.
- The Town's unassigned fund balance for the General Fund is \$52,668,420, the committed fund balance is \$1,422,738, and the restricted fund balance is \$875,000. The committed fund balance is intended to fund the operation of the Recreation Center. The unassigned portion of the Town's fund balance is available to meet the Town's reserve requirements and future spending at the Town's discretion.
- Outlays for capital assets were primarily comprised of construction of the recreation center, water acquisition, infrastructure and equipment. See the Capital Assets Section of the Financial Statements for detail.
- The Town's governmental funds only outstanding debt are accrued compensated absences totaling \$119,915 at December 31, 2020.
- The Town's business-type funds only outstanding debt are accrued compensated absences totaling \$43,252 at December 31, 2020.



Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) specific fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business.

There are two government-wide financial statements:

Statement of net position – This statement presents information on all the Town's assets, liabilities, deferred inflows and deferred outflows, with the difference between them being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Statement of activities – This statement presents information showing how the Town of Johnstown's net position changed during 2020. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g., uncollected taxes and earned but unused personal time).

The government-wide financial statements reflect three distinct activities:

Governmental Activities – These activities are primarily supported by taxes and intergovernmental revenues. The Governmental Activities of the Town of Johnstown include general government, public safety (police), public works, community development, cemetery, and recreation.

Business-type Activities - These activities are supported by user fees and service charges which are intended to recover all of their costs. The Business-type Activities of the Town of Johnstown include Water, Waste Water, and Drainage. Governmental activities and business-type activities combined comprise the primary government.

Component Units – The Town currently does not have any organizations that are legally separate and are reported separately from the primary government.

Governmental activities and business-type activities combine to comprise the primary government. The government wide financial statements begin on page 1 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and bond covenants; however, the Town Board establishes other funds to help control and manage money for particular purposes. All of the Town's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *short-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s short-term financing requirements. The accounting method used is *modified accrual* accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and other major funds. The minor funds are combined in the *Other Governmental Funds* into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Governmental fund financial statements begin on page 3 of this report.

Proprietary Funds – The Town of Johnstown maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its Water, Waste Water, and Drainage Funds. These funds are considered major funds of the Town of Johnstown.

Proprietary fund statements begin on page 6 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Town and fund financial statements. The notes can be found on pages 9 to 32 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. This includes the required supplemental data required for non-major fund information and budgetary comparison schedules. The budgetary comparisons are included on pages 33 to 47 of this report.

Financial Analysis of the Town as a Whole

As noted previously, net position may serve over time as a useful indicator of the Town’s financial position. For the year ending December 31, 2020, the Town’s combined assets exceeded liabilities and deferred inflows of resources by \$208,955,602.



TOWN OF JOHNSTOWN, COLORADO
CONDENSED STATEMENT OF NET POSITION
2020/2019

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Assets						
Current Assets	102,099,363	102,685,271	32,815,460	34,860,350	134,914,823	137,545,621
Capital Assets - Net	36,987,207	48,256,815	30,798,988	35,188,726	67,786,195	83,445,541
Total Assets	139,086,570	150,942,086	63,614,448	70,049,076	202,701,018	220,991,162
Deferred Outflow of Resources						
Related to Pensions	429,523	367,323	-	-	429,523	367,323
Liabilities						
Current Liabilities	4,085,454	2,856,876	1,335,359	1,029,491	5,420,813	3,886,367
Long-Term Liabilities	178,109	119,915	26,740	43,252	204,849	163,167
Total Liabilities	4,263,563	2,976,791	1,362,099	1,072,743	5,625,662	4,049,534
Deferred Inflows of Resources						
Related to Pensions	6,009	97,747	-	-	6,009	97,747
Deferred Property Tax Revenue	9,687,597	8,255,602	-	-	9,687,597	8,255,602
Net Position						
Net Investment in Capital Assets	36,987,207	48,256,815	30,798,988	35,188,726	67,786,195	83,445,541
Restricted	745,000	875,000	-	-	745,000	875,000
Unrestricted	87,826,717	90,847,454	31,453,361	33,787,607	119,280,078	124,635,061
Total Net Position at December 31	125,558,924	139,979,269	62,252,349	68,976,333	187,811,273	208,955,602
Total Increase in Net Position						21,144,329
Percent Increase in Net Position						11.26%

A portion of the Town of Johnstown's net position (39.9%) reflects its investment in capital assets (e.g., land, buildings, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of net position (.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position (\$124,635,061) is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

The Town reports positive balances in all three categories of net position, for the government as a whole, as well as for its separate Governmental and Business-type Activities.

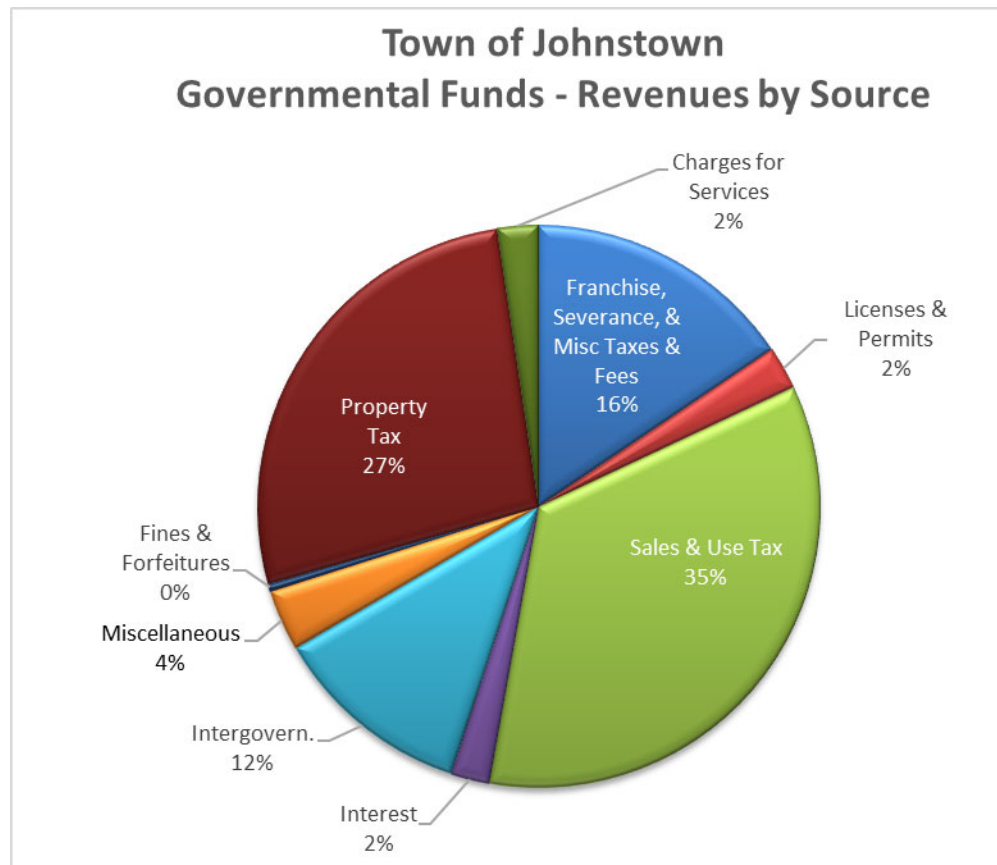
TOWN OF JOHNSTOWN, COLORADO
CONDENSED STATEMENT OF ACTIVITIES
2020/2019

Revenues	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Program Revenues						
Charges for Services	3,446,475	5,852,528	5,805,722	6,406,289	9,252,197	12,258,817
Operating Grants and Contributions	838,493	1,374,493	-	-	838,493	1,374,493
Capital Grants and Contributions	866,089	2,424,233	8,375,179	4,962,982	9,241,268	7,387,215
General Revenues						
Property Taxes	6,832,671	8,896,180	-	-	6,832,671	8,896,180
Sales and Use Taxes	8,567,197	11,452,899	-	-	8,567,197	11,452,899
Franchise Taxes	481,407	499,702	-	-	481,407	499,702
Other Taxes	616,517	506,468	-	-	616,517	506,468
Interest	1,755,082	736,323	855,379	335,049	2,610,461	1,071,372
Other Revenues	1,343,107	1,162,949	-	-	1,343,107	1,162,949
Loss on Disposal of Assets	-	-	-	-	0	0
Total Revenues	24,747,038	32,905,775	15,036,280	11,704,320	39,783,318	44,610,095
Expenses						
General Government	1,738,101	3,959,268	-	-	1,738,101	3,959,268
Public Safety	2,571,428	3,361,350	-	-	2,571,428	3,361,350
Public Works	3,930,808	9,053,329	-	-	3,930,808	9,053,329
Health and Welfare	71,959	-	-	-	71,959	0
Culture and Recreation	2,566,348	2,331,483	-	-	2,566,348	2,331,483
Interest on Long-Term Debt	-	-	-	-	0	0
Water	-	-	8,294,187	2,848,798	8,294,187	2,848,798
Sewer	-	-	4,685,053	1,570,001	4,685,053	1,570,001
Drainage	-	-	216,764	341,537	216,764	341,537
Interest on Long-Term Debt	-	-	-	-	-	-
Total Expenses	10,878,644	18,705,430	13,196,004	4,760,336	24,074,648	23,465,766
Excess (deficiency) before transfers						
Transfers	(105,000)	220,000	105,000	(220,000)	0	0
Prior Period Adjustment	-	-	4,896,000	-	4,896,000	0
Change in Net Position	13,763,394	14,420,345	1,945,276	6,723,984	15,708,670	21,144,329
NET POSITION, Beginning	111,795,530	125,558,924	55,411,073	62,252,349	167,206,603	187,811,273
NET POSITION, Ending	<u>125,558,924</u>	<u>139,979,269</u>	<u>62,252,349</u>	<u>68,976,333</u>	<u>187,811,273</u>	<u>208,955,602</u>

Financial Analysis of the Town's Funds

Governmental Activities. The focus of the Town of Johnstown's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In 2020, the governmental funds for the Town were restructured to better reflect the functions and purposes of the fund and to allow users to better assess the accountability of the Town moving forward.

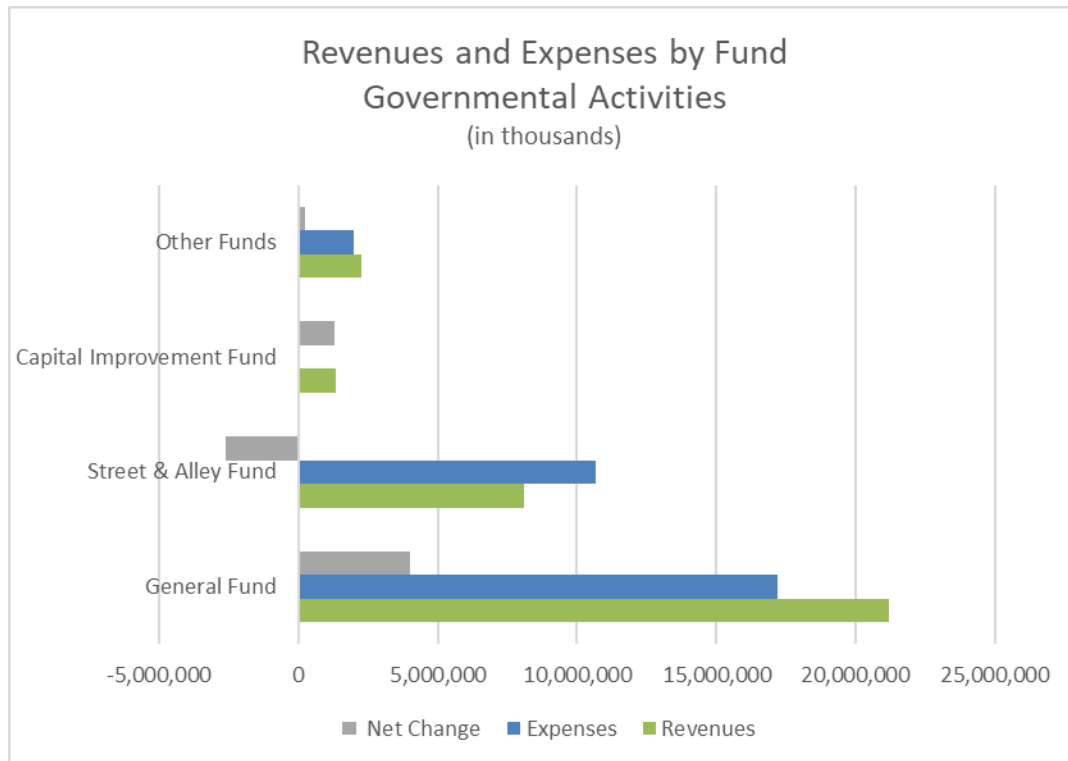
As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$91,517,556, an increase of \$3,191,244. Overall revenue increased \$8.1 million or 32.9 percent. Areas of substantial revenue increase included taxes and fees \$8,972,299, and intergovernmental \$2,094,144. The General Fund revenue increases, are primarily the result of an economy that continued to grow, despite the COVID 19 pandemic, and the resulting sales tax collections. Additionally, in July 2020, a .5% sales tax increase went into effect to be used for street and sidewalk maintenance, and transportation related projects.



Expenditures for the governmental funds for the current year decreased \$1,994,236 or 6.24%. Expenses for the General Fund decreased as capital outlay decreased \$12,613,985 as the construction of the new Recreation Center was completed early in 2020, and the Street and Alley Fund was broken out of the General Fund where the associated costs had been accounted for in previous years. In 2020, the Street and Alley Fund recognized capital expenditures of \$8,681,760 for I-25 improvements and for improvements to WCR 50. Notable increases in expenditures were recognized in the General Fund for General Government as the result of grant funding that the Town offered to small businesses to help provide financial support during the COVID pandemic.

The statement of net position reports a combined net position for governmental activities of \$139,979,269, an increase of \$14,420,345. The increase is primarily attributed to an increase in capital assets, cash, and receivables.

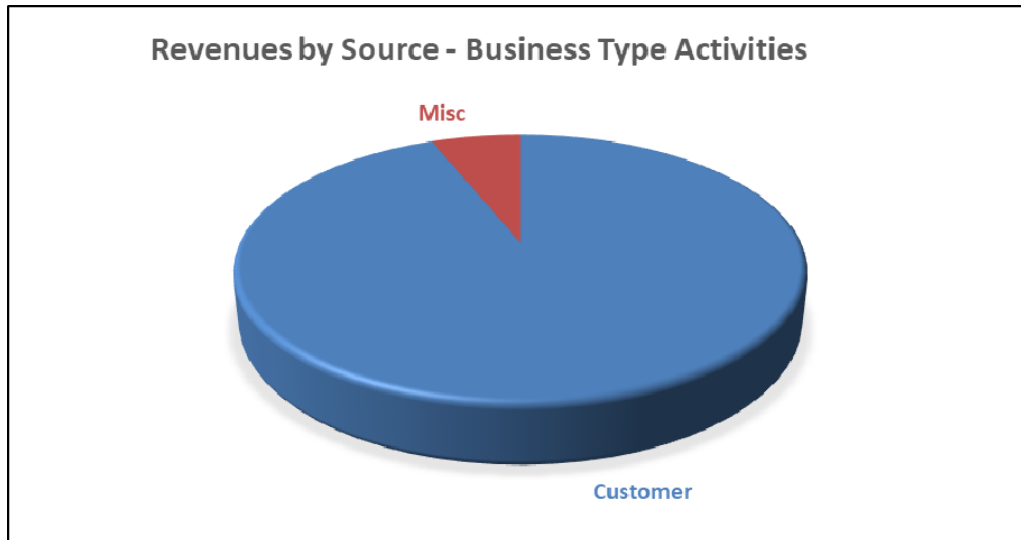
The graph below provides the program revenue and expenses (excluding transfers) for each governmental activity as well as providing net change.



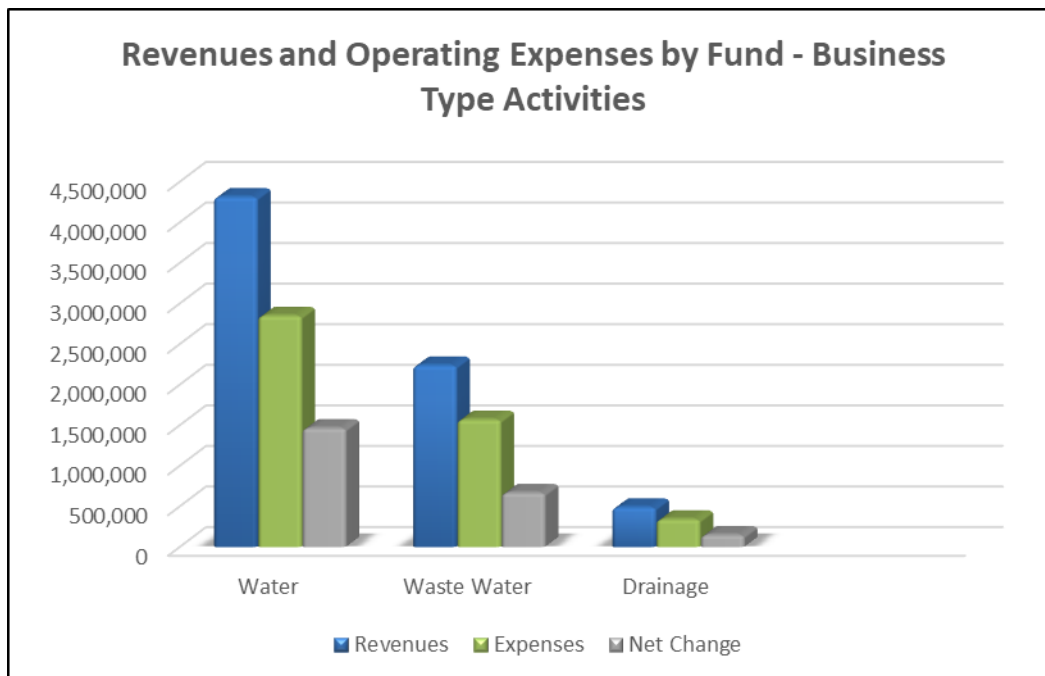
Business-type Activities. Net position of business-type activities increased by \$6.72 million primarily due to an increase in capital assets in all business type funds. The Water Fund increased \$4,983,516, the Waste Water Fund increased \$1,290,565 and the Drainage Fund increased \$449,903. This net position is dedicated solely to finance the continuing operations of the water, waste water, and drainage operations.

Revenues for the Town's business-type activities, were \$6,406,289, a 10.3 percent increase compared to the previous year. The increase in revenues is largely attributed to an increase in water sales. Charges for services for business-type activities increased \$674,133, and miscellaneous operating revenues decreased 73,566. The decrease in miscellaneous revenues is directly attributed to the COVID 19 pandemic. Total operating revenues increased \$600,567. Operating expenses decreased \$8,435,668 across all funds. Water operation costs decreased \$5,445,389 in 2020 primarily due to a 2019 expenditure of \$5,854,826 for water share purchases. Waste water operations decreased \$3,115,052 due to a one-time increase in costs in 2019 that was attributed to \$3,145,174 sewer shares. Drainage Fund operating expenses increased \$124,773.

As you can see from the following graph, the highest source of revenue for business-type activities is customer charges.



The following graph provides program revenue and expenses (excluding transfers and capital contributions) for each of the Business-Type activities operated by the Town.



General Fund Budgetary Highlights

The General Fund is the chief operating fund of the Town. It accounts for all of the general services provided by the Town. In 2020, total fund balance increased \$101,479. The unassigned fund balance of the General Fund at the end of 2020, totaled \$52,668,420 while the total fund balance totaled \$54,966,158. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned



fund balance and total fund balance to General Fund expenditures. For 2020, unassigned fund balance represents approximately 3.06 times the total General Fund Expenditures, while total fund balance represents 3.19 times that same amount. It is important to note that the General Fund expenditures in 2020 were abnormally high due to capital outlay for the completion of the new Recreation Center and COVID 19 grant funding for small businesses.

The Town budgeted for General Fund expenditures of \$21,125,510 for the year ended December 31, 2020 and actual expenditures were \$17,183,700. Expenditures were \$3,941,810 million less than budgeted as a result of capital projects that were not completed for less than what was anticipated. Revenues, excluding transfers, for 2020 were budgeted at \$14,149,580 and actual revenues were \$21,195,540. Revenues from sales taxes, use taxes, permitting for new construction, and grants were much stronger than anticipated.

Capital Assets and Debt Administration

Capital Assets

By the end of 2020, the Town had invested \$83,445,541 net of accumulated depreciation, in a broad range of capital assets, including land, buildings, site improvements, infrastructure, vehicles and other equipment. This amount represents a net increase of \$15,659,346 or 23.1 percent increase from last year. Additional information on the Town's capital assets can be found in Note 4 of the financial statements. Total accumulated depreciation expense was \$7,358,985 in the governmental activities and \$9,919,868 in the business-type activities. There have been no significant changes in the condition level of the capital assets of the Town.

Long-Term Debt

The Town's governmental funds have accrued compensated absences totaling \$119,915 at December 31, 2020.

The Town's business-type funds have accrued compensated absences totaling \$43,252 at December 31, 2020.

Additional information on the Town's long-term debt can be found in Note 5 on page 22 of this report.

Fiduciary Fund Activities

Cemetery Perpetual Fund

The fund received \$10,299 in lot sales and investment revenues and recognized no expenditures. The fund balance at December 31, 2020, is \$144,554.

Economic Factors and Next Year's Budgets and Rates

The annual budget ensures the efficient and effective uses of Town funds, as well as highlights the priority objectives. Direction for the upcoming year is established by the Council when the budget is adopted, funds are appropriated and resources are allocated.

The following factors were taken into account when adopting the budget for 2021:

- The Town has forecast most revenues as relatively steady from 2020 through 2021. Revenues from property taxes are expected to decrease largely as a result of decreased oil and gas production in the area. Revenues from sales taxes are projected to increase as a result of consistent residential and commercial growth.
- The Town has conservatively forecast new growth and the mill levy for property tax revenues has been set at 22.147.
- Expenditures in the General Fund are expected to be \$8,515,553. Capital projects planned for 2021 include upgrades in AV equipment, sign replacement, new police vehicles, parking lot sealing, roof repairs and carpet replacement at the police department, and HVAC system updates.
- The Town's business-type activities are expected to have revenues that increase in 2021. A thorough review of the Town's business-type activity funds led to several changes that went into effect as of January 1, 2021 to ensure going concern. Customer classes were updated and restructured, the rate tiers were updated and restructured, and water and waste water rates were increased.

Contacting the Town's Financial Management

This financial report is designed to provide the Town's citizens, taxpayers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Town of Johnstown Finance Department
450 S. Parish
Johnstown, Colorado 80534
(970) 587-4664

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
As of December 31, 2020

	GOVERNMENTAL	BUSINESS TYPE	TOTALS	
	ACTIVITIES	ACTIVITIES	2020	2019
ASSETS				
Cash and Investments	\$ 90,603,048	\$ 33,718,634	\$ 124,321,682	\$ 122,464,790
Restricted Cash and Investments	376,599	-	376,599	553,358
Receivables				
Property Taxes	8,255,602	-	8,255,602	9,687,597
Sales and Other	3,394,785	298,500	3,693,285	1,774,865
Accounts	-	843,216	843,216	434,213
Net Pension Asset	55,237	-	55,237	-
Capital Assets, Not Depreciated	1,889,533	21,192,457	23,081,990	41,363,901
Capital Assets, Depreciated				
Net of Accumulated Depreciation	46,367,282	13,996,269	60,363,551	26,422,294
TOTAL ASSETS	150,942,086	70,049,076	220,991,162	202,701,018
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	367,323	-	367,323	429,523
LIABILITIES				
Accounts Payable	986,413	883,374	1,869,787	3,320,524
Retainage Payable	-	-	-	1,071,930
Accrued Salaries and Benefits	184,027	33,655	217,682	67,378
Developer Escrow	1,686,436	-	1,686,436	870,610
Deposits	-	112,462	112,462	90,371
Noncurrent Liabilities				
Accrued Compensated Absences	119,915	43,252	163,167	84,491
Net Pension Liability	-	-	-	120,358
TOTAL LIABILITIES	2,976,791	1,072,743	4,049,534	5,625,662
DEFERRED INFLOWS OF RESOURCES				
Related to Pensions	97,747	-	97,747	6,009
Deferred Property Tax Revenue	8,255,602	-	8,255,602	9,687,597
TOTAL DEFERRED INFLOWS OF RESOURCES	8,353,349	-	8,353,349	9,693,606
NET POSITION				
Net Investment in Capital Assets	48,256,815	35,188,726	83,445,541	67,786,195
Restricted for Emergencies	875,000	-	875,000	745,000
Unrestricted	90,847,454	33,787,607	124,635,061	119,280,078
TOTAL NET POSITION	\$ 139,979,269	\$ 68,976,333	\$ 208,955,602	\$ 187,811,273

The accompanying notes are an integral part of the financial statements.

STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 3,959,268	\$ 1,563,326	\$ 547,322	\$ 386,508
Public Safety	3,361,350	505,710	-	-
Public Works	9,053,329	2,798,669	-	1,686,464
Health and Welfare	-	-	-	-
Culture and Recreation	2,331,483	984,823	827,171	351,261
Total Governmental Activities	18,705,430	5,852,528	1,374,493	2,424,233
Business-Type Activities				
Water	2,848,798	3,799,641	-	3,917,683
Wastewater	1,570,001	2,146,843	-	723,350
Drainage	341,537	459,805	-	321,949
Total Business-Type Activities	4,760,336	6,406,289	-	4,962,982
Total Primary Government	\$ 23,465,766	\$ 12,258,817	\$ 1,374,493	\$ 7,387,215

GENERAL REVENUES

Sales Taxes

Property Taxes

Franchise Taxes

Other Taxes

Interest

Other

TRANSFERS

TOTAL GENERAL REVENUES
AND TRANSFERS

CHANGE IN NET POSITION

Prior Period Adjustment

NET POSITION, Beginning

NET POSITION, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2020	2019
\$ (1,462,112)	\$ -	\$ (1,462,112)	\$ (377,635)
(2,855,640)	-	(2,855,640)	(2,357,303)
(4,568,196)	-	(4,568,196)	(1,327,574)
-	-	-	(71,959)
(168,228)	-	(168,228)	(1,593,116)
(9,054,176)	-	(9,054,176)	(5,727,587)
-	4,868,526	4,868,526	2,186,782
-	1,300,192	1,300,192	(1,430,711)
-	440,217	440,217	228,826
-	6,608,935	6,608,935	984,897
(9,054,176)	6,608,935	(2,445,241)	(4,742,690)
11,452,899	-	11,452,899	8,567,197
8,896,180	-	8,896,180	6,832,671
499,702	-	499,702	481,407
506,468	-	506,468	616,517
736,323	335,049	1,071,372	2,610,461
1,162,949	-	1,162,949	1,343,107
220,000	(220,000)	-	-
23,474,521	115,049	23,589,570	20,451,360
14,420,345	6,723,984	21,144,329	15,708,670
-	-	-	4,896,000
125,558,924	62,252,349	187,811,273	167,206,603
\$ 139,979,269	\$ 68,976,333	\$ 208,955,602	\$ 187,811,273

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2020

	GENERAL FUND	STREET AND ALLEY FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 55,010,797	\$ 9,081,884	\$ 13,955,751	\$ 12,554,616
Restricted Cash and Investments	368,440	-	-	8,159
Taxes Receivable	8,255,602	-	-	-
Accounts Receivable	2,238,743	906,944	78	249,020
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 65,873,582</u>	<u>\$ 9,988,828</u>	<u>\$ 13,955,829</u>	<u>\$ 12,811,795</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 805,142	\$ 111,385	\$ 26,871	\$ 43,015
Retainage Payable	-	-	-	-
Accrued Liabilities	160,244	9,906	-	13,877
Developer Escrows and Deposits	1,686,436	-	-	-
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	<u>2,651,822</u>	<u>121,291</u>	<u>26,871</u>	<u>56,892</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	<u>8,255,602</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY				
Fund Balance				
Restricted for Emergencies	875,000	-	-	-
Restricted for Culture and Recreation	-	-	-	5,315,976
Restricted for Parks & Recreation	-	-	-	7,294,373
Restricted for Capital Improvements	-	9,867,537	13,928,958	-
Restricted for Cemetery Maintenance	-	-	-	144,554
Committed to I-25 Interchange Improvements	-	-	-	-
Committed for Capital Improvements	-	-	-	-
Committed for Contingencies	-	-	-	-
Committed for Equipment Replacement	-	-	-	-
Committed for Recreation Center	1,422,738	-	-	-
Unassigned	<u>52,668,420</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND EQUITY	<u>54,966,158</u>	<u>9,867,537</u>	<u>13,928,958</u>	<u>12,754,903</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	<u>\$ 65,873,582</u>	<u>\$ 9,988,828</u>	<u>\$ 13,955,829</u>	<u>\$ 12,811,795</u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities and related assets are not due and payable in the current period and are not reported in the fund. These include Accrued Compensated Absences (\$119,915), Net Pension Asset \$55,237, Deferred Outflows Related to Pensions \$367,323, and Deferred Inflows Related to Pensions of (\$97,747).

Net position of governmental activities

The accompanying notes are an integral part of the financial statements.

TOTAL GOVERNMENTAL FUNDS	
2020	2019
\$ 90,603,048	\$ 90,104,676
376,599	553,358
8,255,602	9,687,597
3,394,785	1,774,865
-	7,532
<u>\$ 102,630,034</u>	<u>\$ 102,128,028</u>
\$ 986,413	\$ 2,085,264
-	1,071,930
184,027	57,650
1,686,436	870,610
-	28,665
<u>2,856,876</u>	<u>4,114,119</u>
<u>8,255,602</u>	<u>9,687,597</u>
875,000	745,000
5,315,976	3,481,692
7,294,373	1,951,968
23,796,495	32,892,344
144,554	133,339
-	6,000,000
-	321,090
-	2,235,008
-	4,481,746
1,422,738	10,536,360
<u>52,668,420</u>	<u>25,547,765</u>
<u>91,517,556</u>	<u>88,326,312</u>
48,256,815	36,987,207
<u>204,898</u>	<u>245,405</u>
<u>\$ 139,979,269</u>	<u>\$ 125,558,924</u>

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	GENERAL FUND	STREET AND ALLEY FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS
REVENUES				
Taxes and Fees	\$ 18,176,264	\$ 5,184,694	\$ 1,176,521	\$ 932,612
Licenses and Permits	806,904	-	-	-
Intergovernmental	933,830	1,686,464	-	1,178,432
Charges for Services	12,624	717,070	-	52,211
Fines and Forfeitures	148,877	-	-	-
Interest Income	397,304	74,466	186,094	78,459
Miscellaneous	719,737	427,167	-	16,045
TOTAL REVENUES	<u>21,195,540</u>	<u>8,089,861</u>	<u>1,362,615</u>	<u>2,257,759</u>
EXPENDITURES				
General Government	3,277,859	-	-	-
Public Safety	3,193,597	-	-	-
Public Works	1,259,106	2,002,521	8,355	-
Health and Welfare	-	-	-	-
Culture and Recreation	441,756	-	-	1,797,518
Capital Outlay	9,011,382	8,681,760	50,201	210,476
TOTAL EXPENDITURES	<u>17,183,700</u>	<u>10,684,281</u>	<u>58,556</u>	<u>2,007,994</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,011,840</u>	<u>(2,594,420)</u>	<u>1,304,059</u>	<u>249,765</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	59,895	2,698,869	-	1,970,620
Transfers Out	<u>(3,970,256)</u>	<u>-</u>	<u>(59,895)</u>	<u>(479,233)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,910,361)</u>	<u>2,698,869</u>	<u>(59,895)</u>	<u>1,491,387</u>
NET CHANGE IN FUND BALANCES	101,479	104,449	1,244,164	1,741,152
FUND BALANCES, Beginning	<u>54,864,679</u>	<u>9,763,088</u>	<u>12,684,794</u>	<u>11,013,751</u>
FUND BALANCES, Ending	<u>\$ 54,966,158</u>	<u>\$ 9,867,537</u>	<u>\$ 13,928,958</u>	<u>\$ 12,754,903</u>

The accompanying notes are an integral part of the financial statements.

TOTAL GOVERNMENTAL FUNDS	
2020	2019
\$ 25,470,091	\$ 16,497,792
806,904	2,091,157
3,798,726	1,704,582
781,905	1,141,193
148,877	214,125
736,323	1,755,082
1,162,949	1,343,107
<u>32,905,775</u>	<u>24,747,038</u>
3,277,859	1,541,510
3,193,597	2,435,397
3,269,982	3,541,766
-	71,959
2,239,274	2,547,085
17,953,819	21,791,050
<u>29,934,531</u>	<u>31,928,767</u>
<u>2,971,244</u>	<u>(7,181,729)</u>
4,729,384	11,180,554
<u>(4,509,384)</u>	<u>(11,285,554)</u>
<u>220,000</u>	<u>(105,000)</u>
3,191,244	(7,286,729)
<u>88,326,312</u>	<u>95,613,041</u>
<u>\$ 91,517,556</u>	<u>\$ 88,326,312</u>

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 3,191,244
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$12,393,460 exceeded depreciation expense (\$1,123,852), in the current year.	11,269,608
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes the change in accrued compensated absences.	(62,164)
Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds that amount is capitalized and amortized.	<u>21,657</u>
Change in Net Position of Governmental Activities	<u><u>\$ 14,420,345</u></u>

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 As of December 31, 2020

	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS	
				2020	2019
ASSETS					
Current Assets					
Cash and Investments	\$ 20,980,002	\$ 9,308,121	\$ 3,430,511	\$ 33,718,634	\$ 32,360,114
Accounts Receivable, net	536,191	240,782	66,243	843,216	434,213
Grants Receivable	298,500	-	-	298,500	-
Due from Other Funds	-	-	-	-	21,133
Total Current Assets	21,814,693	9,548,903	3,496,754	34,860,350	32,815,460
Noncurrent Assets					
Capital Assets, net of Accumulated Depreciation	27,586,635	7,058,983	543,108	35,188,726	30,798,988
TOTAL ASSETS	49,401,328	16,607,886	4,039,862	70,049,076	63,614,448
LIABILITIES					
Current Liabilities					
Accounts Payable	628,641	251,616	3,117	883,374	1,235,260
Accrued Expenses	14,147	12,800	6,708	33,655	9,728
Accrued Compensated Absences	17,720	16,154	9,378	43,252	26,740
Total Current Liabilities	660,508	280,570	19,203	960,281	1,271,728
Noncurrent Liabilities					
Deposits	105,900	6,562	-	112,462	90,371
Total Noncurrent Liabilities	105,900	6,562	-	112,462	90,371
TOTAL LIABILITIES	766,408	287,132	19,203	1,072,743	1,362,099
NET POSITION					
Net Investment in Capital Assets	27,586,635	7,058,983	543,108	35,188,726	30,798,988
Unrestricted	21,048,285	9,261,771	3,477,551	33,787,607	31,453,361
TOTAL NET POSITION	\$ 48,634,920	\$ 16,320,754	\$ 4,020,659	\$ 68,976,333	\$ 62,252,349

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2020

	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS	
				2020	2019
OPERATING REVENUES					
Charges for Services	\$ 3,427,297	\$ 2,130,323	\$ 459,460	\$ 6,017,080	\$ 5,342,947
Miscellaneous	372,344	16,520	345	389,209	462,775
TOTAL OPERATING REVENUES	3,799,641	2,146,843	459,805	6,406,289	5,805,722
OPERATING EXPENSES					
Administration	194,215	180,118	114,270	488,603	6,552,939
Operations	2,298,152	1,157,853	221,514	3,677,519	6,072,584
Depreciation	356,431	232,030	5,753	594,214	570,481
TOTAL OPERATING EXPENSES	2,848,798	1,570,001	341,537	4,760,336	13,196,004
OPERATING INCOME	950,843	576,842	118,268	1,645,953	(7,390,282)
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	214,990	90,373	29,686	335,049	855,379
Grant Income	298,500	-	-	298,500	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	513,490	90,373	29,686	633,549	855,379
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,464,333	667,215	147,954	2,279,502	(6,534,903)
Capital Contributions	3,619,183	723,350	321,949	4,664,482	8,375,179
Transfers In	-	-	-	-	105,000
Transfers Out	(100,000)	(100,000)	(20,000)	(220,000)	-
NET INCOME	4,983,516	1,290,565	449,903	6,723,984	1,945,276
NET POSITION, Beginning	43,651,404	15,030,189	3,570,756	62,252,349	55,411,073
Prior Period Adjustment	-	-	-	-	4,896,000
NET POSITION, Beginning, as restated	43,651,404	15,030,189	3,570,756	62,252,349	60,307,073
NET POSITION, Ending	\$ 48,634,920	\$ 16,320,754	\$ 4,020,659	\$ 68,976,333	\$ 62,252,349

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPE
 Year Ended December 31, 2020
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	WASTE WATER FUND	DRAINAGE FUND	TOTALS	
				2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 3,492,316	\$ 2,075,242	\$ 429,728	\$ 5,997,286	\$ 5,664,321
Cash Paid to Suppliers	(2,965,151)	(1,190,723)	(321,695)	(4,477,569)	(13,272,468)
Net Cash Provided by Operating Activities	527,165	884,519	108,033	1,519,717	(7,608,147)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Property and Equipment	(1,549,994)	(1,642,922)	(278,536)	(3,471,452)	(940,946)
Capital Contributions	2,106,683	723,350	321,949	3,151,982	2,375,179
Deposits from Customers	15,529	6,562	-	22,091	(31,629)
Payments from Other Funds	(100,000)	(100,000)	1,133	(198,867)	105,000
Net Cash Provided (Used) by Capital and Related Financing Activities	472,218	(1,013,010)	44,546	(496,246)	1,507,604
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	214,990	90,373	29,686	335,049	855,379
Net Cash Provided by Investing Activities	214,990	90,373	29,686	335,049	855,379
Net Increase in Cash and Cash Equivalents	1,214,373	(38,118)	182,265	1,358,520	(5,245,164)
CASH AND INVESTMENTS, Beginning	19,765,629	9,346,239	3,248,246	32,360,114	37,605,278
CASH AND INVESTMENTS, Ending	\$ 20,980,002	\$ 9,308,121	\$ 3,430,511	\$ 33,718,634	\$ 32,360,114
OPERATING ACTIVITIES					
Operating Income	\$ 950,843	\$ 576,842	\$ 118,268	\$ 1,645,953	\$ (7,390,282)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities					
Depreciation and Amortization	356,431	232,030	5,753	594,214	570,481
Changes in Assets and Liabilities					
Accounts Receivable	(307,325)	(71,601)	(30,077)	(409,003)	(141,401)
Accounts Payable	(489,723)	135,694	2,143	(351,886)	(618,660)
Accrued Expenses	10,031	8,800	5,096	23,927	(39,406)
Accrued Compensated Absences	6,908	2,754	6,850	16,512	11,121
Total Adjustments	(423,678)	307,677	(10,235)	(126,236)	(217,865)
Net Cash Provided by Operating Activities	\$ 527,165	\$ 884,519	\$ 108,033	\$ 1,519,717	\$ (7,608,147)

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Johnstown, Colorado, is a Colorado Home Rule Town and was organized on March 21, 1907. The Town is administered by an elected Mayor and Town Council.

The Town provides the following services to the residents and businesses: public safety, highways and streets, sanitation, water, culture and recreation, public improvements, planning and zoning, judicial, and general administrative services.

The accounting policies of the Town of Johnstown, Colorado (the “Town”) conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Johnstown has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The *Street and Alley Fund* is a special revenue fund that was established to account for all taxes and impact fee revenues specifically earmarked for street maintenance and improvements.

The *Use Tax Capital Improvement Fund* is a special revenue fund that was created to account for various maintenance and capital projects throughout the Town.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's water system.

The *Wastewater Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's sanitary sewer system.

The *Drainage Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's drainage system.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 - 50 years
Machinery and Equipment	3 - 30 years
Infrastructure	10 - 50 years

Compensated Absences

Employees of the Town are allowed to accumulate unused paid time off up to a max of 80 hours. Upon termination of employment from the Town, an employee will be compensated for all accrued paid time off at their current pay rate.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Long-Term Obligations**

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and bond issuance costs are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources expense/expenditure until then.

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows or resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact. As of December 31, 2020, the Town did not report any nonspendable its prepaid items as nonspendable resources.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The Town has also classified the fund balances for Street and Alley, Capital Improvement, the Cemetery, and the Parks and Open Space Funds as restricted because their revenues are restricted by the municipal code or taxpayer initiative; the Library Fund is classified as restricted as the revenues are restricted through taxpayer initiatives and other governments, and the Conservation Trust Fund is classified as restricted because its revenues are restricted by State Statute.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Council. These amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town reports unspent balances appropriated by the Town Council for contingencies, equipment replacement, and the construction of a Town recreation center.
- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General, Special Revenue, and Private Purpose Trust Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2020, follows:

Petty Cash	\$ 1,016
Cash Deposits	17,767,726
Investments	<u>106,929,539</u>
Total	<u>\$ 124,698,281</u>

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

The above amounts are classified in the statement of net position as follows:

Governmental Activities - Unrestricted	\$ 90,603,048
Governmental Activities – Restricted	376,599
Business-type Activities- Unrestricted	<u>33,718,634</u>
Total	<u>\$ 124,698,281</u>

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2020, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has implemented a policy regarding custodial credit risk for deposits.

At December 31, 2020, the Town had deposits with financial institutions with a carrying amount of \$17,767,726. The bank balances with the financial institutions were \$24,860,910. Of these balances, \$638,614 was covered by federal depository insurance and \$24,222,296 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

As of December 31, 2020, the Town had the following investments and maturities:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Maturities (in Years)</u>	
		<u>0 – 1 Years</u>	<u>1 – 5 Years</u>
U.S. Government Securities	\$ 20,570,553	\$ 13,953,930	\$ 6,616,623
U.S. Government Agencies	20,113,971	9,795,655	10,318,316
Corporate Bonds	500,325	500,325	-
Money Market Funds	20,252	20,252	-
Local Government Investment Pools	<u>65,724,438</u>	<u>65,724,438</u>	<u>-</u>
Total	<u>\$ 106,929,539</u>	<u>\$ 89,994,600</u>	<u>\$ 16,934,939</u>

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk

The Town has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities. The Town's securities at December 31, 2020, are rated AA+ by Standard and Poor's and Aaa by Moody's Investors Services for its U.S. Government Agencies and Securities. The Town's Corporate Bonds ratings range from A1 by Moody's Investors.

Investment Pools

The Town had invested \$16,716,999 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized cost and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to \$1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

CSAFE is rated AAAM by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Investment Pools (Continued)

The Town had invested \$49,007,439 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAm by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

The Town invested \$20,252 in a Money Market Mutual Fund. The Fund invests only in government securities as defined under the Investment Company Act of 1940 (the "1940 Act"), as amended. The Fund intends to be a government money market fund as defined under Rule 2a-7 under the 1940 Act. The fair value of investments in the fund is based on the published net asset values per share of those funds and is maintained at a stable net asset value of \$1.00 per share. The fund values its securities using amortized cost.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

At December 31, 2020, the Town held investments in U.S. Government Securities and U.S. Government Agencies in the amount of \$20,570,553 and \$20,113,971, respectively, with maturity dates of less than one and five years. Given the low risk of this type of investment, the Town has not established a policy limiting the amount of investments in this type of security and deems it unnecessary at this time. These investments are valued with Level 1 inputs.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)**Investments** (Continued)Investment Pools (Continued)

The Town held investments in Commercial Bonds in the amount of \$500,325 with maturity dates of less than one year. These investments are valued with Level 1 inputs.

Restricted Cash and Investments

Cash and Investment in the amount of \$368,440 are restricted in the General Fund for developer and escrow deposits and funds in the amount of \$8,159 are restricted in the Conservation Trust Fund for parks and recreation.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2020 is summarized below:

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 1,099,633	\$ -	\$ -	\$ 1,099,633
Water Shares	-	687,500	-	687,500
Construction in Progress	<u>22,899,305</u>	<u>102,400</u>	<u>22,899,305</u>	<u>102,400</u>
Total Capital Assets, not depreciated	<u>23,998,938</u>	<u>789,900</u>	<u>22,899,305</u>	<u>1,889,533</u>
Capital Assets, depreciated				
Buildings	9,796,183	30,564,890	-	40,361,073
Improvements	3,180,978	133,914	-	3,314,892
Infrastructure	1,765,086	2,201,572	-	3,966,658
Equipment	<u>4,523,141</u>	<u>1,602,489</u>	<u>41,986</u>	<u>6,083,644</u>
Total Capital Assets, depreciated	<u>19,265,388</u>	<u>30,502,865</u>	<u>41,986</u>	<u>53,726,267</u>
Less Accumulated Depreciation				
Buildings	2,393,174	601,088	-	2,994,262
Improvements	886,869	64,435	-	951,304
Infrastructure	104,017	41,895	-	145,912
Equipment	<u>2,893,059</u>	<u>416,434</u>	<u>41,986</u>	<u>3,267,507</u>
Total Accumulated Depreciation	<u>6,277,119</u>	<u>1,123,852</u>	<u>41,986</u>	<u>7,358,985</u>
Total Capital Assets, depreciated, Net	<u>12,988,269</u>	<u>33,379,013</u>	<u>-</u>	<u>46,367,282</u>
Governmental Activities, Capital Assets, Net	<u>\$ 36,987,207</u>	<u>\$ 34,168,913</u>	<u>\$ 22,899,305</u>	<u>\$ 48,256,815</u>

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities

General Government	\$ 619,245
Public Safety	189,410
Public Works	222,988
Culture and Recreation	<u>92,209</u>
Total	<u>\$ 1,123,852</u>

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Business-Type Activities				
Capital Assets, not depreciated				
Land	\$ 72,405	\$ -	\$ -	\$ 72,405
Water Rights	16,751,249	1,787,500	-	18,538,749
Construction in Progress	<u>541,309</u>	<u>2,178,364</u>	<u>138,370</u>	<u>2,581,303</u>
Total Capital Assets, not depreciated	<u>17,364,963</u>	<u>3,965,864</u>	<u>138,370</u>	<u>21,192,457</u>
Capital Assets, depreciated				
Utility Systems	21,603,792	1,074,779	-	22,678,571
Equipment	<u>1,155,887</u>	<u>81,679</u>	<u>-</u>	<u>1,237,566</u>
Total Capital Assets, depreciated	<u>22,759,679</u>	<u>1,156,458</u>	<u>-</u>	<u>23,916,137</u>
Less: Accumulated Depreciation				
Utility Systems	9,123,368	512,724	-	9,636,092
Equipment	<u>202,286</u>	<u>81,490</u>	<u>-</u>	<u>283,776</u>
Total Accumulated Depreciation	<u>9,325,654</u>	<u>594,214</u>	<u>-</u>	<u>9,919,868</u>
Total Capital Assets, depreciated, Net	<u>13,434,025</u>	<u>562,244</u>	<u>-</u>	<u>13,996,269</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 30,798,988</u>	<u>\$ 4,528,108</u>	<u>\$ 138,370</u>	<u>\$ 35,188,726</u>

Depreciation expense was charged to functions/programs of the Town as follows:

Business-type Activities

Water Fund	\$ 356,431
Wastewater Fund	232,030
Drainage Fund	<u>5,753</u>
Total	<u>\$ 594,214</u>

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CAPITAL ASSETS (Continued)

The Town has determined that it has received various capital contributions in the form of water rights through various agreements with developers over the years. The Town is unable to determine the quantity and fair value at the time the ownership was transferred to the Town, and therefore has not capitalized these water rights. The Town will be continuing its process of determining the acquisition value of additional water rights and shares owned during the year ended December 31, 2021.

NOTE 5: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2020.

	Balance <u>12/31/2019</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/2020</u>	Due In <u>One Year</u>
Accrued Compensated Absences	\$ <u>57,751</u>	\$ <u>119,915</u>	\$ <u>57,751</u>	\$ <u>119,915</u>	\$ <u>-</u>

Accrued Compensated Absences are being paid from resources generated by the General Fund.

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2020.

	Balance <u>12/31/2019</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/2020</u>	Due In <u>One Year</u>
Accrued Compensated Absences	\$ <u>26,740</u>	\$ <u>43,252</u>	\$ <u>26,740</u>	\$ <u>43,252</u>	\$ <u>-</u>

Accrued Compensated Absences are being paid from resources generated by the Water, Wastewater, and Drainage Funds.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 6: INTERFUND AMOUNTS

Interfund transfers for the year ended December 31, 2020, were comprised of the following:

<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>	<u>Amount</u>
General Fund	Capital Improvement Fund	\$ 59,895
Street and Alley Fund	General Fund	2,698,869
Library Fund	General Fund	1,259,823
Parks and Open Space Fund	General Fund	11,564
Parks and Open Space Fund	Library Fund	479,233
Parks and Open Space Fund	Water Fund	100,000
Parks and Open Space Fund	Wastewater Fund	100,000
Parks and Open Space Fund	Drainage Fund	<u>20,000</u>
Total		<u>\$ 4,729,384</u>

The transfers between the Capital Improvement Fund and the General Fund were made to transfer use taxes as part of the reimbursement agreements with developers. A transfer from the General Fund to the Street and Alley Fund, in the amount of \$2,000,000, was made to cover I-25 CDOT project costs. The transfer to the Library Fund from the General Fund were made to transfer the Town's share of property taxes restricted to support to library operations. The transfers from the Water, Wastewater and Drainage Funds, totaling \$220,000, were made to assist with parks and open spaces activities. These transfers are budgeted annually.

In addition, the General Fund transferred \$698,869 and \$11,564, to the Street and Alley Fund and the Parks and Open Space Fund, respectively, and the Library Fund transferred \$479,233 to the Parks and Open Space Fund. These transfers were a result of the fund reorganization discussed in Note 12.

NOTE 7: TAX ABATEMENTS**Johnson's Corner Annexation Agreement**

The Town entered into the Johnson's Corner Annexation Agreement with the owners of Johnson's Corner under the Municipal Annexation Act, Part 1 of Article 12 of Title 31 of the Colorado Revised Statutes ("C.R.S"). In exchange for the real property annexed by the Town and for the purpose of paying for certain improvements needed to service the property, the Town agreed reimburse 1% of the amount of all sales and use taxes collected from taxable activities on the property to the owners.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: TAX ABATEMENTS (Continued)

Johnson's Corner Annexation Agreement (Continued)

The original annexation agreement was entered into on June 7, 1999, with an expiration of 15 years from the date of annexation. In 2008, the Town amended this agreement to extend the tax credit for an additional 5 years. During the year ended December 31, 2020, the Town reimbursed sales taxes to the owners of the Johnson's Corner Property in the amount of \$24,457.

WRFG Annexation Agreement

The Town entered into the WRFG Annexation Agreement, for the 2534 Development (the commercial properties along State Highway 34) under the Municipal Annexation Act, Part 1 of Article 12 of Title 31 of the Colorado Revised Statutes ("C.R.S"). In exchange for the real property annexed by the Town and for the purpose of paying for certain improvements needed to service the property, the Town has agreed to reimburse 1% of sales and use taxes to the owners of the 2534 Development. This agreement was entered into on December 14, 2000, with an expiration of 25 years from the date of the annexation. For the year ended December 31, 2020, the Town reimbursed sales taxes to the owners of the 2534 Development property in the amount of \$439,495.

NOTE 8: DEFINED BENEFIT PENSION PLAN

Statewide Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan ("SWDB Plan"), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

NOTES TO FINANCIAL STATEMENTS
December 31, 2020**NOTE 8: DEFINED BENEFIT PENSION PLANS** (Continued)**Statewide Defined Benefit Pension Plan** (Continued)**General Information about the Pension Plan**

Plan description. The SWDB Plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by FPPA's Pension Fund Board of Trustees. Colorado Revised Statutes ("CRS"), as amended, establishes basic benefit provisions under the SWDB Plan. FPPA issues an annual, publicly-available financial report that includes the assets of the SWDB Plan. That report may be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually.

Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Contributions. The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent in 2019 and 2020. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2019, members of the SWDB plan and their employers are contributing at the rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22.5 percent and 23.0 percent of pensionable earnings in 2019 and 2020, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.25 percent and 4 percent, respectively, of pensionable earnings for a total contribution rate of 9.25 percent in 2019 and 9.50 percent in 2020. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4 percent in 2019 and 2020. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the Town reported an asset in the amount of \$55,237 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2020.

The Town's proportion of the net pension asset was based on the Town's contributions to the SWDB Plan for the calendar year 2019 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2019 the Town's proportion was 0.09767%, which was an increase of 0.00247% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020 the Town recognized a pension expense of \$48,602. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$186,932	\$1,081
Net difference between projected and actual earnings on pension plan investments	N/A	\$86,834
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$5,249	\$9,832
Change in assumptions and other inputs	\$104,883	N/A
Contributions subsequent to the measurement date	\$70,259	N/A
Total	\$367,323	\$97,747

\$70,259 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)**Statewide Defined Benefit Pension Plan** (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

Year ended December 31	
2021	\$18,963
2022	\$11,443
2023	\$39,692
2024	\$3,051
2025	\$39,994
Thereafter	\$86,174

Actuarial assumptions. The actuarial valuations for the SWDB Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2019. The valuations used the following actuarial assumptions and other inputs:

Total Pension Liability:

Actuarial Valuation Date	January 1, 2020
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term investment Rate of Return*	7.00 percent
Projected salary increases*	4.25 – 11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

Actuarially Determined Contributions:

Actuarial Valuation Date	January 1, 2019
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return*	7.0 percent
Projected salary increases*	4.25-11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The preretirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions** (Continued)

At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	38.00%	7.00%
Equity Long/Short	8.00%	6.00%
Private Markets	25.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	8.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions** (Continued)

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.75 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$334,913	(\$55,237)	(\$378,815)

Pension plan fiduciary net position. Detailed information about the SWDB Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at <http://www.fppaco.org>.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9: OTHER RETIREMENT COMMITMENTS**Deferred Compensation Plan**

All full-time employees are eligible to participate in a voluntary 457 Deferred Comp Plan. The Plan is administered by Pension Management. The Town matches up to 4.2% for regular full-time employees and 9.2% for Department Heads. All full-time employees are eligible to participate in the plan upon hire and are immediately vested. The Town contributed \$83,629, \$116,969, and \$136,319, to the plan for the years ended December 31, 2018, 2019, and 2020 respectively, equal to the required contribution.

NOTE 10: RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town carries commercial insurance to cover these risks. The Town has not had any claims that exceeded insurable amounts for the last three years.

NOTE 11: COMMITMENTS AND CONTINGENCIES**Facility Management Agreement**

In April 2018, the Town entered into a Facility Management Agreement with the YMCA of Boulder Valley. Per the agreement, the YMCA has agreed to manage and operate the Recreation Facility owed by the Town. The YMCA will use Facility Revenues to cover normal and routine operating costs of the Facility and the Town has agreed to provide an operating subsidy in an amount not to exceed \$500,000 annually, to cover any shortfall from operations. This agreement is effective through December 31, 2031, and unless one party gives written notice to the other, the Agreement shall automatically renew for additional ten-year terms. During the year ended December 31, 2020, the Town paid an operating subsidy in to the YMCA the amount of \$441,756, equal to the amount required per the terms of this agreement.

Water Agreement

The Town has entered into a Water Agreement with W.R. Investment LLC ("WRI"), whereby the Town has agreed to a partial infrastructure cost reimbursement to settle a conflict created by a water decree issued to WRI in 2017 related to water usage implemented in prior agreements between the Town and WRI. Per the terms of the cost reimbursement agreement, the Town has agreed to pay WRI \$4,600 per building permit issued up to 305 permits. For the years ended December 31, 2019 and 2020, the Town has reimbursed WRI \$423,200 and \$487,600, respectively. As of December 31, 2020, the Town has recorded a liability in the Water Fund in the amount of \$492,200 for the remaining 107 permits yet to be issued under this agreement.

NOTES TO FINANCIAL STATEMENTS
December 31, 2020**NOTE 11: COMMITMENTS AND CONTINGENCIES****Tabor Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 5, 2013, voters within the Town approved the collection, retention and expenditure the full amount of the town taxes, grants and all other revenue collected from all sources including property taxes, received in 2012 and each subsequent year, without regard to any revenue or expenditure limitations including those contained in Article X, Section 20 of the Colorado constitution or any other law.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2020, the emergency reserve of \$875,000 was recorded in the General Fund.

NOTE 12: CHANGE IN ACCOUNTING METHOD**Fund Reorganization**

In 2019, a fund reorganization was approved as part of the Johnstown Municipal Code, Chapter 4: Revenues and Finance update. In the Town's 2020 budget, the reorganization resulted in the establishment of various new funds and elimination of other funds. The purpose of this reorganization was to better align revenues with their relative expenditures and to create additional transparency necessary to keep the Town accountable to its constituents.

As a result of the reorganization, the beginning fund balances of certain individual governmental fund financials have been restated, however, in total, the beginning fund balance reported for all funds in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, has not changed. In addition, the beginning Net Position reported for Governmental Activities in the Statement of Activities has not changed.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			VARIANCE Positive (Negative)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes and Fees	\$ 12,631,080	\$ 12,631,080	\$ 18,176,264	\$ 5,545,184
Licenses and Permits	822,200	822,200	806,904	(15,296)
Intergovernmental	30,000	30,000	933,830	903,830
Charges for Services	-	-	12,624	12,624
Fines and Forfeitures	171,000	171,000	148,877	(22,123)
Interest Income	288,100	288,100	397,304	109,204
Miscellaneous	207,200	207,200	719,737	512,537
TOTAL REVENUES	14,149,580	14,149,580	21,195,540	7,045,960
EXPENDITURES				
General Government	2,720,750	3,720,780	3,277,859	442,921
Public Safety	3,453,380	3,453,380	3,193,597	259,783
Public Works	1,144,700	1,144,700	1,259,106	(114,406)
Culture and Recreation	500,000	500,000	441,756	58,244
Capital Outlay	12,306,650	12,306,650	9,011,382	3,295,268
TOTAL EXPENDITURES	20,125,480	21,125,510	17,183,700	3,941,810
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,975,900)	(6,975,930)	4,011,840	10,987,770
OTHER FINANCING SOURCES (USES)				
Transfers In	490,000	490,000	59,895	(430,105)
Transfers Out	(13,497,660)	(13,497,660)	(3,970,256)	9,527,404
TOTAL OTHER FINANCING SOURCES (USES)	(13,007,660)	(13,007,660)	(3,910,361)	9,097,299
NET CHANGE IN FUND BALANCE	(18,983,560)	(19,983,590)	101,479	20,085,069
FUND BALANCES, Beginning, as Restated	47,148,928	47,148,928	54,864,679	7,715,751
FUND BALANCE, Ending	\$ 28,165,368	\$ 27,165,338	\$ 54,966,158	\$ 27,800,820

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

STREET AND ALLEY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes and Fees	\$ 1,576,000	\$ 5,184,694	\$ 3,608,694
Intergovernmental	1,426,650	1,686,464	259,814
Charges for Services	676,000	717,070	41,070
Interest Income	27,000	74,466	47,466
Miscellaneous	-	427,167	427,167
 TOTAL REVENUES	 3,705,650	 8,089,861	 4,384,211
EXPENDITURES			
Public Works	2,090,050	2,002,521	87,529
Capital Outlay	8,878,500	8,681,760	196,740
 TOTAL EXPENDITURES	 10,968,550	 10,684,281	 284,269
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (7,262,900)	 (2,594,420)	 4,668,480
OTHER FINANCING USES			
Transfers In	2,000,000	2,698,869	(698,869)
 NET CHANGE IN FUND BALANCES	 (5,262,900)	 104,449	 3,969,611
 FUND BALANCES, Beginning, as Restated	 8,463,136	 9,763,088	 (1,299,952)
 FUND BALANCES, Ending	 <u>\$ 3,200,236</u>	 <u>\$ 9,867,537</u>	 <u>\$ 2,669,659</u>

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

CAPITAL IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	\$ 450,000	\$ 1,176,521	\$ 726,521
Interest Income	79,000	186,094	107,094
TOTAL REVENUES	529,000	1,362,615	833,615
EXPENDITURES			
Public Works	479,700	8,355	471,345
Capital Outlay	2,000,000	50,201	1,949,799
TOTAL EXPENDITURES	2,479,700	58,556	2,421,144
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,950,700)	1,304,059	3,254,759
OTHER FINANCING USES			
Transfers Out	(15,000)	(59,895)	(44,895)
NET CHANGE IN FUND BALANCES	(1,965,700)	1,244,164	3,209,864
FUND BALANCES, Beginning, as Restated	10,124,058	12,684,794	2,560,736
FUND BALANCES, Ending	<u>\$ 8,158,358</u>	<u>\$ 13,928,958</u>	<u>\$ 5,770,600</u>

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Town's proportionate share of the Net Pension Liability (Asset)	0.098%	0.095%	0.092%	0.098%	0.092%	0.095%	0.098%
Town's proportionate share of the Net Pension Liability (Asset)	\$ (87,606)	\$ (107,336)	\$ (1,619)	\$ 35,231	\$ (132,637)	\$ 120,358	\$ (55,237)
Town's covered payroll	\$ 853,314	\$ 868,643	\$ 911,068	\$ 997,981	\$ 1,040,266	\$ 1,277,103	\$ 1,439,700
Town's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered payroll	-10.3%	-12.4%	-0.2%	3.5%	-12.8%	9.4%	-3.8%
Plan fiduciary net position as a percentage of the total pension liability	106.8%	105.8%	100.1%	98.2%	106.3%	95.2%	101.9%

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Statutorily required contributions	34,043	\$ 34,216	\$ 36,443	\$ 39,919	\$ 41,450	\$ 51,016	\$ 57,587	\$ 70,259
Contributions in relation to the Statutorily required contributions	<u>34,043</u>	<u>34,216</u>	<u>36,443</u>	<u>39,919</u>	<u>41,450</u>	<u>51,016</u>	<u>57,587</u>	<u>70,259</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 853,314	\$ 868,643	\$ 911,068	\$ 997,981	\$ 1,040,266	\$ 1,277,103	\$ 1,439,700	\$ 1,756,485
Contributions as a percentage of covered payroll	3.99%	3.94%	4.00%	4.00%	3.98%	3.99%	4.00%	4.00%

Notes:

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2020

	SPECIAL REVENUE			
	LIBRARY FUND	CEMETERY FUND	PARKS AND OPEN SPACE FUND	TOTAL
ASSETS				
Cash and Investments	\$ 5,157,855	\$ 144,554	\$ 7,252,207	\$ 12,554,616
Restricted Cash and Investments	-	-	8,159	8,159
Accounts Receivable	199,381	-	49,639	249,020
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 5,357,236</u>	<u>\$ 144,554</u>	<u>\$ 7,310,005</u>	<u>\$ 12,811,795</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 34,531	\$ -	\$ 8,484	\$ 43,015
Accrued Liabilities	6,729	-	7,148	13,877
TOTAL LIABILITIES	<u>41,260</u>	<u>-</u>	<u>15,632</u>	<u>56,892</u>
FUND EQUITY				
Fund Balance				
Restricted for Culture and Recreation	5,315,976	-	-	5,315,976
Restricted for Parks & Recreation	-	-	7,294,373	7,294,373
Restricted for Cemetery Maintenance	-	144,554	-	144,554
TOTAL FUND EQUITY	<u>5,315,976</u>	<u>144,554</u>	<u>7,294,373</u>	<u>12,754,903</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,357,236</u>	<u>\$ 144,554</u>	<u>\$ 7,310,005</u>	<u>\$ 12,811,795</u>

NONMAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended December 31, 2020

	SPECIAL REVENUE			TOTAL
	LIBRARY FUND	CEMETERY FUND	PARKS AND OPEN SPACE FUND	
REVENUES				
Taxes and Fees	\$ 354,444	\$ -	\$ 578,168	\$ 932,612
Charges for Services	-	-	52,211	52,211
Licenses and Permits	-	-	-	-
Intergovernmental	827,171	-	351,261	1,178,432
Interest Income	27,948	916	49,595	78,459
Miscellaneous	5,746	10,299	-	16,045
TOTAL REVENUES	1,215,309	11,215	1,031,235	2,257,759
EXPENDITURES				
General Government	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	1,329,807	-	467,711	1,797,518
Capital Outlay	-	-	210,476	210,476
TOTAL EXPENDITURES	1,329,807	-	678,187	2,007,994
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(114,498)	11,215	353,048	249,765
OTHER FINANCING SOURCES (USES)				
Transfers In	1,259,823	-	710,797	1,970,620
Transfers Out	(479,233)	-	-	(479,233)
TOTAL OTHER FINANCING SOURCES (USES)	780,590	-	710,797	1,491,387
NET CHANGE IN FUND BALANCE	666,092	11,215	1,063,845	1,741,152
FUND BALANCE, Beginning, as Restated	4,649,884	133,339	6,230,528	11,013,751
FUND BALANCE, Ending	\$ 5,315,976	\$ 144,554	\$ 7,294,373	\$ 12,754,903

See the accompanying independent auditors' report.

LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)
REVENUES				
Library Facilities Fee	\$ 20,000	\$ 20,000	\$ 354,444	\$ 334,444
Intergovernmental	824,716	824,716	827,171	2,455
Interest Income	1,500	1,500	27,948	26,448
Miscellaneous	11,000	11,000	5,746	(5,254)
TOTAL REVENUES	857,216	857,216	1,215,309	358,093
EXPENDITURES				
Culture and Recreation	1,589,915	2,340,678	1,329,807	1,010,871
TOTAL EXPENDITURES	1,589,915	2,340,678	1,329,807	1,010,871
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(732,699)	(1,483,462)	(114,498)	1,368,964
OTHER FINANCING SOURCES (USES)				
Transfers In	1,022,660	1,022,660	1,259,823	237,163
Transfers Out	-	-	(479,233)	(479,233)
TOTAL OTHER FINANCING SOURCES	1,022,660	1,022,660	780,590	(242,070)
NET CHANGE IN FUND BALANCE	289,961	(460,802)	666,092	1,126,894
FUND BALANCE, Beginning, as Restated	3,491,367	3,491,367	4,649,884	1,158,517
FUND BALANCE, Ending	<u>\$ 3,781,328</u>	<u>\$ 3,030,565</u>	<u>\$ 5,315,976</u>	<u>\$ 2,285,411</u>

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

CEMETERY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Sale of Lots	\$ 903	\$ 10,299	\$ 9,396
Interest Income	100	916	816
TOTAL REVENUES	1,003	11,215	10,212
EXPENDITURES			
Operations and Maintenance	-	-	-
TOTAL EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	1,003	11,215	10,212
FUND BALANCES, Beginning	125,195	133,339	8,144
FUND BALANCES, Ending	\$ 126,198	\$ 144,554	\$ 18,356

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

PARKS AND OPEN SPACE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes and Fees	\$ 210,500	\$ 578,168	\$ 367,668
Charges for Services	22,317	52,211	29,894
Intergovernmental	478,800	351,261	(127,539)
Interest Income	47,800	49,595	1,795
Miscellaneous	1,000	-	(1,000)
TOTAL REVENUES	760,417	1,031,235	270,818
EXPENDITURES			
Culture and Recreation	458,750	467,711	(8,961)
Capital Outlay	803,000	210,476	592,524
TOTAL EXPENDITURES	1,261,750	678,187	583,563
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(501,333)	353,048	854,381
OTHER FINANCING SOURCES (USES)			
Transfers In	220,000	710,797	490,797
TOTAL OTHER FINANCING SOURCES	220,000	710,797	490,797
NET CHANGE IN FUND BALANCE	(281,333)	1,063,845	1,345,178
FUND BALANCE, Beginning, as Restated	5,544,616	6,230,528	685,912
FUND BALANCE, Ending	\$ 5,263,283	\$ 7,294,373	\$ 2,031,090

See the accompanying independent auditors' report.

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	\$ 2,537,000	\$ 3,427,297	\$ 890,297	\$ 2,851,682
Contributions	1,904,625	3,619,183	1,714,558	7,200,881
Intergovernmental	1,000,000	298,500	(701,500)	-
Interest Income	126,000	214,990	88,990	562,171
Miscellaneous	125,000	372,344	247,344	428,406
Transfers In	-	-	-	105,000
TOTAL REVENUES	<u>5,692,625</u>	<u>7,932,314</u>	<u>2,239,689</u>	<u>11,148,140</u>
EXPENDITURES				
Administration	422,550	194,215	228,335	6,196,252
Operations	2,242,920	2,298,152	(55,232)	1,747,519
Capital Outlay	6,498,000	1,549,994	4,948,006	312,273
Depreciation Expense	355,000	356,431	(1,431)	350,416
Transfers Out	100,000	100,000	-	-
TOTAL EXPENDITURES	<u>9,618,470</u>	<u>4,498,792</u>	<u>5,119,678</u>	<u>8,606,460</u>
NET INCOME, Budget Basis	<u>\$ (3,925,845)</u>	3,433,522	<u>\$ 7,359,367</u>	2,541,680
GAAP BASIS ADJUSTMENTS				
Capital Outlay		<u>1,549,994</u>		<u>312,273</u>
NET INCOME, GAAP Basis		4,983,516		2,853,953
NET POSITION, Beginning		43,651,404		35,901,451
Prior Period Adjustment		<u>-</u>		<u>4,896,000</u>
NET POSITION, Beginning, as restated		<u>43,651,404</u>		<u>40,797,451</u>
NET POSITION, Ending		<u>\$ 48,634,920</u>		<u>\$ 43,651,404</u>

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

WASTEWATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2019 ACTUAL
REVENUES				
Charges for Services	\$ 1,950,000	\$ 2,130,323	\$ 180,323	\$ 2,045,675
Contributions	660,000	723,350	63,350	1,174,298
Intergovernmental	1,000,000	-	(1,000,000)	-
Interest Income	81,000	90,373	9,373	202,637
Miscellaneous	1,000	16,520	15,520	34,369
Transfers In	10,000,000	-	(10,000,000)	-
TOTAL REVENUES	13,692,000	2,960,566	(10,731,434)	3,456,979
EXPENDITURES				
Administration	210,500	180,118	30,382	264,017
Operations	1,895,870	1,157,853	738,017	4,206,723
Capital Outlay	10,874,000	1,642,922	9,231,078	628,674
Depreciation Expense	205,000	232,030	(27,030)	214,313
Transfers Out	100,000	100,000	-	-
TOTAL EXPENDITURES	13,285,370	3,312,923	9,972,447	5,313,727
NET INCOME, Budget Basis	\$ 406,630	(352,357)	\$ (758,987)	(1,856,748)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		1,642,922		628,674
TOTAL GAAP BASIS ADJUSTMENTS		1,642,922		628,674
NET INCOME, GAAP Basis		1,290,565		(1,228,074)
NET POSITION, Beginning		15,030,189		16,258,263
NET POSITION, Ending		\$ 16,320,754		\$ 15,030,189

See the accompanying independent auditors' report.

TOWN OF JOHNSTOWN, COLORADO

Item #1.

DRAINAGE ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

	2020		VARIANCE Positive (Negative)	2019 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Drainage Fees	\$ 435,000	\$ 459,460	\$ 24,460	\$ 445,590
Contributions	50,000	321,949	271,949	-
Interest Income	25,200	29,686	4,486	90,571
Miscellaneous	-	345	345	-
TOTAL REVENUES	510,200	811,440	301,240	536,161
EXPENDITURES				
Administration	123,100	114,270	8,830	92,670
Operations	338,900	221,514	117,386	118,342
Capital Outlay	515,000	278,536	236,464	-
Depreciation Expense	7,000	5,753	1,247	5,752
Transfers Out	20,000	20,000	-	-
TOTAL EXPENDITURES	1,004,000	640,073	363,927	216,764
NET INCOME, Budget Basis	<u>\$ (493,800)</u>	171,367	<u>\$ 665,167</u>	319,397
GAAP BASIS ADJUSTMENTS				
Capital Outlay		278,536		-
NET INCOME, GAAP Basis		449,903		319,397
NET POSITION, Beginning		3,570,756		3,251,359
NET POSITION, Ending		<u>\$ 4,020,659</u>		<u>\$ 3,570,756</u>

See the accompanying independent auditors' report.

STATE COMPLIANCE

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT		City or County: Johnstown, Town of	
		YEAR ENDING : December 2020	
This Information From The Records Of (example - City of _ or County of Town of Johnstown)		Prepared By: Phone:	Mitzi McCoy 970.578.9602

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,300,036
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,283,126
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations		b. Snow and ice removal	58,256
3. Other local imposts (from page 2)	4,932,625	c. Other	0
4. Miscellaneous local receipts (from page 2)		d. Total (a. through c.)	58,256
5. Transfers from toll facilities		4. General administration & miscellaneous	14,863
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues		6. Total (1 through 5)	4,656,282
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	4,932,625	b. Redemption	0
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,527,466	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	6,460,090	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	4,656,282

IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	6,460,090	4,656,282	1,803,809	(0)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

December 2020

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	707,560	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	1,829,529	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	2,395,535	g. Other Misc. Receipts	0
6. Total (1. through 5.)	4,932,625	h. Other	0
c. Total (a. + b.)	4,932,625	i. Total (a. through h.)	0
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	463,677	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	63,789	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	1,000,000	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	1,063,789	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,527,466	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		2,300,036	2,300,036
(5). Total Construction (1) + (2) + (3) + (4)	0	2,300,036	2,300,036
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,300,036	2,300,036
			(Carry forward to page 1)

Notes and Comments:



Town of Johnstown

TOWN COUNCIL REGULAR MEETING
450 S. Parish, Johnstown, CO
Wednesday, July 07, 2021 at 7:00 PM

MINUTES

CALL TO ORDER

Mayor Lebsack called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

ROLL CALL

PRESENT

Mayor Gary Lebsack
 Councilmember Troy Mellon
 Councilmember Jesse Molinar
 Councilmember Amy Tallent
 Councilmember Chad Young

ABSENT

Councilmember Damien Berg

Staff Present: Matt LeCerf, Town Manager, Avi Rocklin, Town Attorney, Chief Brian Phillips, Kim Meyer, Planning Director, Mitzi McCoy Finance Director and Sarah Crosthwaite, Economic Development Manager

AGENDA APPROVAL

Motion made by Councilmember Tallent, seconded by Councilmember Mellon to approve the agenda. Motion carried with a unanimous vote.

SPECIAL PRESENTATIONS

Business of the Month - Sarah Crosthwaite, Economic Development Manager introduced Hiroshi Teriyaki Grill as the July Business of the Month.

PUBLIC COMMENT

Mr. Terry Eady of 2210 Podtburg Circle, addressed Council with concerns about the easement between the Purvis Property and Podtburg Subdivision along Podtburg Circle. He stated the HOA had been maintaining this area and it is now being neglected.

CONSENT AGENDA

Motion made by Councilmember Mellon, seconded by Councilmember Young to approve the Consent Agenda. Motion carried with a unanimous vote.

- Minutes June 21, 2021
- Minutes June 24, 2021 Special Meeting
- Second Reading Ordinance 2021-199 an Ordinance Amending Section 10-61 and Section 10-71 of the Johnstown Municipal Code Concerning the Jurisdictional Limit for Criminal Mischief and Theft

Page 2
July 7, 2021

- Ordinance 2021-200 Approving P.U.D. Outline Development Plan (ODP) for Purvis Farm
- Resolution 2021-20 Adopting Larimer County Multi-Jurisdictional Hazard Mitigation Plan (2021)

SWEAR IN NEW COUNCIL MEMBER

Bill Stevens was sworn in as the new councilmember.

PUBLIC HEARING

1. New Tavern Liquor License - The Immortal Bar, LLC-

Mayor Lebsack opened the public hearing at 7:10 p.m. and heard from staff. This is a request for a Tavern License for The Immortal Bar, LLC, located at 1 N. Parish. The applicant, Mr. Dallas Williams was present to answer Council's questions. Having no public comments, the hearing closed at 7:17 p.m. Motion made by Councilmember Mellon, seconded by Councilmember Tallent to approve the Tavern License to The Immortal Bar, LLC and authorize the Mayor to sign the Order Granting a Tavern License. Motion carried with a unanimous vote.

2. First Reading: Ordinance No. 2021-202, An Ordinance Authorizing the Issuance of Revenue Bonds to Provide for Improvements to the Wastewater System and Establishing Covenants in Connection with the Financing for the Payment of the Bonds from Wastewater Revenues; and Approving Other Matters in Connection with the Financing.

Mayor Lebsack opened the Public Hearing at 7:18 p.m. and heard from staff. Ordinance No. 2021-202 provides for the issuance of revenue bonds to fund capital projects in the Sanitary Sewer Fund. The town's wastewater treatment plants are in need of upgrades along with the expansion of the sewer interceptor. The town is working with consultants to issue bonds to assist with the cost of these projects. The bonds will be structured as revenue bonds in the Sanitary Sewer Enterprise Fund with a maturity date in 2051. Having no public comments, the hearing closed at 7:26 p.m. Motion made by Councilmember Tallent, seconded by Councilmember Young to approve Ordinance 2021-202 Authorizing the Issuance of Revenue Bonds to Provide for Improvements to Its Sanitary Sewer System; Establishing Covenants in Connection with the Financing and Providing for the Payment of the Bonds from Sanitary Sewer Revenues; and Approving Other Matters in Connection with the Financing. Motion carried with a unanimous vote.

3. First Reading: Ordinance 2021-203 Disconnecting portions of the Maxfield Annexation No. 1 from the Town of Johnstown

Mayor Lebsack opened the Public Hearing at 7:28 p.m. and heard from staff. Ordinance 2021-203 disconnects certain portions of property located in the Maxfield Annexation. Having no public comments, the hearing closed at 7:31 p.m. Motion made by Councilmember Young, seconded by Councilmember Tallent to approve Ordinance 221-203 Disconnecting portions of the Maxfield Annexation No. 1 from the Town of Johnstown on first reading. Motion carried with a unanimous vote.

Page 3
July 7, 2021

NEW BUSINESS

1. Town Solid Waste and Recycling Services - The current agreement with Waste Management expires in September 2021. After reviewing 3 proposals, staff felt Waste Connections was the best fit for the Town. Motion made by Councilmember Young, seconded by Councilmember Molinar to approve the award of the Solid Waste and Recycling Services to Waste Connections and consider a future fee schedule amendment of a flat rate to residents for the 5-year term of the agreement. Motion carried with a unanimous vote.

2. 2021 Pavement Management Program Award – This is a request to award three projects for the 2021 Pavement Management Program; 1. pavement preventive maintenance treatment called HA5 or High-Density Mineral Bond, will be used on the town’s streets to help extend the life of them; 2. crack seal the streets in advance of the HA5 application; 3. seal coat application at the Senior Center and Police Station parking lots. Motion made by Councilmember Mellon, seconded by Councilmember Young to authorize the Mayor to sign the professional services agreement for the three projects identified, HA5, crack seal, and seal coat for the 2021 Pavement Management Program as presented for a total not to exceed \$412,218.51. Motion carried with a unanimous vote.

3. Resolution 2021-21, Declaring Its Official Intent to Reimburse Itself with the Proceeds of the Issuance of Municipal Bonds for Certain Capital Expenditures Undertaken or to be Undertaken by the Town; Generally Identifying the Capital Expenditures; and Providing Certain Other Matters In Connection Therewith – This resolution will allow the Town to use bond proceeds for payments related to improvement projects in the Sanitary Sewer Fund made not earlier than 60 days prior to the effective date of this Resolution. Motion made by Councilmember Mellon, seconded by Councilmember Young to approve Resolution 2021, A Resolution of the Town Council of the Town of Johnstown, Acting by and Through Its Sanitary Sewer Utility Enterprise, Declaring Its Official Intent to Reimburse Itself With the Proceeds of the Issuance of Municipal Bonds for Certain Capital Expenditures Undertaken or to be Undertaken by the Town; Generally Identifying the Capital Expenditures; and Providing Certain Matters in Connection Therewith. Motion carried with a unanimous vote.

EXECUTIVE SESSION

Motion made by Councilmember Mellon, seconded by Councilmember Molinar Jr. to recess into Executive Session regarding matters subject to negotiation, developing a strategy for negotiations and instructing negotiators pursuant to C.R.S. § 24-6-402(4)(b) related to railroad crossing license agreement. The executive session began at 8:11 p.m. and ended at 9:11 p.m. Mayor Lebsack reopened the meeting and stated the only item discussed was what was stated in the motion.

ADJOURN

The meeting adjourned at 9:22 p.m.

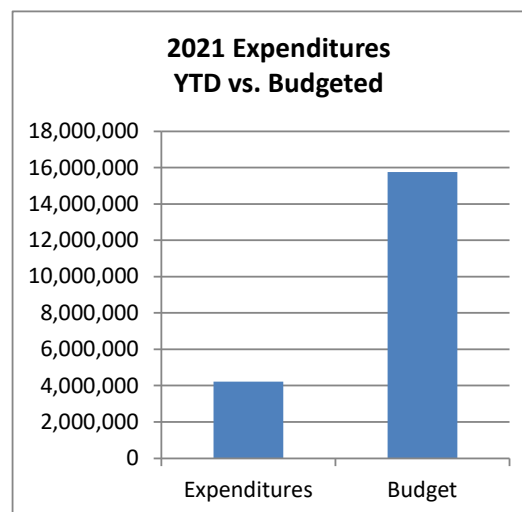
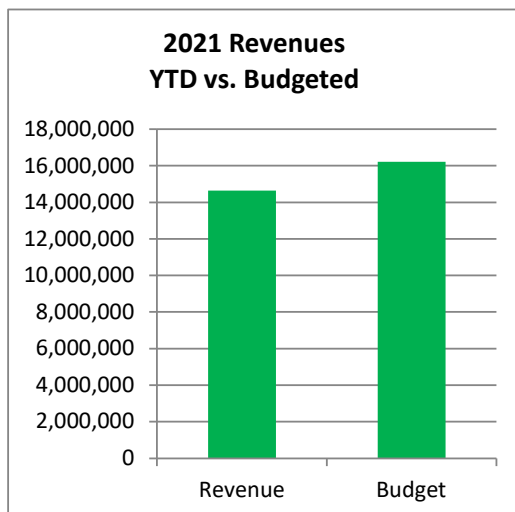
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - General Fund
Period Ending Jun 30, 2021
Unaudited

Item #3.

General Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Fund Balance	54,680,888	54,680,888	
Revenues:			
Taxes & Fees	10,940,213	14,917,027	73.3%
Licenses & Permits	1,250,772	899,350	139.1%
Fines & Forfeitures	101,017	122,000	82.8%
Intergovernmental	28,215	40,000	70.5%
Earnings on Investment	40,383	112,000	36.1%
Miscellaneous Revenue	2,272,739	121,500	1870.6%
Transfers In	-	-	
Total Operating Revenues	14,633,338	16,211,877	90.3%
Expenditures:			
Legislative	842,499	1,675,200	50.3%
Town Manager	236,974	968,280	24.5%
Town Clerk	169,075	413,885	40.9%
Finance	152,311	265,230	57.4%
Planning	358,931	641,740	55.9%
Building Inspections	106,844	259,350	41.2%
Police	1,518,757	3,765,193	40.3%
Public Works	91,512	214,375	42.7%
Buildings	89,845	312,300	28.8%
Transfers Out	649,104	7,242,457	9.0%
Total Expenditures	4,215,852	15,758,010	26.8%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	10,417,486	453,867	
Prior Period Adjustment			
Ending Fund Balance*	65,098,374	55,134,755	

* - Unaudited

50% of the fiscal year has elapsed



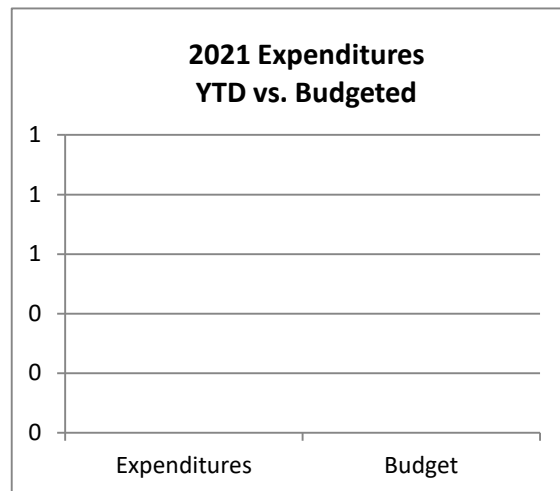
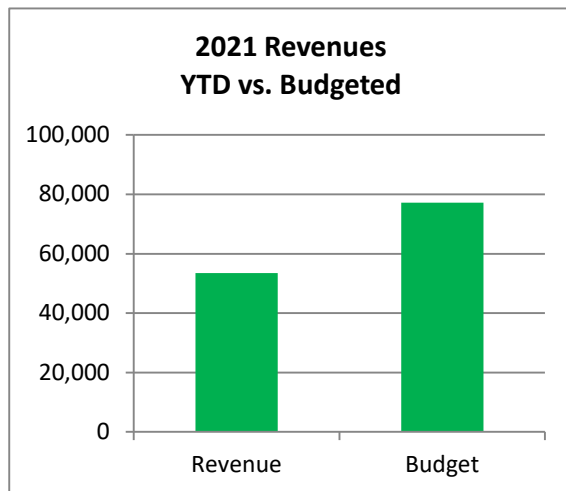
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Conservation Trust Fund
Period Ending Jun 30, 2021
Unaudited

Item #3.

Conservation Trust Fund	2021 Actuals June	2021 Adopted Budget	%
			Complete
Beginning Fund Balance	28,950	28,950	
<u>Revenues:</u>			
Intergovernmental	47,986	77,100	62.2%
Earnings on Investment	24	100	23.6%
Total Operating Revenues	48,009	77,200	62.2%
<u>Expenditures:</u>			
Operations	-	-	
Capital Outlay	-	-	
Total Expenditures	-	-	
Excess (Deficiency) of Revenues and Other Sources over Expenditures	48,009	77,200	
Ending Fund Balance*	76,959	106,150	

* - Unaudited

50% of the fiscal year has elapsed



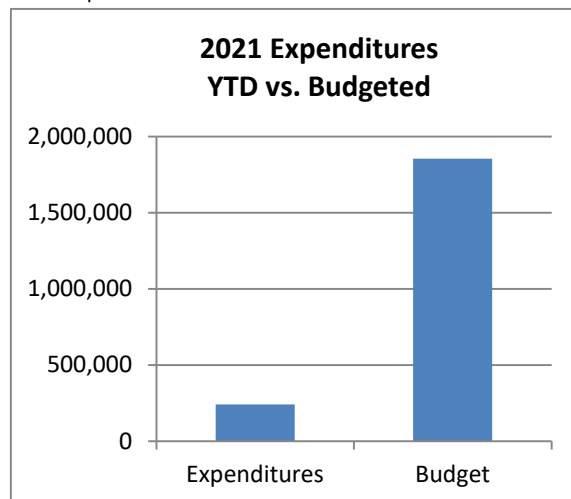
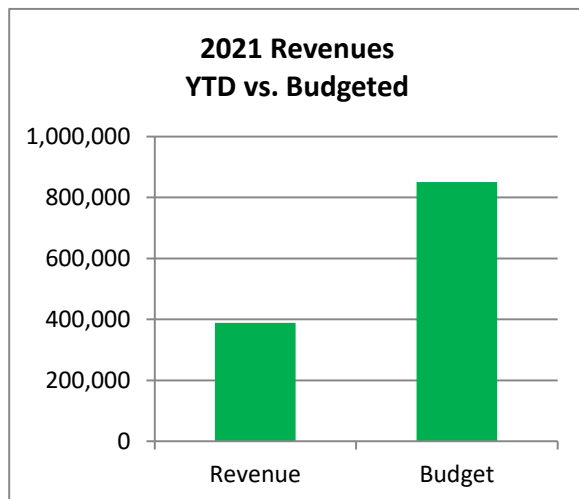
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Parks and Open Space Fund
Period Ending June 30, 2021
Unaudited

Item #3.

	2021 Actuals June	2021 Adopted Budget	% Complete
Parks and Open Space Fund			
Beginning Fund Balance	6,695,839	6,695,839	
<u>Revenues:</u>			
Taxes & Fees	336,739	401,910	83.8%
Miscellaneous Revenue	50,613	207,000	24.5%
Transfers In	0	220,000	0.0%
Total Operating Revenues	388,827	850,910	45.7%
<u>Expenditures:</u>			
Operations	175,415	614,410	28.6%
Capital Outlay	66,522	1,240,000	5.4%
Transfers Out	-	-	
Total Expenditures	241,937	1,854,410	13.0%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	146,890	(1,003,500)	
Ending Fund Balance*	6,842,729	5,692,339	

* - Unaudited

50% of the fiscal year has elapsed



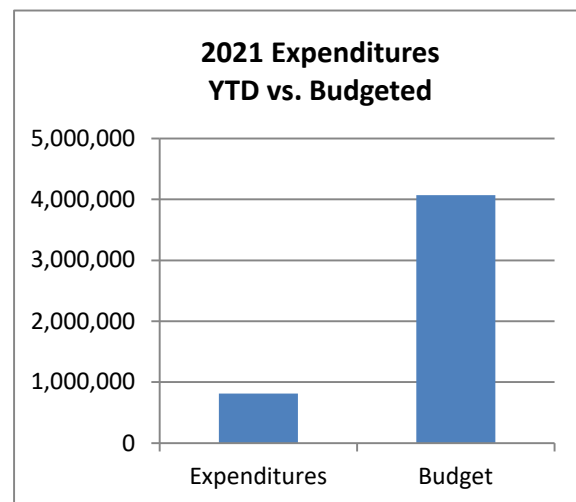
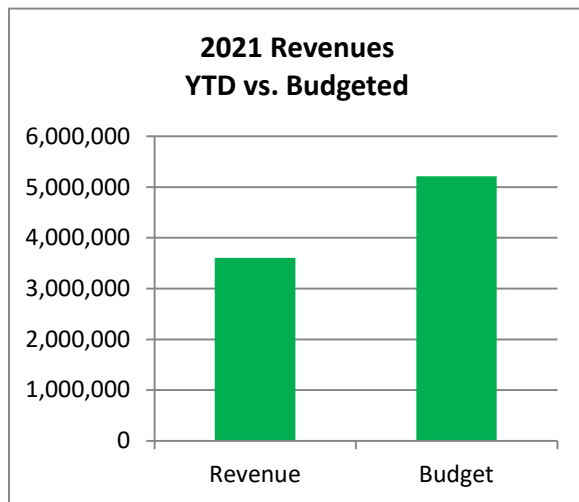
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Street and Alley Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Street and Alley Fund	2021 Actuals June	2021 Adopted Budget	%
			Complete
Beginning Fund Balance	8,763,548	8,763,548	
<u>Revenues:</u>			
Taxes & Fees	2,047,264	2,838,400	72.1%
Intergovernmental	75,916	1,207,666	6.3%
Charges for Services	371,523	715,477	51.9%
Capital Investment Fees	1,012,856	420,550	240.8%
Earnings on Investment	33,856	28,000	120.9%
Miscellaneous Revenues	66,658	-	0.0%
Total Operating Revenues	<u>3,608,072</u>	<u>5,210,093</u>	69.3%
<u>Expenditures:</u>			
Operations & Maintenance	765,500	3,049,400	25.1%
Capital	46,223	1,019,000	4.5%
Total Expenditures	<u>811,723</u>	<u>4,068,400</u>	20.0%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>2,796,349</u>	<u>1,141,693</u>	
Ending Fund Balance*	<u>11,559,897</u>	<u>9,905,241</u>	

* - Unaudited

50% of the fiscal year has elapsed



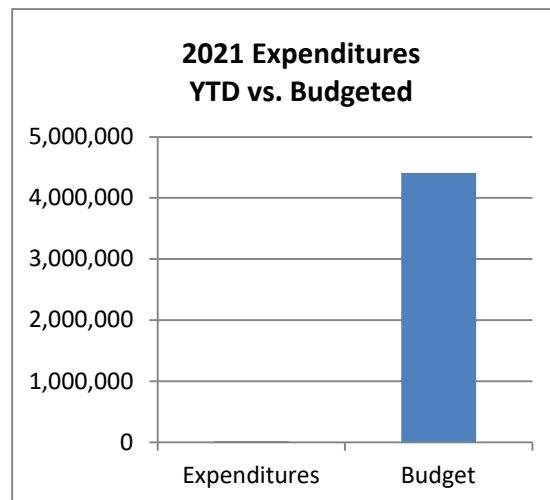
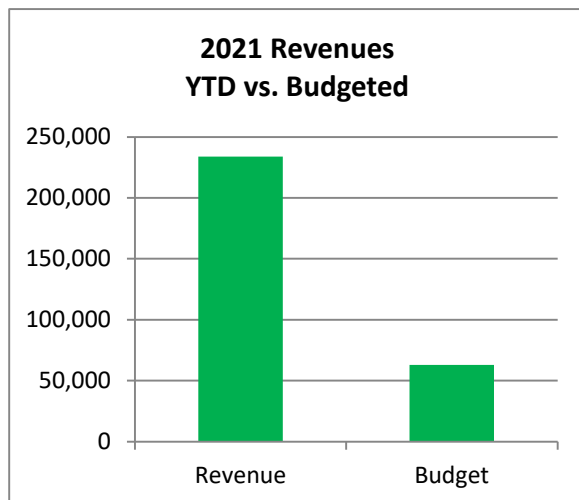
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Capital Projects Fund
Period Ending June 30, 2021
Unaudited

Item #3.

	2021 Actuals June	2021 Adopted Budget	% Complete
Capital Projects Fund			
Beginning Fund Balance	13,119,524	13,119,524	
<u>Revenues:</u>			
Taxes and Fees	230,656	111,940	206.1%
Miscellaneous Revenue	-	-	
Interest	3,219	36,000	8.9%
Transfers In	-	(85,100)	
Total Operating Revenues	233,875	62,840	372.2%
<u>Expenditures:</u>			
Capital Outlay	19,421	4,410,200	0.0%
Transfers Out	-	-	0.0%
Total Expenditures	19,421	4,410,200	0.4%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	214,454	(4,347,360)	
Ending Fund Balance*	13,333,978	8,772,164	

* - Unaudited

50% of the fiscal year has elapsed



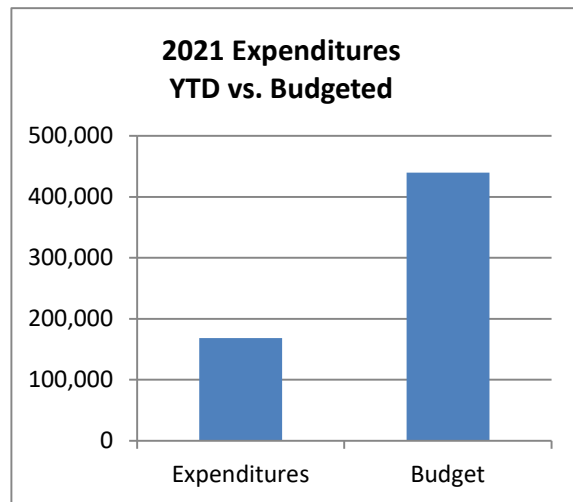
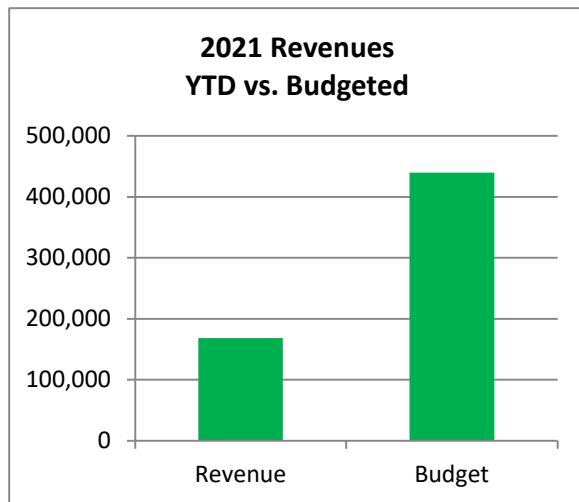
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Tax Allocation Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Tax Allocation Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Fund Balance	0	0	
<u>Revenues:</u>			
Taxes & Fees	168,204	439,900	38.2%
Earnings on Investment	-	100	0.0%
Total Operating Revenues	168,204	440,000	38.2%
<u>Expenditures:</u>			
Miscellaneous	168,204	440,000	38.2%
Total Expenditures	168,204	440,000	38.2%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	-	
Ending Fund Balance*	-	-	

* - Unaudited

50% of the fiscal year has elapsed



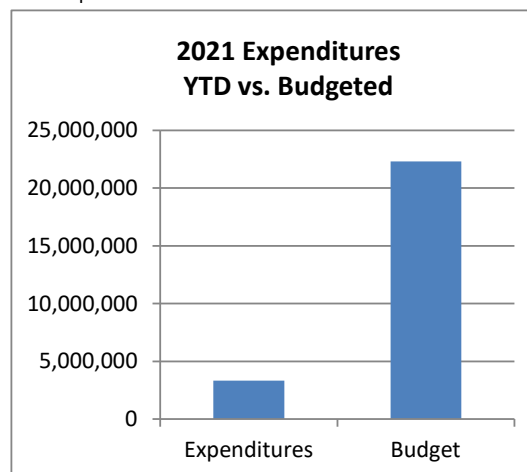
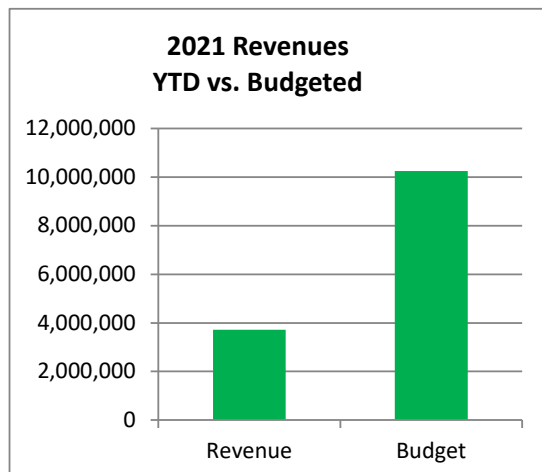
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Water Fund
Period Ending June 30, 2021
Unaudited

Item #3.

	2021 Actuals June	2021 Adopted Budget	% Complete
Water Fund			
Beginning Cash Balance	21,261,828	21,261,828	
<u>Revenues:</u>			
Charges for Services	1,690,273	2,902,500	58.2%
Total Operating Revenues	1,690,273	2,902,500	58.2%
<u>Expenses:</u>			
Administration	83,011	685,300	12.1%
Operations	1,061,620	1,979,973	53.6%
Capital Outlay	2,005,862	19,235,000	10.4%
Depreciation	178,216	410,000	43.5%
Transfers Out	-	-	
Total Operating Expenses	3,328,708	22,310,273	14.9%
Operating Income (Loss)	(1,638,435)	(19,407,773)	
<u>Non-Operating Revenues (Expenses)</u>			
Tap Fees	996,149	965,550	103.2%
Capital Investment Fees	851,667	816,294	104.3%
Misc. Revenues	170,915	5,466,500	3.1%
Interest Expense	4,723	95,000	5.0%
Total Non-Operating Revenues (Expenses)	2,023,453	7,343,344	27.6%
Excess (Deficiency) of Revenues and Other Sources over Expenses	385,018	(12,064,429)	
Ending Cash Balance*	21,646,846	9,197,399	

* - Unaudited

50% of the fiscal year has elapsed



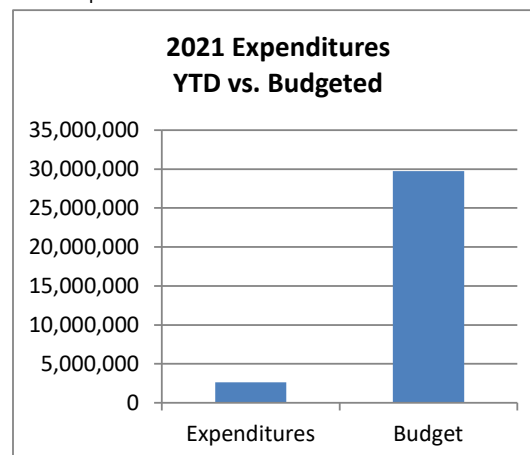
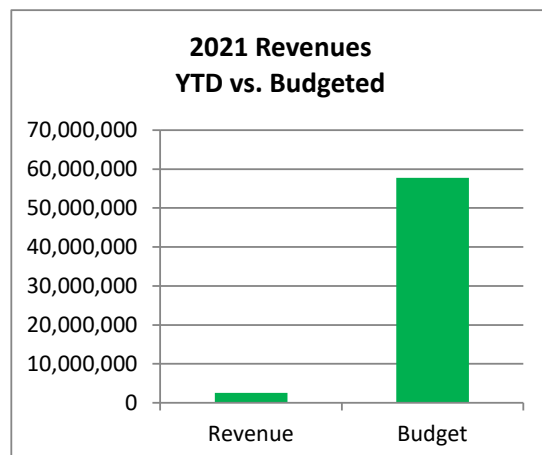
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Sewer Fund
Period Ending June 30, 2021
Unaudited

Item #3.

	2021 Actuals June	2021 Adopted Budget	% Complete
Sewer Fund			
Beginning Cash Balance	8,978,178	8,978,178	
<u>Revenues:</u>			
Charges for Services	1,325,320	2,123,500	62.4%
Total Operating Revenues	1,325,320	2,123,500	62.4%
<u>Expenses:</u>			
Administration	79,111	307,200	25.8%
Operations	833,434	1,814,153	45.9%
Capital Outlay	1,599,834	25,386,600	6.3%
Depreciation	112,730	235,000	48.0%
Debt Service	-	1,998,069	0.0%
Total Operating Expenses	2,625,109	29,741,022	8.8%
Operating Income (Loss)	(1,299,788)	(27,617,522)	
<u>Non-Operating Revenues (Expenses)</u>			
Capital Improvement Fees	1,246,320	1,192,000	104.6%
Misc. Revenues	13,000	2,000	650.0%
Interest Expense	675	7,200	9.4%
Debt Proceeds	-	54,450,000	0.0%
Total Non-Operating Revenues (Expenses)	1,259,995	55,651,200	2.3%
Excess (Deficiency) of Revenues and Other Sources over Expenses	(39,793)	28,033,678	
Ending Cash Balance*	8,938,386	37,011,856	

* - Unaudited

50% of the fiscal year has elapsed



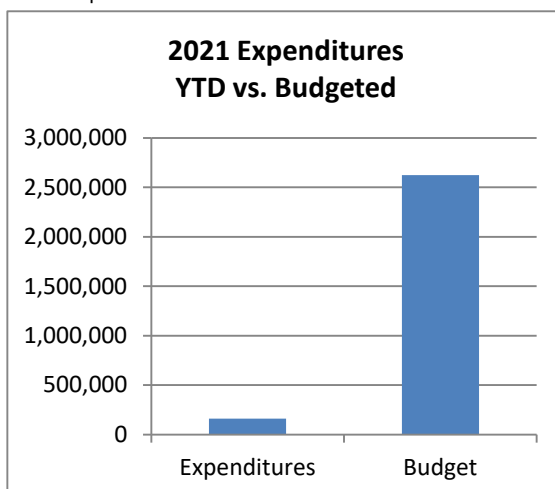
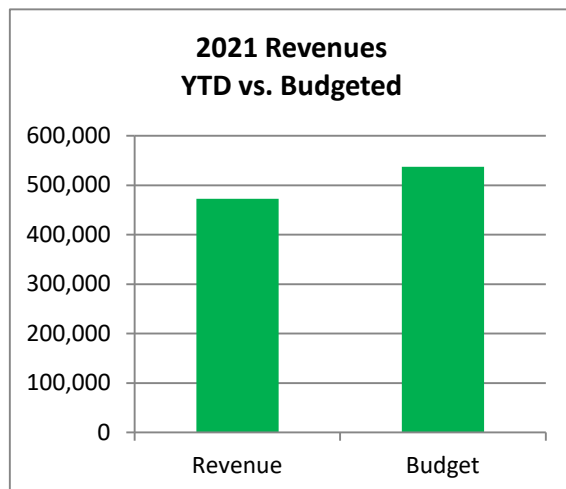
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Drainage Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Drainage Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Cash Balance	3,310,003	3,310,003	
<u>Revenues:</u>			
Charges for Services	235,853	457,200	51.6%
Total Operating Revenues	235,853	457,200	51.6%
<u>Expenses:</u>			
Administration	52,129	144,250	36.1%
Operations	72,687	309,930	23.5%
Capital Improvements	36,109	2,168,750	1.7%
Transfer Out	-	-	
Total Operating Expenses	160,925	2,622,930	6.1%
Operating Income (Loss)	74,928	(2,165,730)	
<u>Non-Operating Revenues (Expenses)</u>			
Capital Revenues	235,905	75,000	314.5%
Misc. Revenues	-	-	
Interest Expense	683	5,400	12.6%
Total Non-Operating Revenues (Expenses)	236,588	80,400	294.3%
Excess (Deficiency) of Revenues and Other Sources over Expenses	311,516	(2,085,330)	
Ending Cash Balance*	3,621,519	1,224,673	

* - Unaudited

50% of the fiscal year has elapsed



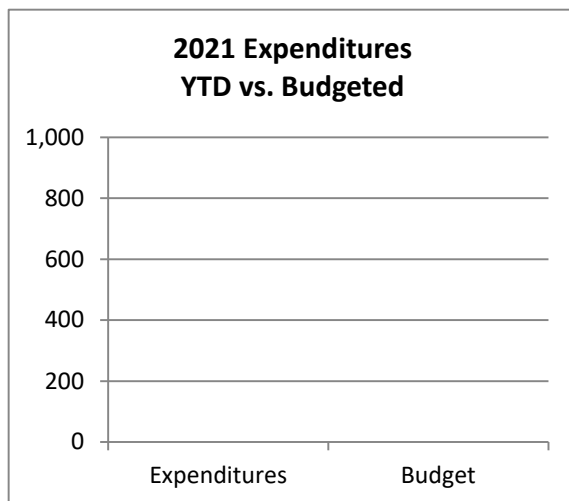
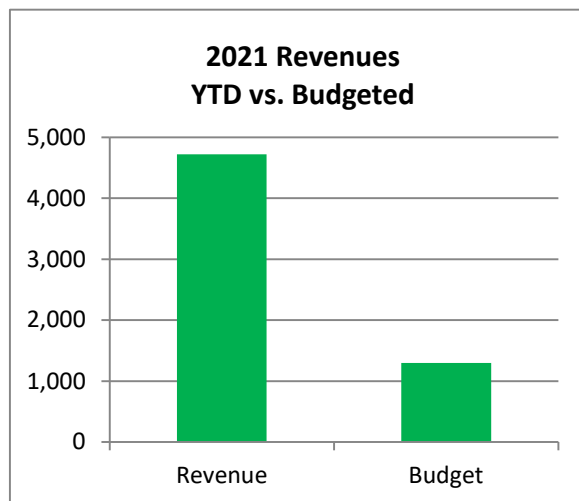
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Cemetery Perpetual Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Cemetery Perpetual Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Fund Balance	147,661	147,661	
<u>Revenues:</u>			
Miscellaneous Revenue	4,680	900	520.0%
Earnings on Investment	40	400	10.0%
Total Operating Revenues	4,720	1,300	363.1%
<u>Expenditures:</u>			
Operations & Maintenance	-	-	
Capital Outlay	-	-	
Transfers Out	-	-	
Total Expenditures	-	-	
Excess (Deficiency) of Revenues and Other Sources over Expenditures	4,720	1,300	
Ending Fund Balance*	152,381	148,961	

* - Unaudited

50% of the fiscal year has elapsed



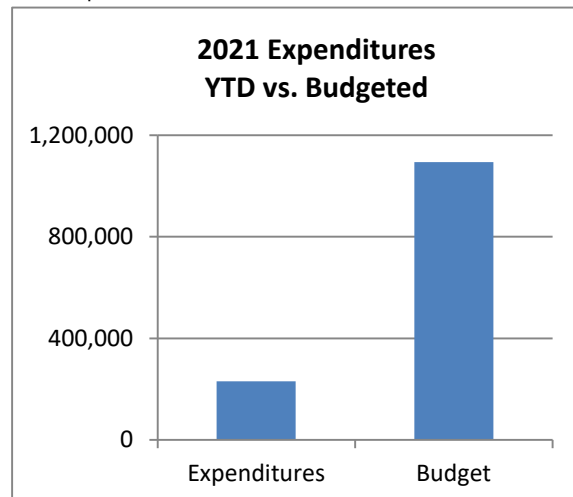
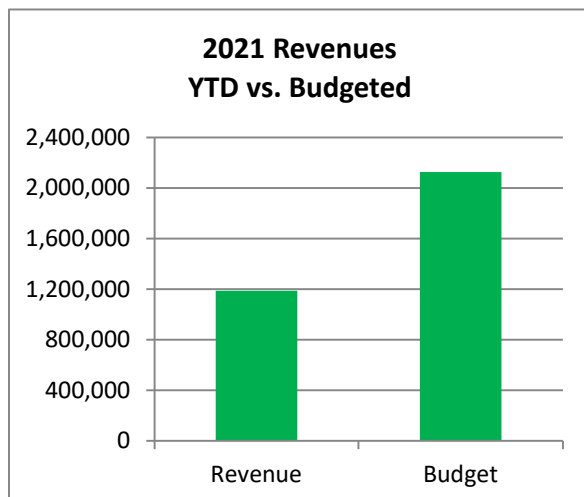
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Library Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Library Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Fund Balance	5,252,070	5,252,070	
<u>Revenues:</u>			
Intergovernmental	450,275	703,095	64.0%
Miscellaneous Revenue	876	11,000	8.0%
Capital Investment Fees	138,908	215,000	64.6%
Interest	1,429	60,000	2.4%
<i>Transfers In</i>	<u>594,787</u>	<u>1,137,657</u>	52.3%
Total Operating Revenues	<u>1,186,276</u>	<u>2,126,752</u>	55.8%
<u>Expenditures:</u>			
Operations	231,090	1,094,500	21.1%
Capital Outlay	<u>-</u>	<u>-</u>	0.0%
Total Expenditures	<u>231,090</u>	<u>1,094,500</u>	21.1%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>955,186</u>	<u>1,032,252</u>	
Ending Fund Balance*	<u>6,207,256</u>	<u>6,284,322</u>	

* - Unaudited

50% of the fiscal year has elapsed



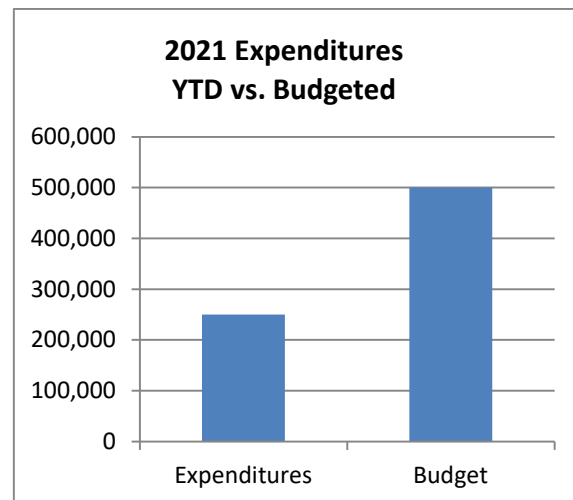
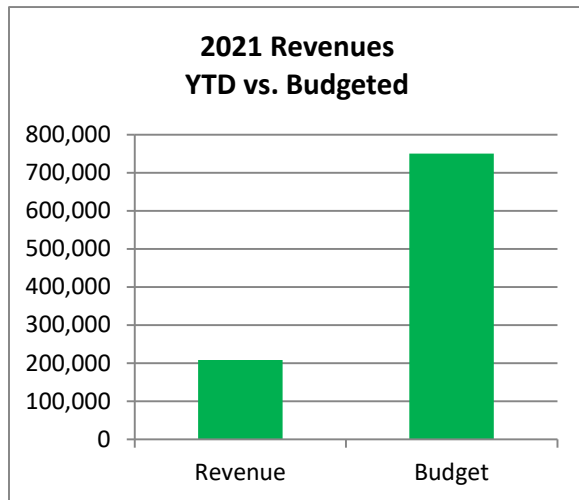
Town of Johnstown, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Recreation Center Fund
Period Ending June 30, 2021
Unaudited

Item #3.

Recreation Center Fund	2021 Actuals June	2021 Adopted Budget	% Complete
Beginning Fund Balance	0	0	
<u>Revenues:</u>			
Transfers In	208,333	750,000	27.8%
Earnings on Investment	-	-	
Total Operating Revenues	208,333	750,000	27.8%
<u>Expenditures:</u>			
Operations & Maintenance	250,000	500,000	0.0%
Capital Outlay	-	-	
Total Expenditures	250,000	500,000	50.0%
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(41,667)	250,000	
Ending Fund Balance*	(41,667)	250,000	

* - Unaudited

50% of the fiscal year has elapsed



Town of Johnstown
List of Bills - June 10, 2021 - July 9, 2021

<u>Vendor</u>	<u>Description</u>	<u>Department</u>	<u>Amount</u>
21 North Brewery & Tavern	Johnstown Cash	ADM	60.00
2534 Retail Phase 1, LLC	Reimbursement - developer agreement	ADM	47,115.07
4990 Ronald Reagan LLC	Police substation lease	PD	1,519.75
A & E Tire Inc	Supplies	PD	623.38
Ace Hardware	Supplies	PW	859.89
Ace Hardware of Johnstown	Johnstown Cash	ADM	720.00
Adamson Police Products	Uniforms	PD	599.05
All Copy Products, Inc	Repair equipment	ADM/PD	320.65
Apex Shredding Inc.	Community shred event	PD	900.00
Aqua Backflow, Inc.	Mailings	PW	120.00
BearCom	New vehicle upfit	PD	32,864.00
Black Sheep Coffee & Crepes	Johnstown Cash	ADM	100.00
Bludot Technologies Inc.	Economic development CRM	ADM	143.00
Browns Hill Engineering & Controls	SCADA service	PW	6,401.28
B's Coffee	Johnstown Cash	ADM	100.00
Canine Cuts Grooming Salon	Johnstown Cash	ADM	40.00
Canyon Systems, Inc.	Repair equipment	PW	1,491.39
Caselle, Inc	Software support	ALL	1,728.00
CDR Propane Services, LLC	Propane	PW	384.25
Central Weld County Water District	Emergency water	PW	755.62
CenturyLink	Telephone	ALL	255.09
Cinco Brothers Barbershop	Johnstown Cash	ADM	40.00
Cintas	Supplies	PW	344.34
Cirsa	Deductible - roof	PW	1,000.00
CMS Mechanical Services	HVAC repair	PW	1,365.68
Coblaco Services Inc.	Water tank repair	PW	86,138.00
Colorado Analytical Labs	Lab testing	PW	1,087.00
Colorado Dept of Agriculture	Radar calibration	PD	132.00
Colorado Greenbelt Management	Lawn care	PW	1,375.00
Connell Resources, Inc.	HWY 60 patch & interceptor project	PW	1,613,896.13
Conpoto LLC	Johnstown Cash	ADM	28.56
Consolidated Home Supply Ditch &	Legal services	PW	2,807.35
Coren Printing, Inc	Tickets	PD	417.00
Coulson Excavating Co Inc	Asphalt repairs	PW	583.63
Cristiana Salon Spa	Johnstown Cash	ADM	40.00
Dana Kepner Co.	GAC parts/hydrant parts	PW	3,276.84
DBC Irrigation Supply	Irrigation repairs	PW	3,218.07
Denali Water Solutions LLC	Sludge removal	PW	4,801.12
DES Pipeline Maintenance, LLC	Lift station cleaning	PW	700.00
Division of Oil and Public Safety	Fuel tank cert	PW	30.00
Dog Waste Depot	Dog waste bags	PW	392.00
DPC Industries Inc	Chemicals	PW	18,139.00
DR Horton	Refund	ADM	1,331.39
Duffy Crane & Hauling	Equipment rental	PW	11,607.60
Dustin Khaffaji	Facade Grant FY 2021	ADM	5,864.38
E.T. Technologies	Hydrant meter deposit refund	ADM	1,500.00
Elite Printing Group, LLC	Business cards	PD	44.00
Ergomed	Employment screening	ADM	800.00
Evoqua Water Technologies LLC	GAC system	PW	442,720.00

Faris Machinery Co.	Sweeper repair	PW	149.21
Felsburg Holt & Ullevig Inc	Billback - Engineering services	ADM	4,335.00
Ferguson Waterworks	Water supplies	PW	717.52
First Class Security Systems	Fire system monitoring	PW	128.80
First National Bank	Custodial services	ADM	2,062.28
Frontier Business Products	Supplies	ADM	51.00
Frontier Fertilizer & Chemical	Chemicals	PW	567.49
Full Circle Veterinary Care	Johnstown Cash	ADM	20.00
Gerrard Excavating Inc.	Hydrant meter deposit refund	ADM	1,500.00
Goldstar Products Inc.	Mosquito wipes and spray	PW	1,000.00
Gopher Excavation, Inc.	Water repairs	PW	13,231.50
Grainger, Inc.	Supplies	PW	1,237.42
Ground Engineering Consultants, Inc.	Concrete test	PW	1,152.50
H & E Equipment Services, Inc.	Lift	PW	2,345.54
Hach Company	Lab supplies	PW	719.73
Hays Market	Johnstown Cash	ADM	740.00
Hays Market Inc	Supplies	ADM	78.45
Helton & Williamsen, P.C.	Water legal services	PW	9,412.20
Helton & Williamsen, P.C.	Bill Back - Engineering services	ADM	4,986.25
Hill & Robbins, PC	Billback - Professional services	ADM	752.00
Hill & Robbins, PC	Legal services	ADM	258.50
Hiroshi Teriyaki Grill, Inc.	Johnstown Cash	ADM	140.00
Insight North America, LLC	Investment services	ADM	3,030.71
Interstate Battery of the Rockies	Supplies	PW/PD	429.80
InVision GIS	GIS services	ADM	1,192.50
J&L Pipeline Contractors, Inc.	GAC project	PW	136,794.94
J&T Consulting, Inc.	Work on dam	PW	17,565.10
Jaime Galindo	Park refund	ADM	25.00
Jeff Sobeski	Training	PW	450.00
John Deere Financial	Equipment repair	PW	319.99
Johnstown Breeze	Publications	ADM	558.44
Johnstown Clothing & Embroidery	Johnstown Cash	ADM	20.00
Johnstown Downtown Dev. Assn.	JDDA contribution	ADM	15,000.00
Johnstown Lunch Box, LLC	Johnstown Cash	ADM	80.00
Kelly Supply Co	Water supplies	PW	287.68
Kenyon P. Jordan, Ph.D.	Prehire evaluation	PD	265.00
Kinetic Energy Services, LLC	Potholing	PW	2,245.00
King Surveyors	Professional services	ADM	476.25
Larimer County Sales Tax Administrator	Use Tax - reimbursement	ADM	27,345.55
Law Office of Avi Rocklin LLC	Legal services	ADM	11,954.40
Law Office of Avi Rocklin LLC	Bill Back - Legal services	ADM	10,915.60
Lazy Dog Johnstown, LLC	Johnstown Cash	ADM	280.00
Lift Coffee Bar	Johnstown Cash	ADM	20.00
Little Thompson Water District	Water	PW	2,890.62
LYS Salon	Johnstown Cash	ADM	20.00
Mac Equipment, Inc	Equipment repair	PW	40.37
Magellan Advisors LLC	Broadband study	ADM	14,525.00
Mares Auto Inc.	Vehicle maintenance	PD/PW	90.00
Martin & Sons Excavation Inc.	Hydrant meter deposit refund	ADM	1,500.00
McDonald Farms Enterprises Inc	Grease removal	PW	5,919.00
McGeady Becher P.C.	Professional services	ADM	1,440.00
Milliken Johnstown Electric	Equipment & siren repair	PW	1,040.40
Moses, Wittemyer, Harrison&Woodruff, PC	Billback - Professional services	ADM	7,202.00

Moses, Wittemyer, Harrison&Woodruff, PC	Professional services	ADM	1,788.00
Mountain States Pipe & Supply	Water meters	PW	3,847.29
Mr. Donuts	Johnstown Cash	ADM	60.00
Municipal Treatment Equipment Inc.	Chemical lines	PW	196.52
Municode	Code update	ADM	3,779.43
My Office Etc.	Office supplies	ADM	26.82
Nalco Company LLC	Chemicals	PW	73,936.80
Newsom Gamez, Shirley	Mileage reimbursement	ADM	65.00
Otak	Little T trail	PW	21,130.50
Peak View Enterprises, LLC	Fiber study	ADM	5,000.00
Pioneer	Supplies	PW	440.55
Pitney Bowes Global	Postage meter lease	ADM/PD	257.49
Poudre Valley REA	Utilities	PW	12,164.48
Precision Chiropractic	Johnstown Cash	ADM	40.00
ProCode Inc.	Inspection services	ADM	15,000.00
ProForce Law Enforcement	Ammunition	PD	1,472.80
Purchase Power	Postage meter	ADM/PD	604.50
Ramey Environmental Compliance Inc.	Equipment repair	PW	34,929.49
Rhinehart Oil Co., Inc.	Fuel	ALL	10,330.36
Riverwood Massage	Johnstown Cash	ADM	20.00
RoadSafe Traffic Systems	Supplies	PW	1,120.85
Santiago's Mexican Restaurant	Johnstown Cash	ADM	280.00
Stifel, Nicolaus & Company, Inc	Bond issuance cost	PW	5,000.00
TDS	Telephones	ALL	375.44
TechMedia, LLC	Town swag	ADM	2,234.50
The Greeley Tribune	Subscription	ADM	161.20
The Home Depot/GEFCF	Supplies	PW	115.83
The Humane Society of Weld County	Professional services	PD	140.00
Thompson Ranch Development	Reimbursement - developer agreement	ADM	33,160.52
TimberLAN	IT professional services	ALL	1,500.00
T-Mobile	Cell phone	PD	33.26
Trinity SCS, Inc.	Safety supplies	PW	381.72
TruGreen Chemlawn	Chemicals	PW	2,787.50
UC Health Medical Group	DOT physical	PW	75.00
United Power, Inc	Street lights	PW	795.25
USA Bluebook	Equipment repair/supplies	PW	1,256.98
Utility Notification Center	Locates	PW	951.72
Utility Refunds	Utility refunds	ADM	25,813.97
Vector Disease Control	Mosquito spraying	PW	3,389.14
Verizon Wireless	Cell phones	PW/PD	3,332.45
Waste Management	Trash services	PW	64,028.72
Weld County Dept of Public	Lab services	PW	649.50
White Cap	GAC system	PW	283.30
Windstream	Telephone/internet	ALL	1,088.27
Winters, Hughes & Laue, LLC	Prosecuting attorney services	ADM	7,537.50
WR Investment, LLC	Reimbursement - developer agreement	AND	55,200.00
Xcel Energy	Utilities	ALL	7,198.78
YMCA of Northern Colorado	Monthly support & hydrant meter refund	YMCA	43,166.67
Yost Cleaning	Monthly cleaning service	ALL	2,804.00
			<u>3,060,240.35</u>



Town of Johnstown

TOWN COUNCIL CONSENT AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021

SUBJECT: Ordinance No. 2021-202, An Ordinance Authorizing the Issuance of Revenue Bonds to Provide for Improvements to the Wastewater System and Establishing Covenants in Connection with the Financing for the Payment of the Bonds from Wastewater Revenues; and Approving Other Matters in Connection with the Financing.

ACTION PROPOSED: Consider Ordinance 2021-202 on Second Reading

ATTACHMENTS: 1. Ordinance 2021-202

PRESENTED BY: Mitzi McCoy, Finance Director

AGENDA ITEM DESCRIPTION:

Enclosed for review and consideration is Ordinance No. 2021-202 which will provide for the issuance of revenue bonds to fund capital projects in the Sanitary Sewer Fund.

The Town of Johnstown owns and operates its municipal sanitary sewer system consisting of the Low Point Wastewater Treatment Plant, the Central Wastewater Treatment Plant, 3 lift stations and approximately 76 miles of sewer lines that are 8"-12" in diameter with 15" to 18" interceptors and 2.7 miles of force mains. This system serves the Town's utility service area that encompasses approximately 45 square miles.

The Central Wastewater Treatment Plant (CWWTP) was built in 1951 and is a lagoon plant with a Moving Bed Biofilm Reactor. In 2004, a dissolved air flotation (DAF) process for treatment was added. CWWTP has approximately 9.8 miles of gravity lines (both PVC and clay) with three lift stations and 2.7 miles of force mains. CWWTP has a capacity of .99 MGD with an average daily flow of .811 MGD and a high flow of 1.439MGD. This plant will serve approximately 55% of the Town's utility service area.

The Low Point Wastewater Treatment Plant (LPWWTP) was built in 2005 and is entirely a gravity system with PVC sewer lines and no existing lift stations. LPWWTP has a capacity of .5 MGD with an average daily flow of .265MGD and a high flow of .396MGD. This plant currently is set to serve approximately 45% of the Town's utility service area.

The Town has existing issues with both plants as neither can meet regular permit requirements. LPWWTP has struggled to meet discharge limitations for pH and ammonia which is largely attributed to a service area equipped with water conserving appliances/facilities that result in higher concentrated influent. This stronger influent has reduced treatment capacity for this plant. Additionally, LPWWTP lacks a dependable

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and permanent solids handling system, and has aged equipment that is nearing the end of its useful lifespan. CWWTP has struggled to meet discharge limitations for ammonia and TSS because the lagoons at the plant no longer have adequate operating volume. Equipment at this plant is not adequate to meet potential new, more stringent, discharge limitations that have been drafted by CDPHE to comply with the Federal Clean Water Act. Additionally, this plant has aged equipment that is at the end of its useful life and is overdue for renewal and modernization.

In addition to the existing concerns that the Town has with the wastewater treatment plants, the Town has also been experiencing and is anticipating significant new development in upcoming years. The existing plants cannot meet treatment needs beyond a population of 20,000, or approximately 6,800 taps. The current tap count for the Town is 5,599. Given the anticipated growth projections, both treatment plants require capacity expansions in the near future.

As such, on February 17, 2021 the Town Council approved and adopted the 2021-2030 Capital Improvement Plan which includes a number of substantial capital projects to address the existing issues and future needs for the Sanitary Sewer Fund. The primary projects include the CWWTP design and construction, the LPWWTP expansion design and construction, and the Sewer Interceptor expansion with the total projected costs of these projects being around \$84 million. The Town plans to use a combination of existing funds, bonds, and new revenues to finance the improvements.

Staff, working with its consultants, has determined that, due to prevailing financial market conditions, it is in the best interest of the Town at this time to issue bonds since interest rates are at or near historic lows. The bonds are expected to generate \$55 million to pay the costs billed to the Town for capital improvements at LPWWTP, CWWTP, and the Sewer Interceptor expansion. The bonds will be structured as revenue bonds in the Sanitary Sewer Enterprise Fund. The bonds will mature in 2051 and the Town will make annual debt service payments commencing in 2021.

The Town will be obtaining an underlying credit rating from Standard & Poor's. It is expected that the credit rating from Standard & Poor's will help the Town obtain the best possible interest rates.

The ordinance being presented for approval authorizes the issuance of bonds and approves the form and authorizes execution of the related financing documents. The ordinance contains parameters that the principal amount of the bonds will not exceed \$55 million, the final maturity will not exceed December 1, 2051, and the net effective interest rate on the bonds not exceed 3.9%. The financing documents will be finalized when the exact terms of the Bonds are determined. The anticipated bond closing is in late August.

The proposed bonds are being issued under the Town's adopted debt policy, approved by the Town Council on December 16, 2019 as part of the Town of Johnstown Comprehensive Financial Management Policies. The proposed bonds meet all requirements outlined in the Town's adopted policies.

LEGAL ADVICE:

Resolution was reviewed by legal counsel.

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

FINANCIAL ADVICE:

The sale of the Bonds will have no financial impact on the Town's General Fund, as payments of principal and interest on the bonds will be paid solely from the Town's Sewer Fund Net Revenues. It is estimated that the average annual debt service payment will be approximately \$2.7 million. It is likely that modest rate increases will be required each year to meet the Parity Lien Test.

RECOMMENDED ACTION:

Approve Ordinance 2021-202 as presented upon second reading.

Reviewed and Approved for Presentation,



Town Manager

**TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2021-202**

AN ORDINANCE OF THE TOWN OF JOHNSTOWN, COLORADO, ACTING BY AND THROUGH ITS SANITARY SEWER UTILITY ENTERPRISE, AUTHORIZING THE ISSUANCE OF REVENUE BONDS TO PROVIDE FOR IMPROVEMENTS TO ITS SANITARY SEWER SYSTEM; ESTABLISHING COVENANTS IN CONNECTION WITH THE FINANCING AND PROVIDING FOR THE PAYMENT OF THE BONDS FROM SANITARY SEWER FUND REVENUES; AND APPROVING OTHER MATTERS IN CONNECTION WITH THE FINANCING.

WHEREAS, the Town of Johnstown, Colorado is a municipal corporation duly organized and operating as a home rule municipality under Article XX of the Constitution of the State of Colorado (unless otherwise indicated, capitalized terms used in this preamble shall have the meanings set forth in Section 1 of this Ordinance); and

WHEREAS, pursuant to Section 13-40 of the Municipal Code, the Council has (i) recognized the establishment of the Town's Sanitary Sewer Utility Enterprise, (ii) confirmed the operation of the Sanitary Sewer Utility Enterprise, inclusive of the Town's municipal sanitary sewer system, as an "Enterprise" within the meaning of Section 20 of Article X of the State Constitution, and (iii) designated itself as the governing body of the Sanitary Sewer Utility Enterprise to exercise the Town's legal authority relating to the Sanitary Sewer Utility Enterprise, but not to levy a tax; and

WHEREAS, pursuant to Section 4-40 of the Municipal Code, the Sanitary Sewer Fund, which accounts for the financial activity of the Sanitary Sewer Utility Enterprise, is to receive less than ten percent of its annual revenue from Colorado state and local government grants combined; and

WHEREAS, pursuant to Sections 13.1 and 13.4 of the Charter, the Town may borrow money and issue bonds in such form and manner as the Council determines to be advantageous, by ordinance and without an election, when payable from revenues other than general ad valorem property taxes or sales and use taxes; and

WHEREAS, the Council has determined that the Town's interest and the public interest and necessity require the construction, replacement and update of current wastewater treatment facilities and related sanitary sewer system improvements; and

WHEREAS, Stifel, Nicolaus & Company, Incorporated, of Denver, Colorado, has presented a proposal to the Town to issue revenue bonds for the purpose of financing the costs of the Improvement Project, and the Council has determined that the negotiated sale of the Bonds to said company is to the best advantage of the Town; and

WHEREAS, the Bonds will not be payable from any tax, will not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or home rule limitation, and will not be considered or held to be general obligations of the Town; and

WHEREAS, the Town has received and there are available to the members of the Council, forms of documents relating to the financing of the Improvement Project, including the Preliminary Official Statement, the Bond Purchase Agreement and the Paying Agent and Registrar Agreement; and

WHEREAS, none of the members of the Council have any potential conflicting interests in connection with the authorization, issuance, or sale of the Bonds, or the use of the proceeds thereof; and

WHEREAS, Council desires to authorize the issuance and sale of the Bonds and, as provided in the Supplemental Public Securities Act, delegate authority to the Sale Delegate to make certain determinations regarding the Bonds to be set forth in the Sale Certificate in accordance with the provisions of this Ordinance; now therefore,

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, AS FOLLOWS:

Section 1. Definitions. The following terms shall have the following meanings as used in this Ordinance:

“Bank” means UMB Bank, n.a., a national banking association duly organized and existing under the laws of the United States of America which has full and complete trust powers and is a qualified institution under Article 10.5 of Title 11, C.R.S., known as the Public Deposit Protection Act.

“Bonds” means the Wastewater Revenue Bonds, Series 2021, dated as of the Dated Date.

“Bond Account” means the account established by the provisions hereof to account for the moneys to be applied to the payment of the debt service on the Bonds. The Bond Account shall be a subsidiary account or subaccount of the Sanitary Sewer Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

“Bond Counsel” means (a) as of the date of issuance of the Bonds, Kutak Rock LLP, of Denver, Colorado; and (b) as of any other date, Kutak Rock LLP or such other attorneys selected by the Town with nationally recognized expertise in the issuance of municipal bonds.

“Bond Insurance Policy” means, if the Bonds are issued with bond insurance, the municipal bond insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Bonds as provided therein. If the Bonds are not issued with bond insurance, this definition shall not be applicable.

“Bond Insurer” means, if the Bonds are issued with bond insurance, the bond insurer selected by the Sale Delegate pursuant to the Section hereof entitled “Bond Insurance,” or any successor thereto.

“Bond Purchase Agreement” means the Bond Purchase Agreement, pursuant to which the Town is to agree to sell and the Underwriter is to agree to purchase the Bonds at the prices and on the terms set forth therein.

“*Business Day*” means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed for business.

“*Capital Improvements*” means the acquisition of land, water or water rights, easements, facilities, and equipment (other than ordinary repairs and replacements), and the construction or reconstruction of improvements, betterments, and extensions, for use by or in connection with the System which, under Generally Accepted Accounting Principles for governmental units as prescribed by the Governmental Accounting Standards Board, are properly chargeable as capital items.

“*Charter*” means the Town of Johnstown Home Rule Charter.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

“*Combined Maximum Annual Principal and Interest Requirements*” means with regard to any two or more particular issues of bonds or other obligations, the maximum annual payments of principal of and interest on all of said issues, excluding redemption premiums, to become due during any Fiscal Year while such issues are outstanding; provided that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to any right of optional redemption which has not been exercised.

“*Commitment*” means that certain offer, if any, to issue the Bond Insurance Policy and the Reserve Surety Bond by the Bond Insurer.

“*Continuing Disclosure Undertaking*” means an undertaking of the Town to facilitate compliance with Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) in substantially the form appended to the Official Statement.

“*Council*” means the Town Council of the Town acting as the governing body of the Sanitary Sewer Utility Enterprise.

“*C.R.S.*” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“*Dated Date*” means the dated date for the Bonds set forth in the Sale Certificate.

“*DTC*” means The Depository Trust Company, New York, New York, and its successors in interest and assigns.

“*DTC Blanket Letter of Representations*” means the letter of representations from the Town to DTC to induce DTC to act as securities depository for the Bonds.

“Enabling Laws” means the Charter, the Supplemental Public Securities Act, the Water Activity Law and all other laws of the State of Colorado enabling the actions of the Town as contemplated by the provisions of this Ordinance.

“Event of Default” means any of the events specified the Section hereof titled “Events of Default.”

“Federal Securities” means bills, certificates of indebtedness, notes, bonds or similar securities which are direct noncallable obligations of the United States of America or which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America.

“Fiscal Year” means the 12 months commencing January 1 of any year and ending December 31 of said year.

“Gross Revenue” means all fees, including but not limited to user fees and plant investment fees, charges and revenues directly or indirectly derived by the Town for the services furnished by, or use of, the System, or any part thereof, including all income attributable to any future dispositions of property or rights or related contracts, settlements, or judgments held or obtained in connection with the System or its operations; provided however, that there shall be excluded from Gross Revenue (a) moneys borrowed and used for providing Capital Improvements; (b) any money and securities, and investment income therefrom, in any refunding fund, escrow account, or similar account pledged to the payment of any bonds or other obligations for the purpose of defeasing the same; and (c) any moneys received as grants or appropriations from the United States, the State of Colorado, or other sources, the use of which is limited or restricted by the grantor or donor to the provision of Capital Improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such moneys shall be received as payments for the use of the System, services rendered thereby, the availability of any such service, or the disposal of any commodities therefrom.

“Improvement Project” means any Capital Improvements which may be funded under the Enabling Laws, including but not limited to, the construction, replacement and update of current wastewater treatment facilities and related sanitary sewer system improvements, and the payment of the costs of issuance of the Bonds.

“Interest Payment Date” means each June 1 and December 1, commencing December 1, 2021, or such other dates as established in the Sale Certificate for payment of interest on the Bonds.

“Municipal Code” means the Johnstown Municipal Code, as the same may be amended.

“Net Revenues” means Gross Revenue after deducting Operation and Maintenance Expenses.

“Official Statement” means the final Official Statement relating to the Bonds.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the Town, paid or accrued, for operating, maintaining, and repairing the System, including without limitation legal and overhead expenses of the Town directly related to the

administration of the System; provided however, that there shall be excluded from Operation and Maintenance Expenses any allowance or transfers for depreciation, payments in lieu of taxes or franchise fees, legal liabilities not based on contract, expenses incurred in connection with Capital Improvements, payments due in connection with any bonds or other obligations issued to provide Capital Improvements, and charges for the accumulation of reserves. For purposes of the above definition expenses shall, to the extent possible, be determined in accordance with Generally Accepted Accounting Principles for governmental units as prescribed by the Governmental Accounting Standards Board.

“Ordinance” means this ordinance authorizing the issuance of the Bonds, including any amendments or supplements hereto.

“Owner” or *“Owners”* means the Person or Persons in whose name or names a Bond is registered on the registration books maintained by the Paying Agent pursuant hereto.

“Parity Lien Obligations” means any bonds or other obligations permitted to be issued pursuant to the Section hereof titled “Parity Lien Obligations”, with a lien that is equal and on a parity with the lien of the Bonds on the Net Revenues.

“Paying Agent” means the Bank and its successors in interest or assigns approved by the Town, which shall act as paying agent, bond registrar, and authenticating agent for the Bonds.

“Paying Agent and Registrar Agreement” means an agreement between the Town and the Paying Agent concerning the duties and obligations of the Paying Agent with respect to the Bonds.

“Permitted Investments” means any investment lawfully permitted by applicable State law, except to the extent that such investments may be further limited by the Bond Insurer.

“Person” means a corporation, firm, other body corporate, partnership, association or individual and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“Preliminary Official Statement” means the Preliminary Official Statement prepared in connection with the sale and issuance of the Bonds.

“Principal Payment Date” means December 1, or such other date or dates of each year as established in the Sale Certificate for payment of principal of the Bonds.

“Project Account” means the account established by the provisions hereof to account for the moneys to be applied to the payment of the costs relating to the Improvement Project. The Project Account shall be a subsidiary account or subaccount of the Sanitary Sewer Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

“Pro Rata Portion” means the dollar amount derived by dividing the amount of principal or interest to come due on the next Principal Payment Date or Interest Payment Date by the number of monthly credits required to be made prior to such payment date.

“Record Date” means with respect to each Interest Payment Date, (a) if the Interest Payment Date is the first day of the month, the fifteenth day of the month immediately preceding the month (whether or not such day is a Business Day) in which such Interest Payment Date occurs; or (b) if the Interest Payment Date is the fifteenth day of the month, the first day of the month (whether or not such day is a Business Day) in which such Interest Payment Date occurs.

“Required Reserve” means an amount equal to the lesser of: (a) the Combined Maximum Annual Principal and Interest Requirements of the Bonds or (b) the maximum amount which may be credited to the Reserve Account and allow such account to qualify as a “reasonably required reserve or replacement fund” under Section 148(d) of the Code. Provided however, the amount of the Required Reserve may be established at a lesser amount in the Sale Certificate.

“Reserve Account” means the account established by the provisions hereof to provide additional security for the timely payment of the debt service on the Bonds. The Reserve Account shall be a subsidiary account or subaccount of the Sanitary Sewer Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

“Reserve Surety Bond” means a surety bond issued by the Bond Insurer for the purpose of meeting all or any portion of the Required Reserve and guaranteeing payments from the Reserve Account.

“Sale Certificate” means the certificate executed by the Sale Delegate under the authority delegated pursuant to this Ordinance.

“Sale Delegate” means the Town Manager or, in the event the Town Manager is unavailable, the Town Director of Finance.

“Sanitary Sewer Fund” means the fund established under Section 4-40 of the Municipal Code for the purpose of accounting for the financial activity of the Sanitary Sewer Utility Enterprise.

“Sanitary Sewer Utility Enterprise” means the Town’s Sanitary Sewer Utility Enterprise recognized by the Town Council pursuant to Section 13-40 of the Municipal Code and which serves the purpose of managing, maintaining and operating the Town's wastewater system and the sewer facilities for the conveyance, treatment and disposal of waste water from within the Town.

“Supplemental Public Securities Act” means Part 2 of Article 57 of Title 11, C.R.S.

“State” means the State of Colorado.

“System” means all of the Town’s wastewater system and sanitary sewer facilities, now owned or hereafter acquired, whether situated within or without the Town boundaries, including all present or future improvements, extensions, enlargements, betterments, replacements, or additions thereof or thereto.

“Tax Letter of Instructions” means the Tax Letter of Instructions, dated the date on which the Bonds are originally issued and delivered to the Town by Bond Counsel, as such instructions may be superseded or amended in accordance with their terms.

“Town” means the Town of Johnstown, Colorado, acting by and through its Sanitary Sewer Utility Enterprise.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, of Denver, Colorado.

“Water Activity Law” means Title 37, Article 45.1, C.R.S.

Section 2. Authorization and Purpose of the Bonds. Pursuant to and in accordance with the State Constitution and the Enabling Laws, there shall be issued by the Town, acting by and through the Sanitary Sewer Utility Enterprise, the “Wastewater Revenue Bonds, Series 2021” for the purpose of providing funds for the Improvement Project.

Section 3. Bond Details.

(a) ***Registered Form, Denominations, Original Dated Date and Numbering.*** The Bonds shall be issued in fully registered form, shall be dated as of the Dated Date, and shall be registered in the names of the Persons identified in the registration books maintained by the Paying Agent pursuant hereto. The Bonds shall be issued in denominations of \$5,000 in principal amount or any integral multiple thereof. The Bonds shall be consecutively numbered, beginning with the number one, preceded by the letter “R.”

(b) ***Maturity Dates, Principal Amounts and Interest Rates.*** The Bonds shall mature on the Principal Payment Date of the years and in the principal amounts, and shall bear interest at the rates per annum (calculated based on a 360-day year of twelve 30-day months), set forth in the Sale Certificate.

(c) ***Accrual and Dates of Payment of Interest.*** Interest on the Bonds shall accrue at the rates set forth in the Sale Certificate from the later of the Dated Date or the latest Interest Payment Date (or in the case of defaulted interest, the latest date) to which interest has been paid in full and shall be payable on each Interest Payment Date.

(d) ***Delegation for Sales Certificate.*** The Council hereby delegates to the Sale Delegate for a period of two months from the date of adoption of this Ordinance (A) the matters set forth below, subject to the applicable parameters set forth in subsection (e) of this Section; and (B) any other matters that, in the judgment of the Sale Delegate, are necessary or convenient to be set forth in the Sale Certificate and are not inconsistent with the parameters set forth in this Section:

- (i) the Dated Date of the Bonds;
- (ii) the Principal Payment Date;
- (iii) the Interest Payment Date;
- (iv) the aggregate principal amount of the Bonds;

(v) the price at which the Bonds will be sold pursuant to the Bond Purchase Agreement;

(vi) the amount of principal of the Bonds maturing in any particular year and the respective interest rates borne by the Bonds;

(vii) the Bonds which may be redeemed at the option of the Town, the dates upon which such optional redemption may occur, and the prices at which such Bonds may be optionally redeemed;

(viii) the principal amounts, if any, of Bonds subject to mandatory sinking fund redemption and the years in which such Bonds will be subject to such redemption;

(ix) the amount of the Required Reserve; and

(x) whether the Bonds will be secured by an assurance of payment as provided in the Supplemental Public Securities Act.

(e) ***Sale Parameters.*** The authority delegated to the Sale Delegate by this Section shall be subject to the following parameters:

(i) the aggregate principal amount of the Bonds shall not exceed \$55,000,000;

(ii) the final maturity of the Bonds shall be no later than December 1, 2051; and

(iii) the net effective interest rate on the Bonds shall not exceed 3.90%.

(f) ***Manner and Form of Payment.*** Principal of each Bond shall be payable to the Owner thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on each Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the corresponding Record Date; provided that interest payable to any Owner may be paid by any other means agreed to by such Owner and the Paying Agent that does not require the Town to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the Town hereunder. All payments of the principal of and interest on the Bonds shall be made in lawful money of the United States of America.

(g) ***Book-Entry Registration.*** Notwithstanding any other provision hereof, the Bonds shall be delivered only in book entry form registered in the name of Cede & Co., as nominee of DTC, acting as securities depository of the Bonds and principal of and interest on the Bonds shall be paid by wire transfer to DTC; provided, however, if at any time the Paying Agent determines, and notifies the Town of its determination, that DTC is no longer able to act as, or is no longer satisfactorily performing its duties as, securities depository

for the Bonds, the Paying Agent may, at its discretion, either (i) designate a substitute securities depository for DTC and reregister the Bonds as directed by such substitute securities depository; or (ii) terminate the book entry registration system and reregister the Bonds in the names of the beneficial owners thereof provided to it by DTC. Neither the Town nor the Paying Agent shall have any liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Bonds are reregistered at the direction of any substitute securities depository, any beneficial owner of the Bonds or any other Person for (A) any determination made by the Paying Agent pursuant to the proviso at the end of the immediately preceding sentence or (B) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Bonds are reregistered.

Section 4. Redemption of Bonds Prior to Maturity.

(a) ***Optional Redemption.*** The Bonds shall be subject to redemption at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity on such dates as set forth in the Sale Certificate. The Council hereby delegates to the Sale Delegate the authority to determine the dates on which the Bonds shall be subject to optional redemption and the redemption price or prices at which such redemption may be made.

(b) ***Mandatory Sinking Fund Redemption.*** All or any principal amount of the Bonds may be subject to mandatory sinking fund redemption by lot on the Principal Payment Date of the years and in the principal amounts specified in the Sale Certificate, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. The Council hereby delegates to the Sale Delegate the authority to determine the principal amounts and dates on which the Bonds shall be subject to mandatory sinking fund redemption.

(c) ***Redemption Procedures.*** Notice of any redemption of Bonds shall be given by the Paying Agent in the name of the Town by electronic means to DTC or by sending a copy of such notice by electronic means to DTC or its successors, or by first class, postage prepaid mail, not less than thirty days prior to the redemption date, to the Owner of each Bond being redeemed. Such notice shall specify the number or numbers of the Bonds so to be redeemed (if redemption shall be in part) and the redemption date. If any Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with this Ordinance funds sufficient to pay the redemption price of such Bond on the redemption date, then such Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceeding for the redemption of Bonds with respect to which such failure or defect did not occur. Any Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

Section 5. Form of the Bonds. The Bonds shall be in substantially the form set forth in Appendix A hereto, with such changes thereto, not inconsistent herewith, as may be necessary or desirable and approved by the officials of the Town executing the same (whose manual or facsimile signatures thereon shall constitute conclusive evidence of such approval). The Bond shall recite that it is issued under the authority of the Enabling Laws. Although attached as an appendix for the convenience of the reader, Appendix A is an integral part of this Ordinance and is incorporated herein as if set forth in full in the body of this Ordinance.

Section 6. Execution, Authentication and Delivery of the Bonds.

(a) **Execution.** The Bonds shall be executed in the name and on behalf of the Town with the manual or facsimile signature of the Mayor, shall bear a manual or facsimile of the seal of the Town and shall be attested by the manual or facsimile signature of the Town Clerk both of whom are hereby authorized and directed to prepare and execute the Bonds in accordance with the requirements hereof. Should any officer whose manual or facsimile signature appears on the Bonds cease to be such officer before delivery of any Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

(b) **Authentication.** When the Bonds have been duly executed, the officers of the Town are authorized to, and shall, deliver the Bonds to the Paying Agent for authentication. No Bond shall be secured by or entitled to the benefit of this Ordinance, or shall be valid or obligatory for any purpose, unless the certificate of authentication of the Paying Agent has been manually executed by an authorized signatory of the Paying Agent. The executed certificate of authentication of the Paying Agent upon any Bond shall be conclusive evidence, and the only competent evidence, that such Bond has been properly authenticated hereunder.

(c) **Delivery.** Upon the authentication of the Bonds, the Paying Agent shall deliver the same in accordance with the instructions of the Underwriter upon receipt of the agreed purchase price of the Bonds from the Underwriter and the issuance of the approving opinion of Bond Counsel.

Section 7. Registration, Transfer and Exchange of the Bonds.

(a) **Registration.** The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Bonds shall be recorded. The person in whose name any Bond shall be registered on such registration books shall be deemed to be the absolute owner thereof for all purposes, whether or not payment on any Bond shall be overdue, and neither the Town nor the Paying Agent shall be affected by any notice or other information to the contrary.

(b) **Transfer and Exchange.** The Bonds may be transferred or exchanged, at the principal office of the Paying Agent for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate, upon payment by the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith.

Upon surrender for transfer of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his or her attorney duly authorized in writing, the Town shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee a new Bond.

(c) ***Limitations on Transfer.*** The Town and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning at the close of business on the Record Date and ending at the opening of business on the first Business Day following the ensuing interest payment date. The Paying Agent shall not be required to transfer any Bonds selected or called for redemption.

Section 8. Replacement of Lost, Destroyed or Stolen Bonds. If any Bond shall become lost, apparently destroyed, stolen or wrongfully taken, it may be replaced in the form and tenor of the lost, destroyed, stolen or taken bond and the Town shall execute and the Paying Agent shall authenticate and deliver a replacement Bond upon the Owner furnishing, to the satisfaction of the Paying Agent: (a) proof of ownership (which shall be shown by the registration books of the Paying Agent); (b) proof of loss, destruction or theft; (c) an indemnity to the Town and the Paying Agent with respect to the Bond lost, destroyed or taken; and (d) payment of the cost of preparing and executing the new bond or bonds.

Section 9. Reaffirmation of the Sanitary Sewer Fund; Establishment of Accounts.

(a) ***Reaffirmation of Sanitary Sewer Fund.*** The Town hereby reaffirms the establishment of the Sanitary Sewer Fund.

(b) ***Establishment of Accounts in Sanitary Sewer Fund.*** There are hereby created and established within the Sanitary Sewer Fund, in addition to other accounts which are established in said fund, the Bond Account, the Reserve Account and the Project Account. In accordance with generally accepted accounting principles, for the purpose of accounting for the moneys provided for in this Ordinance the Town Director of Finance may create offsetting revenue and expense accounts not inconsistent with the provisions hereof, all as may be determined by the Town Director of Finance.

(c) ***Investments.*** Proceeds of the Bonds delivered to the Town pursuant to the Section hereof titled "Application of Bond Proceeds," moneys on deposit in the Bond Account and the Reserve Account, and any moneys held by the Paying Agent with respect to the Bonds, shall be invested or deposited in securities or obligations which are Permitted Investments. The investment of moneys shall, however, be subject to the covenants and provisions of the Sections hereof titled "Federal Tax Covenants" and "Reserve Account". Subject to such covenants and provisions, all investment earnings shall be credited to the respective accounts in which such earnings have been generated.

Section 10. Application of Bond Proceeds. Upon payment to the Town of the purchase price of the Bonds in accordance with the Bond Purchase Agreement, the Bonds shall be delivered to, or as directed by, the Underwriter and the proceeds received by the Town from the sale of the Bonds shall be applied as a supplemental appropriation by the Town for payment of the costs of issuance of the Bonds (including the payment of the premiums due in connection with the issuance

of the Bond Insurance Policy and the Reserve Surety Bond) and thereafter for deposit to the Reserve Account, the amount, if any, necessary to fund the Reserve Account in the amount of the Required Reserve, with the balance for deposit to the Project Account. The moneys deposited into the Project Account shall be used to pay the costs of the Improvement Project. Upon completion of the Improvement Project, the balance of moneys in the Project Account, if any, shall be transferred to the Bond Account.

Section 11. Deposit of Gross Revenues. The Town shall deposit to the Sanitary Sewer Fund all Gross Revenue immediately upon receipt. The Town shall pay from the Sanitary Sewer Fund all Operation and Maintenance Expenses as they become due and payable. After such payments, the Town shall apply the Net Revenues in the following order of priority:

FIRST, to the credit of the Bond Account, the amounts required by the Section hereof titled "Bond Account", and to the credit of any other account established for the payment of the principal of, premium if any, and interest on Parity Lien Obligations, the amounts required by the instruments authorizing or controlling the payment of such Parity Lien Obligations;

SECOND, to the credit of the Reserve Account, the amounts required by the Section hereof entitled "Reserve Account" and any similar reserve account established to prevent a default in the timely payment of Parity Lien Obligations;

THIRD, to the payment and reimbursement of all amounts due in connection with the Reserve Surety Bond and any similar surety or reserve account contract for Parity Lien Obligations;

FOURTH, to the credit of any other fund or account hereafter established for the payment of the principal of, premium, if any, and interest on subordinate lien obligations, including any sinking fund, reserve fund, or similar fund or account established therefor, the amounts required by the ordinance or other enactment authorizing issuance of the subordinate lien obligations; and

FIFTH, to the credit of any other fund or account as may be designated by the Town, to be used for any lawful purpose, any moneys remaining in the Sanitary Sewer Fund after the payments and accumulations set forth in First through Fourth above.

Section 12. Bond Account.

(a) ***Use of Moneys in Bond Account.*** Moneys deposited in the Bond Account shall be used solely for the purpose of paying the principal of, premium, if any, and interest on the Bonds.

(b) ***Deposits to Bond Account.*** On or before the last day of each month, commencing in the month next succeeding the date of issuance of the Bonds, the Town shall credit to the Bond Account from the Net Revenues, an amount equal to the Pro Rata Portion of the interest and principal to come due on the Bonds on the next succeeding Interest Payment Date and Principal Payment Date, respectively. All deposits to the Bond Account shall first be allocated to the payment of interest to come due on the Bonds.

Section 13. Reserve Account.

(a) ***Use of Money in Reserve Account.*** Moneys in the Reserve Account shall be used, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the Bonds, and the Reserve Account is hereby pledged to the payment of the Bonds. In the event the amounts credited to the Bond Account are insufficient to pay the principal of, premium if any, or interest on Bonds when due, the Town shall transfer from the Reserve Account to the Bond Account an amount which, when combined with moneys therein, will be sufficient to make such payments when due.

(b) ***Maintenance of Reserve Account.*** The Reserve Account shall be maintained in the amount of the Required Reserve. If at any time the amount of the Reserve Account is less than the Required Reserve, the Town shall deposit to the Reserve Account from Net Revenues, amounts sufficient to bring the amount credited to the Reserve Account to the Required Reserve. Such deposits shall be made as soon as possible after such use, but in accordance with and subject to the limitations of the Section hereof entitled "Deposit of Gross Revenues."

(c) ***Permitted Investments and Reserve Surety Bond.*** The Required Reserve shall be funded and maintained by any one of or any combination of cash, Permitted Investments, or a Reserve Surety Bond; provided any cash or Permitted Investments shall be transferred from the Reserve Account to the Bond Account prior to any demand being made on the Reserve Surety Bond. A Reserve Surety Bond shall satisfy the Required Reserve Amount by the amount payable to the Town pursuant to the Reserve Surety Bond. Investments purchased with funds credited to the Reserve Account shall be subject to any further limitations required by the Bond Insurer. So long as the amount of the Reserve Account is equal to the Required Reserve, all interest income from the investment or reinvestment of moneys credited to the Reserve Account shall be credited to the Bond Account; provided that if the amount of the Reserve Account is less than the Required Reserve, then such interest income shall be credited to the Reserve Account.

Section 14. Pledge and Lien for Payment of Bonds.

(a) ***Pledge of Revenues.*** The Town hereby pledges for the payment of the principal of, premium, if any, and interest on the Bonds at any time outstanding, and grants an irrevocable and first lien for such purpose on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Parity Lien Obligations are issued. These pledges shall be valid and binding from and after the date of the first delivery of the Bonds, and the moneys, as received by the Town and hereby pledged, shall immediately be subject to the lien of the respective pledges without any physical delivery thereof, any filing, or further act.

(b) ***Superior Liens Prohibited.*** With the exception of any superior liens in existence as of the date hereof, the Town shall not pledge or create any other lien on the revenues and moneys pledged pursuant to the preceding paragraph (a) of this Section hereof that is superior to the pledge thereof or lien thereon pursuant to such paragraph.

(c) ***Subordinate Liens Permitted.*** Nothing herein shall prohibit the Town from issuing subordinate lien obligations and pledging or creating a lien on the revenues and moneys pledged and the lien created pursuant paragraph (a) of this Section that is subordinate to the pledge thereof or lien thereon pursuant to paragraph (a) of this Section; provided that no Event of Default shall have occurred and be continuing.

(d) ***No Prohibition on Additional Security.*** Nothing herein shall prohibit the Town from applying any legally available revenues that are not Net Revenues to the payment of the Bonds (and thereby subjecting the moneys so deposited to the pledge made and lien granted in paragraph (a) of this Section).

(e) ***Bonds Are Special, Limited Obligations of the Town.*** The Owners may not look to any general or other fund of the Town for the payment of the principal of or interest on the Bonds, except the funds and accounts pledged thereto by this Ordinance, and the Bonds shall not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or Charter limitation, nor shall they be considered or held to be general obligations of the Town.

Section 15. Parity Lien Obligations. The Town shall not issue Parity Lien Obligations having a lien which is on a parity with the lien of the Bonds set forth in paragraph (a) of the Section hereof titled "Pledge and Lien for Payment of Bonds" unless all of the following conditions are satisfied:

(a) ***Parity Lien Test.*** The Mayor or other Town official or employee designated in writing by the Mayor certifies in writing that either:

(i) the proceeds of the proposed Parity Lien Obligations will be used to refund the Bonds, or other Parity Lien Obligations, and the maximum annual principal of and interest due on the proposed Parity Lien Obligations is not greater than the maximum annual principal of and interest due on the Bonds, or other outstanding Parity Lien Obligations, that will be refunded; or

(ii) the Net Revenues for any 12 consecutive months in the 18 months immediately preceding the month in which such certification is delivered (referred to in this clause as the "test period") have been equal to at least 110% of the sum of the Combined Maximum Annual Principal and Interest Requirements on the Bonds and any outstanding Parity Lien Obligations, and the proposed Parity Lien Obligations during each calendar year following the date of issuance of the proposed Parity Lien Obligations; provided that in calculating the Net Revenues during the test period, the Town may add an amount by which the Town reasonably estimates the Net Revenues would have been increased during the test period from any increase in rates, fees, and charges for services furnished by or the use of the System during or since said test period, the effect of which is to estimate a sum which would have been realized had the increase been in effect during the entire test period.

(b) ***No Event of Default.*** The Mayor (or other Town official or employee designated in writing by the Mayor) certifies in writing that no Event of Default has occurred and is continuing and that the Town is current in the accumulation of all amounts required to be then accumulated in the Bond Account and the Reserve Account, as required by this Ordinance

(c) ***Refunding Obligations.*** Notwithstanding the foregoing, the Town may issue refunding obligations payable out of, or secured by a lien on, the Net Revenues without compliance with the requirements stated above, provided that the debt service payments on such refunding obligations do not exceed the debt service payments on the refunded obligations during any calendar year.

Section 16. Additional General Covenants. In addition to the other covenants of the Town contained herein, the Town hereby further covenants for the benefit of Owners of the Bonds that:

(a) ***Maintenance of Water Activity Rates and Coverage.*** The Town hereby covenants that it will establish, maintain, enforce, and collect rates, fees, and charges for services furnished by or the use of the System to create Gross Revenue each Fiscal Year sufficient to pay Operation and Maintenance Expenses and to create Net Revenues in an amount: (a) equal to not less than 110% of the amount necessary to pay when due the principal of and interest on the Bonds and any Parity Lien Obligations coming due during such Fiscal Year; (b) sufficient to make up any deficiencies in the Reserve Account; and (c) sufficient to make any required reimbursement due in connection with the Reserve Surety Bond. In the event that the Gross Revenue at any time is not sufficient to make such payments, the Town shall promptly increase such rates, fees, and charges to an extent which will ensure the payments and accumulations required by this Ordinance.

(b) ***Efficient Operations.*** The Town will continue to operate and manage the System in an efficient and economical manner in accordance with all applicable laws, rules and regulations, and keep and maintain separate accounts of the receipts and expenses thereof in such manner that the Net Revenues may at all times be readily and accurately determined.

(c) ***No Free Service.*** Upon the occurrence of an Event of Default and for so long as the Event of Default is continuing, the Town will furnish no free service from the System, and if the Town shall use the facilities of the System for its own purposes, it shall pay monthly a fair and reasonable amount for such service. In no event shall the Town be required to meter its use nor shall the Town be required to pay a greater amount than would be charged a private consumer for the same amount of service. The Town shall include in its annual appropriation and budget amounts sufficient to pay for all service so used.

(d) ***Sale or Alienation of Property.*** The Town will not sell or alienate any of the property constituting any part or all of the System in any manner or to any extent as might reduce the security provided for the payment of the Bonds, but the Town may sell any portion of such property which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operations;

provided however, that the proceeds of any such sale of System property shall be included as part of the Gross Revenue.

(e) ***Billing and Enforcement.*** The Town will promptly render bills for services furnished by or the use of the System, shall use all legal means to assure prompt payment thereof, shall take such action as may be necessary to make delinquent rates, fees, and charges of the System a lien upon the real property served, and to the extent permitted by law, shall discontinue service to any user who becomes delinquent in the payment of such charges until the delinquency and all interest, costs, and expenses incident thereto have been paid in full; provided however, as long as the Town is compliance with paragraph (a) of this Section regarding maintenance of the required coverage level and no Event of Default has occurred and is continuing, in the event of unforeseen circumstances such as the widespread occurrence of an infectious disease, the Council shall have the ability to temporarily defer or waive the payment of delinquent rates, fees and charges, or the pursuit of actions customarily taken in connection with bills for services furnished by or the use of the System.

(f) ***Audits.*** At least once a year in the time and manner provided by law, the Town will cause an audit to be performed of the records relating to the revenues and expenditures of the System. Such audit may be made part of and included within the general audit of the Town, and made at the same time as the general audit. In addition, at least once a year in the time and manner provided by law, the Town will cause a budget to be prepared and adopted. Copies of the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(g) ***Insurance.*** The Town will carry fire and extended coverage, workers' compensation, public liability, and such other forms of insurance on insurable System property as would ordinarily be carried by utilities having similar properties of equal value, such insurance being in such amounts as will protect the System and its operations. In the event of any loss or damage to the System, or in the event part or all of the System is taken by the exercise of a power of eminent domain, the insurance proceeds or the condemnation award shall be used for restoring, replacing or repairing the property lost, damaged or taken, and the remainder thereof, if any, shall be considered as Gross Revenue; provided however, that if the Council determines that the operation of the System and the security for the Bonds will not be adversely affected thereby, the Town Council may determine not to restore, replace or repair the property lost, damaged or taken and all of the insurance proceeds or condemnation award shall be considered as Gross Revenue.

(h) ***Enterprise Status.*** The Town has and will continue to maintain the System as an "enterprise" within the meaning Article X, Section 20 of the Colorado Constitution; provided, however, after the current calendar year the Town may disqualify the System as an "enterprise" in any year in which said disqualification does not materially, adversely affect the enforceability of the covenants made pursuant to this Ordinance with respect to the Bonds. In the event that the System is disqualified as an enterprise and the enforceability of the covenants made pursuant to this Ordinance are materially, adversely affected, the Town covenants to (i) immediately take all actions necessary to qualify

System as an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution; and (ii) permit the enforcement of the covenants made herein.

(i) ***Book-Entry Registration.*** The DTC Blanket Letter of Representations previously entered into with DTC shall govern the book-entry registration system for the Bonds.

Section 17. Federal Tax Covenants. For purposes of ensuring that the interest on the Bonds is and remains excluded from gross income for federal income tax purposes, the Town hereby covenants that:

(a) ***Prohibited Actions.*** The Town will not use or permit the use of any proceeds of the Bonds or any other funds of the Town from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code, or would otherwise cause the interest on any Bond to be includible in gross income for federal income tax purposes.

(b) ***Affirmative Actions.*** The Town will at all times do and perform all acts permitted by law that are necessary in order to assure that interest paid by the Town on the Bonds shall not be includible in gross income for federal income tax purposes under the Code or any other valid provision of law. In particular, but without limitation, the Town represents, warrants and covenants to comply with the following rules unless it receives an opinion of Bond Counsel stating that such compliance is not necessary: (i) gross proceeds of the Bonds will not be used in a manner that will cause the Bonds to be considered “private activity bonds” within the meaning of the Code, (ii) the Bonds are not and will not become directly or indirectly “federally guaranteed,” and (iii) the Town will timely file Internal Revenue Form 8038G which shall contain the information required to be filed pursuant to Section 149(e) of the Code.

(c) ***Tax Letter of Instructions.*** The Town will comply with the Tax Letter of Instructions delivered to it on the date of issuance of the Bonds, including but not limited by the provisions of the Tax Letter of Instructions regarding the application and investment of Bond proceeds, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Letter of Instructions; provided that, in the event the Tax Letter of Instructions are superseded or amended by new Tax Letter of Instructions drafted by, and accompanied by an opinion of, Bond Counsel stating that the use of the new Tax Letter of Instructions will not cause the interest on the Bonds to become includible in gross income for federal income tax purposes, the Town will thereafter comply with the new Tax Letter of Instructions.

Section 18. Defeasance. Any Bond shall not be deemed to be outstanding hereunder if it shall have been paid and cancelled or if cash or Federal Securities shall have been deposited in trust for the payment thereof (whether upon or prior to the maturity of such Bond, but if such Bond is to be paid prior to maturity, the Town shall have given the Paying Agent irrevocable directions to give notice of redemption as required by this Ordinance, or such notice shall have been given in accordance with this Ordinance). In computing the amount of the deposit described above, the

Town may include interest to be earned on the Federal Securities. If less than all the Bonds are to be defeased pursuant to this Section, the Town, in its sole discretion, may select which of the Bonds shall be defeased.

Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Town, and all covenants, agreements and other obligations of the Town to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

Section 19. Events of Default. With respect to the Bonds, each of the following events constitutes an Event of Default:

(a) ***Nonpayment of Principal or Interest.*** The failure to make any payment of principal of, premium, if any, or interest on the Bonds when due hereunder;

(b) ***Material Covenant Breach.*** A breach by the Town of any material covenant set forth herein relating to the Bonds or failure by the Town to perform any material duty imposed on it hereunder and continuation of such breach or failure for a period of 60 days after receipt by the Town Attorney of the Town of written notice thereof from the Paying Agent or from the Owners of at least 10% in principal amount of the outstanding Bonds;

(c) ***Cross Defaults.*** The occurrence and continuance of an “event of default,” as defined in any Ordinance providing for the issuance of Parity Lien Obligations; or

(d) ***Appointment of Receiver.*** An order or decree is entered by a court of competent jurisdiction appointing a receiver for all or any portion of the revenues and moneys pledged for the payment of the Bonds pursuant hereto is entered with the consent or acquiescence of the Town or is entered without the consent or acquiescence of the Town but is not vacated, discharged or stayed within thirty days after it is entered.

Section 20. Remedies for Events of Default.

(a) ***Remedies.*** Upon the occurrence and continuance of any Event of Default, the Owners of not less than 25% in principal amount of the applicable Bonds then outstanding for which the Event of Default has occurred, may proceed against the Town to protect and to enforce the rights of any Owner of the applicable Bonds under this Ordinance by mandamus, injunction or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction: (i) for the payment of interest on any installment of principal of any Bond that was not paid when due at the interest rate borne by such bond; (ii) for the appointment of a receiver or an operating trustee; (iii) for the specific performance of any covenant contained herein; (iv) to enjoin any act that may be unlawful or in violation of any right of any Owner of any Bond; (v) to require the Town to act as if it were the trustee of an express trust; (vi) for any other proper legal or equitable remedy as such Owner may deem most effectual to protect their rights; or (vii) any combination of such remedies or as otherwise may be authorized by any statute or other provision of law;

provided, however, that acceleration of any amount not yet due on the Bonds according to their terms shall not be an available remedy. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the applicable Bonds then outstanding. Any receiver or operating trustee appointed in any proceedings to protect the rights of Owners of Bonds hereunder may collect, receive and apply all revenues and moneys pledged for the payment of the Bonds pursuant hereto arising after the appointment of such receiver or operating trustee in the same manner as the Town itself might do.

(b) ***Failure To Pursue Remedies Not a Release; Rights Cumulative.*** The failure of any Owner of any Bond then outstanding to proceed in any manner herein provided shall not relieve the Town of any liability for failure to perform or carry out its duties hereunder. Each right or privilege of any such Owner or trustee therefor is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any Owner shall not be deemed a waiver of any other right or privilege thereof. Each Owner of any Bond shall be entitled to all of the privileges, rights and remedies provided or permitted in this Ordinance and as otherwise provided or permitted by law or in equity. Nothing herein affects or impairs the right of any Owner of any Bond to enforce the payment of the debt service due in connection with his or her Bond or the obligation of the Town to pay the debt service of each Bond to the Owner thereof at the time and the place specified herein.

(c) ***Obligations of Town and Paying Agent in Connection With Events of Default.*** Upon the occurrence and continuation of any of Events of Default: (i) the Town shall take all proper acts to protect and preserve the security for the payment of the Bonds and to insure the payment of debt service on the Bonds promptly when due; and (ii) the Town and the Paying Agent shall give the Owners of the Bonds then outstanding notice by first-class mail or by electronic means to DTC or its successors of (A) any default in the payment of, premium, if any, or interest on the Bonds immediately after discovery thereof; and (B) any other Event of Default within 30 days after discovery thereof. During the continuation of any Event of Default, except to the extent it may be unlawful to do so, all revenues and moneys pledged for the payment of the Bonds pursuant hereto shall be held for and applied to the debt service on all Bonds on an equitable and prorated basis. If the Town fails or refuses to proceed as provided in this paragraph, the Owners of not less than 25% in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and to enforce the rights of the Owners of the Bonds as provided in this paragraph; and to that end any such rights of Owners of Bonds then outstanding shall be subrogated to all rights of the Town under any agreement or contract involving the revenues and moneys pledged for the payment of the Bonds pursuant hereto that was entered into prior to the effective date of this Ordinance or thereafter while any of the Bonds are outstanding. Nothing herein requires the Town to proceed as provided in this paragraph if it determines in good faith and without any abuse of its discretion that such action is likely to affect materially and prejudicially the Owners of the Bonds then outstanding.

(d) ***Bond Insurer.*** To the extent that this Ordinance confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of this Ordinance,

the Bond Insurer is hereby explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder. Upon the occurrence and continuance of an Event of Default, so long as it is not in default of its obligations under the Bond Insurance Policy, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners under this Ordinance and pursuant to State law.

Section 21. Bond Insurance. Upon the recommendation of the Underwriter based upon market conditions and the rating on the Bonds, one or more bond insurers may be requested to submit bids to issue the Bond Insurance Policy. In the event that the Sale Delegate determines, based upon information provided by the Underwriter, that the lowest acceptable premium bid for issuance of the Bond Insurance Policy is less than the interest cost savings to be realized by the Town as a result of the issuance of the Bond Insurance Policy, the Sale Delegate may accept the Commitment issued by the lowest acceptable bidder and the Bonds shall be issued insured by the Bond Insurance Policy issued by such lowest acceptable bidder, who may be deemed to be the Bond Insurer hereunder. In the event the Sale Delegate determines, based upon information provided by the Underwriter that the lowest acceptable premium bid for the Bond Insurance Policy is more than the interest cost savings to be realized by the Town as a result of the issuance of the Bond Insurance Policy, the Bonds shall be issued without bond insurance. If the Bonds are issued insured by the Bond Insurance Policy, the officers and employees of the Town are hereby authorized and directed to take all actions necessary to cause the Bond Insurer selected to issue the Bond Insurance Policy in accordance with the Commitment, including without limitation, payment of the premium due in connection therewith and entering into any authorizing agreements. For purposes of this Section, the term “lowest acceptable premium bid” means the lowest bid submitted which is not conditioned upon the Town’s compliance with conditions deemed unacceptable by the Sale Delegate, and the term “lowest acceptable bidder” means the bidder submitting the lowest acceptable premium bid.

Section 22. Amendment of Ordinance.

(a) *Amendments Permitted Without Notice to or Consent of Owners.* The Town may, without the consent of or notice to the Owners of the Bonds, adopt one or more ordinances amending or supplementing this Ordinance, which ordinances shall thereafter become a part hereof, for any one or more or all of the following purposes:

- (i) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision of this Ordinance;
- (ii) to subject to this Ordinance additional revenues, properties or collateral;
- (iii) to facilitate the designation of a substitute securities depository or to terminate the book-entry registration system for the Bonds;
- (iv) to facilitate the issuance of Parity Lien Obligations; and
- (v) to make any other change that does not materially adversely affect the Owners of the Bonds.

(b) ***Amendments Requiring Notice to and Consent of Owners.*** Except for amendments permitted by paragraph (a) of this Section, this Ordinance may only be amended (i) by an ordinance of the Town amending or supplementing this Ordinance (which, after the consents required therefor, shall become a part hereof); and (ii) with the written consent of the Owners of at least 66-2/3% in aggregate principal amount of the Bonds then outstanding; provided that any amendment that makes any of the following changes with respect to any Bond shall not be effective without the written consent of the Owner of such bond: (A) a change in the maturity of such bond; (B) a reduction of the interest rate on such bond; (C) a change in the terms of redemption of such bond; (D) a delay in the payment of principal of, premium, if any, or interest on such bond; (E) the creation of any pledge of or lien upon any revenues or moneys pledged for the payment of such bond hereunder that is superior to the pledge and lien for the payment of such bond hereunder; (F) a relaxation of the conditions to the issuance of Parity Lien Obligations or to the creation of any pledge of or lien upon any revenues or moneys pledged for the payment of such bond hereunder that is equal to or on a parity with the pledge and lien for the payment of such bond hereunder; (G) a reduction of the principal amount or percentage of Bonds whose consent is required for an amendment to this Ordinance; or (H) the establishment of a priority or preference for the payment of any amount due with respect to any other Bond over such bond.

(c) ***Bond Insurance.*** Notwithstanding the foregoing, the Bond Insurer's consent shall be required in addition to the consent of Owners, when required, for the following purposes: (i) execution and delivery of any supplemental Ordinance or any amendment, supplement or change to or modification of this Ordinance; (ii) removal of the Paying Agent and selection and appointment of a successor; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires the consent of Owners.

(d) ***Procedure for Notifying and Obtaining Consent of Owners.*** Whenever the consent of an Owner or Owners of Bonds is required under the preceding paragraph (b) of this Section, the Town shall mail a notice to such Owner or Owners at their addresses as set forth in the registration books maintained by the Paying Agent or by electronic means to DTC or its successors and to the Underwriter, which notice shall briefly describe the proposed amendment and state that a copy of the amendment is on file in the office of the Town Clerk for inspection. Any consent of any Owner of any Bond obtained with respect to an amendment shall be in writing and shall be final and not subject to withdrawal, rescission or modification for a period of sixty days after it is delivered to the Town unless another time period is stated for such purpose in the notice mailed pursuant to this paragraph.

Section 23. Findings and Determinations; Limitation of Actions. The Council hereby finds, determines and declares that it is in the best interest of the Town and its residents that the Bonds be authorized, sold, issued and delivered at the time, in the manner and for the purposes provided herein. The Council elects to apply all of the provisions of the Supplemental Public Securities Act. In accordance with Section 11-57-212, C.R.S., no legal or equitable action can be brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds more than thirty days after the authorization of such securities.

Section 24. Appointment and Duties of Paying Agent. The Paying Agent is hereby appointed as paying agent, registrar and authenticating agent for the Bonds unless and until the Town removes it as such and appoints a successor Paying Agent, in which event such successor shall automatically succeed to the duties of the Paying Agent hereunder and its predecessor shall immediately turn over all its records regarding the Bonds to such successor. The Paying Agent, by accepting its duties as such, agrees to perform all duties and to take all actions assigned to it hereunder in accordance with the terms hereof. The appointment and acceptance of the duties of Paying Agent hereunder may be affected through the execution of an agreement between the Town and the Paying Agent.

Section 25. Approval of Miscellaneous Documents. The Mayor, the Town Clerk, the Sale Delegate and all other officers of the Town are hereby authorized and directed to execute all documents and certificates necessary or desirable to effectuate the issuance of the Bonds and the transactions contemplated hereby including, but not limited to, the execution of the Bond Purchase Agreement, the Paying Agent and Registrar Agreement, the Commitment, the and the Continuing Disclosure Undertaking in substantially the forms presented to this meeting of the Council, as well as the Commitment, the standard form of repayment agreement required by the Bond Insurer in connection with the issuance of the Reserve Surety Bond and such certificates and affidavits as may be reasonably required in connection with the issuance of the Bonds. The execution by any member of the Council of any document authorized herein shall be conclusive proof of the approval by the Town of the terms thereof.

Section 26. Official Statement. The Preliminary Official Statement is hereby authorized and approved. The Preliminary Official Statement is hereby deemed by the Council to be final as of its date within the meaning of Rule 15c2-12(b)(1) of the U.S. Securities and Exchange Commission. The Council hereby authorizes the preparation and distribution of a final Official Statement in conjunction with an offer of the Bonds to the public. The Official Statement shall contain such corrections and additional or updated information so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Mayor is hereby authorized to execute copies of the Preliminary Official Statement and the Official Statement on behalf of the Town.

Section 27. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Council or by the officers and employees of the Town directed toward the issuance of the Bonds for the purposes herein set forth are hereby ratified, approved and confirmed.

Section 28. Events Occurring on Days That Are Not Business Days. Except as otherwise specifically provided herein with respect to a particular payment, event or action, if any payment to be made hereunder or any event or action to occur hereunder which, but for this section, is to be made or is to occur on a day that is not a Business Day shall instead be made or occur on the next succeeding day that is a Business Day.

Section 29. Headings. The headings to the various sections and paragraphs to this Ordinance have been inserted solely for the convenience of the reader, are not a part of this Ordinance, and shall not be used in any manner to interpret this Ordinance.

Section 30. Ordinance Irrepealable. After any of the Bonds have been issued, this Ordinance shall constitute a contract between the Owners and the Town, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged, as herein provided.

Section 31. Severability. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

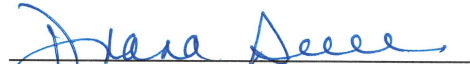
Section 32. Repealer. All orders, bylaws, ordinances, and resolutions of the Town, or parts thereof, inconsistent or in conflict with this Ordinance, are hereby repealed to the extent only of such inconsistency or conflict.

Section 33. Publication, Effective Date; Recording. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Charter and the adoption, posting and publican shall be authenticated by the signature of the Mayor and the Town Clerk by the Certificate of Publication. This Ordinance shall become effective upon final passage as provided by the Charter. Copies of the entire Ordinance are available at the office of the Town Clerk.

INTRODUCED, AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado this 7th day of July, 2021.

ATTEST:

TOWN OF JOHNSTOWN


Diana Seele, Town Clerk


Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado this ____ day of ____, 2021.

ATTEST:

TOWN OF JOHNSTOWN

Diana Seele, Town Clerk

Gary Lebsack, Mayor

APPENDIX A**FORM OF THE BOND****UNITED STATES OF AMERICA
STATE OF COLORADO**

No. R-_____

\$_____

**TOWN OF JOHNSTOWN, COLORADO
ACTING BY AND THROUGH ITS SANITARY SEWER UTILITY ENTERPRISE
WASTEWATER REVENUE BOND
SERIES 2021****Interest Rate:****Maturity Date:****Dated Date:****CUSIP:**

%

_____, 2021

REGISTERED OWNER: Cede & Co.

Tax Identification Number: 13-2555119

PRINCIPAL SUM: _____ DOLLARS

TOWN OF JOHNSTOWN, COLORADO, in the State of Colorado, a duly organized and validly existing Town and political subdivision of the State of Colorado, acting by and through its Sanitary Sewer Utility Enterprise (the "Town"), for value received, hereby promises to pay to the order of the registered owner named above or registered assigns, solely from the special funds as hereinafter set forth, on the maturity date stated above, the principal sum stated above, in lawful money of the United States of America, with interest thereon from the Dated Date stated above, at the interest rate per annum stated above, payable on June 1 and December 1 of each year, commencing December 1, 2021, the final installment of the principal of and interest on this bond being payable to the registered owner hereof upon presentation and surrender of this bond at UMB Bank, n.a., as Paying Agent (the "Paying Agent"), at such location as identified by the Paying Agent. Prior to the final installment of principal and interest on this bond, this bond is payable by check or draft of the Paying Agent mailed on the Principal Payment Date or the Interest Payment Date to the Owner thereof as of the Record Date to the registered owner hereof as of the close of business on the fifteenth day of the month (whether or not such day is a Business Day) preceding the interest payment date.

This bond is one of an issue of bonds of the Town designated Wastewater Revenue Bonds, Series 2021, issued in the principal amount of \$_____ (the "Bonds"). The Bonds are being issued by the Town for the purpose of financing certain sanitary sewer improvements, pursuant to and in full conformity with the Constitution and laws of the State of Colorado and an ordinance (the "Ordinance") duly adopted by the Town prior to the issuance hereof.

[The redemption provisions provided in the Ordinance shall be set forth in this place.]

The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of the Bonds shall be recorded. The person in whose name this bond shall be registered on such registration books shall be deemed to be the absolute owner hereof for all purposes, whether or not payment on this bond shall be overdue, and neither the Town nor the Paying Agent shall be affected by any notice or other information to the contrary. This bond may be transferred or exchanged, at the principal operations office of the Paying Agent or at such other location as identified by the Paying Agent, for a like aggregate principal amount of the Bonds of other authorized denominations of the same maturity and interest rate, upon payment by the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith.

The Town pledges for the payment of the principal of, premium, if any, and interest on the Bonds at any time outstanding, and grants an irrevocable and first lien for such purpose on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Parity Lien Obligations are issued.

This bond is issued pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State of Colorado thereunto enabling. Specifically, but not by way of limitation, this Bond is issued pursuant to the Charter, Title 37, Article 45.1, C.R.S. and Title 11, Article 57, Part 2, C.R.S. Such recital shall conclusively impart full compliance with all provisions and limitations of such laws, and this Bond issued containing such recital shall be incontestable for any cause whatsoever after its delivery for value. This bond, including the interest hereon, is payable solely from and secured solely by the special funds provided in the Ordinance and shall not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, nor shall this bond be considered or held to be a general obligation of the Town.

THE ORDINANCE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE TOWN. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE ORDINANCE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

The Town agrees with the owner of this bond and with each and every person who may become the owner hereof, that it will keep and perform all the covenants and agreements contained in the Ordinance.

The Ordinance may be amended or supplemented from time to time with or without the consent of the registered owners of the Bonds as provided in the Ordinance.

It is hereby certified that all conditions, acts and things required by the Constitution and laws of the State of Colorado, and the ordinances of the Town, to exist, to happen and to be performed, precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Bonds do not exceed any limitations prescribed by said Constitution or laws of the State of Colorado, or the ordinances of the Town.

This bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, Town of Johnstown, Colorado, acting by and through its Sanitary Sewer Utility Enterprise, has caused this bond to be signed in the name and on behalf of the Town with the manual or facsimile signature of the Mayor, to be sealed with the seal of the Town or a facsimile thereof and to be attested by the manual or facsimile signature of the Town Clerk.

TOWN OF JOHNSTOWN, COLORADO

By [Manual or Facsimile Signature]
Mayor

Attest:

By [Manual or Facsimile Signature]
Town Clerk

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned Ordinance.

Date of Authentication: _____.

UMB Bank, n.a., as Paying Agent

By _____
Authorized Representative

[STATEMENT OF INSURANCE]

[If the Sale Certificate provides for the purchase of a Bond Insurance Policy, the related Statement of Insurance required by the Commitment shall be set forth herein.]

CERTIFICATE OF TRANSFER

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Transfer Fee May Be Required



Town of Johnstown

TOWN COUNCIL CONSENT AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021

SUBJECT: Ordinance 2021-203 Disconnecting portions of the Maxfield Annexation No. 1 from the Town of Johnstown

ACTION PROPOSED: Consider Ordinance 2021-203 on second reading

ATTACHMENTS: 1. Ordinance 2021-203

PRESENTED BY: Kim Meyer, Planning & Development Director

AGENDA ITEM DESCRIPTION:

The Coonrads own property located at 641 N. County Road 3, in Larimer County. They have acquired adjacent outlots and parcels, some of which appear to have been included in the Maxfield Annexation No. 1. See Attachment 3 and 4 for graphic depictions of these properties. The disconnection would affect approximately 0.18 acres of land.

The Coonrads have encountered title issues and discrepancies, and in an attempt to clean up the title to their property, need to ensure the entirety of the parcel is in the unincorporated area of Larimer County, and therefore seek to disconnect / “de annex” certain portions from the Town of Johnstown. There are additional possible complications with future use of or permitting on the property when it is partially annexed, which this solution will also serve to avoid. This property is an enclave, surrounded wholly by the Town of Johnstown, and is eligible for annexation in the future.

Notice of this requested disconnection / de-annexation was sent electronically as well as mailed to the Larimer County Board of County Commissioners on March 17, 2021, per C.R.S. 31-12-501, by the Applicant. No response or notice of concern has been forthcoming.

Town Staff and Attorney have no concerns with this request.

LEGAL ADVICE:

Ordinance was prepared by the Town Attorney.

FINANCIAL ADVICE:

NA

RECOMMENDED ACTION:

Approve Ordinance 2021-203 Disconnecting portions of the Maxfield Annexation No. 1 from the Town of Johnstown on second reading.

Reviewed and Approved for Presentation,


Town Manager

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

TOWN OF JOHNSTOWN, COLORADO**ORDINANCE NO. 2021-203**

AN ORDINANCE DISCONNECTING CERTAIN LAND BEING A PORTION OF THE MAXFIELD ANNEXATION NO. 1 AND ALL OF OUTLOT E, THOMPSON CROSSING II, FILING NO. 1, SITUATED IN THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF JOHNSTOWN, COUNTY OF LARIMER, STATE OF COLORADO, AND CONSISTING OF APPROXIMATELY 0.21 ACRES

WHEREAS, the Town of Johnstown, Colorado (“Town”) is a municipal corporation duly organized and existing under its Home Rule Charter adopted pursuant to Article XX of the Constitution of the State of Colorado; and

WHEREAS, the Town Council is vested with authority to administer the affairs of the Town; and

WHEREAS, pursuant to the Maxfield Annexation No. 1, recorded with the Larimer County Clerk and Recorder at Reception No. 20070084418 (“Maxfield Annexation”), the Town annexed, or may have annexed, depending on whether the annexation map is read to include property described by deed or by monumentation, property being a portion of the Maxfield Annexation and all of Outlot E, Thompson Crossing II, Filing No. 1, situated in the Northeast Quarter of the Southeast Quarter of Section 14, Township 5 North, Range 68 West of the 6th Principal Meridian, Town of Johnstown, County of Larimer, State of Colorado, consisting of approximately 0.21 acres, which property is legally described and shown on the map attached hereto and incorporated herein by reference as Exhibit A (“Property”); and

WHEREAS, on or about December 17, 2020, the owners of the Property, Brittany and Jonathan Coonrad, who reside at 641 North County Road 3, submitted an application to disconnect the Property from the boundaries of the Town and thereafter provided notice as required by § 31-12-501, C.R.S.; and

WHEREAS, the Town Council has given due consideration to the application and has determined that the best interests of the Town will not be prejudiced by disconnection of the Property; and

WHEREAS, the Town Council has determined that the requirements of § 31-12-501, C.R.S., have been met; and

WHEREAS, by approving the disconnection, the Town Council does not intend to waive or limit the Town’s right to re-annex the Property at a subsequent date based on the status of the Property as an enclave of the Town; and

WHEREAS, the Town Council thus finds that it is in the best interest of the Town to approve the disconnection of the Property.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, AS FOLLOWS:

Section 1. Disconnection of the Property, described on Exhibit A, is hereby approved.

Section 2. The Town Clerk is hereby authorized and directed to:

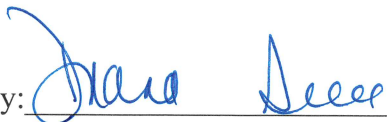
- A. File the original copy of the Ordinance along with the legal description and attached map in the office of the Town Clerk; and
- B. File two certified copies of Ordinance along with the legal description and attached map with the Larimer County Clerk and Recorder.

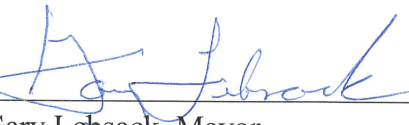
Section 3. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Town's Home Rule Charter and the adoption, posting and publication shall be authenticated by the signature of the Mayor and the Town Clerk and by the certificate of publication. This Ordinance shall become effective upon final passage as provided by the Town's Home Rule Charter and as provided by state law. Copies of the entire Ordinance shall be available at the office of the Town Clerk.

INTRODUCED AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this 14 day of July, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: 
Diana Seele, Town Clerk

By: 
Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this _____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor



Town of Johnstown

TOWN COUNCIL CONSENT AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021

SUBJECT: Water and Sewer Service Agreement – Johnstown Plaza Apartments (5150 Ronald Reagan Blvd.)

ATTACHMENTS: 1. Water and Sewer Service Agreement with Exhibits

PRESENTED BY: Kim Meyer, Planning and Development Director

ITEM DESCRIPTION:

The Developer, Johnstown Plaza Apartments, LLC, has received approval of a site development plan for 252 apartment units in three residential buildings, a clubhouse, pool, and resident storage structure, in the Johnstown Plaza area. The total estimated demand for potable water of 74.41 AF, and 11.38 AF for non-potable water for landscaping, have been reviewed by the town water engineer. This water has been allocated by the appropriate water banks for potable and non-potable use – see Exhibit B and C of the agreement. The required water court transfer fee will be invoiced to the Developer, due prior to recordation and issuance of Certificates of Occupancy for those buildings.

LEGAL ADVICE:

The agreement was prepared by the Town Attorney.

FINANCIAL ADVICE :

N/A

RECOMMENDED ACTION:

Approve the Water and Sewer Service Agreement for Johnstown Plaza Apartments, LLC.

Reviewed and Approved for Presentation,



Town Manager

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

WATER AND SEWER SERVICE AGREEMENT

THIS WATER AND SEWER SERVICE AGREEMENT ("Agreement") is made and entered into this 28 day of June, 2021, by and between **JOHNSTOWN PLAZA APARTMENTS, LLC**, a Kansas Limited Liability Company ("Developer") and **THE TOWN OF JOHNSTOWN**, a Colorado municipal corporation, ("Town"), collectively sometimes referred to as the "Parties".

WITNESSETH:

WHEREAS, the Developer owns an interest in land comprised of approximately 11.57 acres on Lot 1, 2534 Filing No. 16, more specifically described in the attached Exhibit A ("Subject Property"); and

WHEREAS, the Subject Property is being developed to include: three (3) apartment buildings with a total of 252 apartments; a clubhouse containing two (2) model apartments, offices, conference room, lounge area, patio, kitchen, mail boxes and restrooms; a 3-story storage building containing 224 storage units and 1 restroom; a 2,000 square foot outdoor swimming pool; a 500-square foot water feature; and 4.55 acres of irrigated turf and landscape ("Project"); and

WHEREAS, the Developer and the Town desire to set forth their agreement concerning water rights dedication, preliminary projections of water and sewer demand and a current commitment by the Town for water and sewer service for the Project.

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Water and Sewer Demand Studies. In compliance with the Town Water Rights Dedication Ordinance in effect at the time of the execution of this Agreement ("Ordinance"), Developer has submitted to the Town a preliminary Water and Sewer Demand Analysis dated on or about September 10, 2019, for the Project. Said analysis was received by the Town and is on file with the Town and as modified by the Town's Water Engineer by memorandum dated September 16, 2019, is hereby accepted by the Town as to the Potable Water demands. Developer reduced the area of irrigated turf and landscape by providing an email from Jim Shipton, Point Consulting, LLC to Kim Meyer dated April 30, 2020, and acknowledged by Todd Williams, Thompson Ranch Development Company on May 1, 2020. The Town's water engineer provided a revised water demand analysis based on the change to the irrigated turf and landscape area on May 4, 2020, and said revised analysis is accepted by the Town. The analysis provided by Developer addresses the projected water and sewer demands for the Project as follows:

Development Component (Potable)	Demand (AF/YR)	Consumption (AF/YR)
Apartments	73.08	3.654
Clubhouse	0.62	0.031
Storage building	0.29	0.014
Swimming pool	0.37	0.140
Water feature	0.05	0.040
Total potable	74.41	3.879
Development Component (Non-potable)	Demand (AF/YR)	Consumption (AF/YR)
Landscape Irrigation (non-potable)	11.38	9.673
Total non-potable	11.38	9.673
Total water use	85.79	13.552

2. Water Rights Dedication.

a. **Potable Supply.** Within ten (10) days of the execution of this Agreement, Developer shall dedicate to the Town 6 shares of stock in the Consolidated Home Supply Ditch & Reservoir Company, represented by Certificate No. 7043 and changed to include municipal use, totaling 48 acre-feet of usable water per year. The dedication is a condition precedent to the Town's obligations contained in this Agreement. In addition, pursuant to the Assignment and Allocation of Raw Credit from the Platte Water Bank between and among Platte Land & Water, LLC, Johnstown Plaza Apartments, LLC and the Town of Johnstown dated __, Developer is entitled to use, and has allocated to the Town, an additional 27 acre-feet of raw water credit.

b. **Non-Potable Supply.** As a result of prior dedications associated with the 2534 Development, there is currently a surplus dedication credit with the Town of non-potable water in the "2534 Water Bank." The Parties and the Gerrard Family Partnership, LLLP and Thompson Ranch Development Company have agreed that a portion of this credit may be applied to meet the non-potable water demands of the Project. Evidence of the agreement is attached as Exhibit B.

3. **Surplus dedication credit.** The dedication of the Water Stock and other supplies described in paragraph 3.a, above, has provided Potable Raw Water Credits in excess of the water demand projected for the Project. As a result of said dedication, Developer will have a surplus dedication credit with the Town of approximately 0.59 acre-feet. The credit is calculated as follows:

Credit for Potable Water Dedicated: 75.00 acre-feet
 LESS:
 Estimated Potable Demand: 74.41 acre-feet

Net current surplus potable credit: 0.59 acre-feet

4. **Commitment to serve.** Subject to Developer's performance of all the covenants contained herein and payment of all required fees, the Town commits to provide to the Project up to 74.41 acre-feet per year of potable water supply together with the corresponding sewer service and up to 11.38 acre-feet per year non-potable water supply for irrigated turf and landscape irrigation.

5. **Future review of water usage and dedication requirements.** In accordance with the Ordinance, as amended from time to time, the Town reserves the right to review actual water usage within the Project, at a point in time after water usage has been established, to confirm the adequacy of the water demand projections made by the Developer, and to require additional water rights dedication and/or cash-in-lieu payments based on actual water usage.

6. **Payment of Water Court Transfer fees.** Upon execution of this Agreement, Developer must pay to the Town the sum of **TWENTY-TWO THOUSAND THREE HUNDRED AND FIFTY DOLLARS (\$22,350)** as payment of the Water Court Transfer Fees required by the Ordinance. This payment is only for the required dedication of 74.41 acre-feet per year of estimated potable water demand and estimated potable consumptive use of 3.879 acre-feet per year (149 SFE) for the Project and has not been assessed against any of the surplus dedication credit of 0.59 acre-feet. If the actual demand for the Project increases, additional fees will be required. Further, in accordance with the Ordinance, additional fees will be required in connection with future development of any property to which all or any portion of the surplus dedication credit is subsequently assigned pursuant to a future mutual agreement of the parties in accordance with the Town's Ordinance. If an upward adjustment in demand is warranted based on actual water usage as described in paragraph 6, above, the Water Court Transfer Fee will also be increased proportionately

7. **Notices.** All notices, demands, or other documents required or desired to be given, made or sent to either Party under this Agreement shall be made in writing, shall be deemed effective upon receipt and shall be personally delivered or mailed postage prepaid, certified mail, return receipt requested, as follows:

TO DEVELOPER:

Johnstown Apartments Plaza, LLC
6917 W. 135th, Suite B29
Overland, KS 66223

TO THE TOWN:

Town of Johnstown
c/o Town Clerk
450 S. Parish Ave.
Johnstown, CO 80534

**WITH A COPY TO
THE TOWN ATTORNEYS:**

Avi Rocklin, Esq.
Johnstown Town Attorney
1437 N. Denver Avenue, #330

Loveland, CO 80538

Peter J. Ampe
Hill & Robbins, P.C.
1660 Lincoln St., Suite 2720
Denver, CO 80264

The addresses for notices may be changed by written notice given to the other Party in the manner provided above.

8. Default. In the event of default by either Party hereunder the non-defaulting Party shall notify the defaulting Party in writing of such default(s), specifying the nature and extent thereof. If such default is not cured within thirty (30) days and the non-defaulting Party desires to seek recourse, the Parties shall participate in mediation, the costs of which shall be shared equally by both Parties. If mediation is not successful after a ninety-day period, either Party may then commence an action in a court of competent jurisdiction in Larimer County, Colorado, and shall be entitled to such remedies as are provided by law, including the Town's ordinances.

9. Successors and assigns. The benefits and burdens of this Agreement shall respectively inure to and be binding upon the successors and assigns of the Parties hereto. This agreement shall not be assigned without the prior written consent of the other party, which shall not be unreasonably withheld.

10. Amendment or modification. No amendment or modification of this Agreement shall be of any force or effect unless in writing and executed by the Parties hereto with the same formality as this Agreement.

11. Attorney's fees and costs. If any judicial proceedings may hereafter be brought to enforce any of the provisions hereof, including an action for specific performance and/or damages, the Town, if the prevailing party, shall be entitled to recover the costs of such proceedings, including reasonable attorney's fees and reasonable expert witness fees.

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

13. Headings for convenience only. Paragraph headings 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 provision of this Agreement.

14. Non severability. Each paragraph of this Agreement is intertwined with the others and is not severable unless by mutual consent of the Parties hereto.

15. Choice of laws. This Agreement and the rights and obligations of the Parties hereto shall be governed by the laws of the State of Colorado. Venue for any claim, proceeding or action shall be in Larimer or Weld County, State of Colorado.

16. Entire agreement and Authorization. This Agreement constitutes the entire agreement between the Parties related to the subject matter hereof and any prior agreements pertaining thereto whether oral or written have been merged or integrated into this Agreement. Each of the undersigned represents to the others that he/she is authorized by his/her respective entity to execute this Agreement on behalf of that entity.

17. Recordation. This Agreement may be recorded by the Town at Developer's expense in the office of the Clerk and Recorder of Larimer County, Colorado, and, effective as of the date of such recordation, this Agreement shall run with the Subject Property, shall be binding upon the Parties hereto and the permitted successors and assigns of the Developer and shall constitute notice of this Agreement to all persons or entities not parties hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

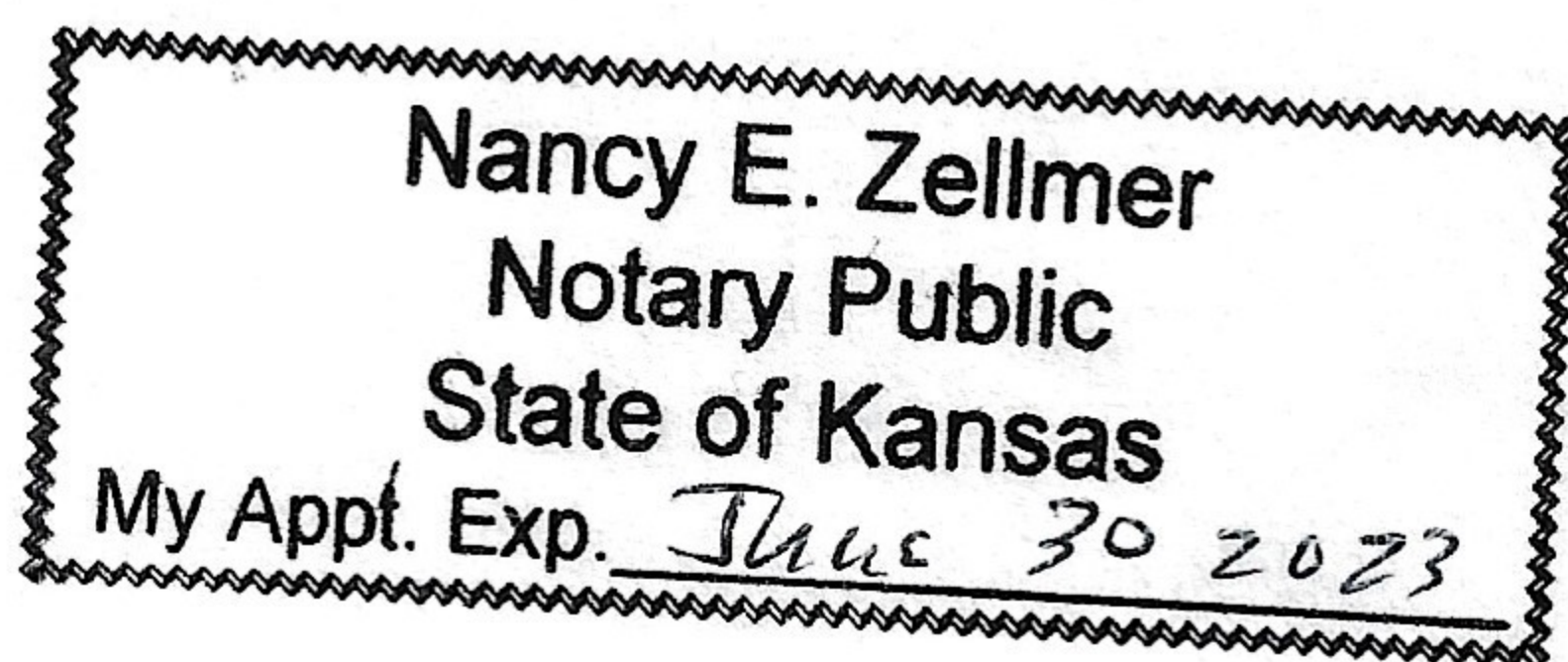
Signatures follow on separate pages

JOHNSTOWN PLAZA APARTMENTS, LLC

By: Mich L Schuy
Name: Michael L Schuy
Title: Owner

STATE OF KS)
COUNTY OF Johnson) SS

SUBSCRIBED AND SWORN to before me this 28 day of June, 2021 by
Michael L. Schuy as Member of Johnstown Plaza Apartments, LLC.



Witness my hand and official seal.
Nancy Zellmer

Notary Public
Nancy Zellmer
8313 W 183 Stillwell KS.
Address
616-550-4612
Telephone

My Commission Expires:
June 30 2023

TOWN OF JOHNSTOWN, COLORADO,
a municipal corporation

By: _____
Gary Lebsack, Mayor

ATTEST:

By: _____
Diana Seele, Town Clerk

EXHIBIT A
Legal Description

Lot 1, Block 12, 2534 Filing No. 16, Northeast Quarter of Section 15, Township 5 North, Range 68 West of the 6th P.M., Town of Johnstown, County of Larimer, State of Colorado.

ASSIGNMENT AND ALLOCATION OF RAW CREDIT FROM THE PLATTE WATER BANK

This ASSIGNMENT AND ALLOCATION OF RAW WATER CREDIT FROM THE PLATTE WATER BANK ("Assignment") made as of Jan 28, 2020, by and among the TOWN OF JOHNSTOWN, a Colorado home rule municipal corporation ("Town"), PLATTE LAND & WATER, LLC, a Delaware limited liability company ("Platte"), and JOHNSTOWN PLAZA APARTMENTS, LLC, a Kansas limited liability company ("JPA"). The Town, Platte and JPA may be collectively referred to as the "Parties."

RECITALS

WHEREAS, on or about September 7, 2019, the Town approved an assignment and allocation of raw water credit from VMJ Properties, LLC, a Colorado limited liability company, and Johnson-Taylor Family Properties, LLLP, a Colorado limited liability limited partnership, to Platte in the amount of 46 acre-feet and created the "Platte Water Bank" to reflect the raw water credit; and

WHEREAS, Platte is entitled to sell and assign the raw water credit in the Platte Water Bank on the condition that the raw water be used in the boundaries of the Town; and

WHEREAS, Platte desires to sell and assign 27 acre-feet of the raw water credit to JPA and JPA desires to purchase and accept assignment of such raw water credit ("JPA Water"); and

WHEREAS, the Town desires to approve the sale and assignment of the JPA Water on the continued condition that the raw water be used in the boundaries of the Town; and

WHEREAS, to memorialize the foregoing, the Parties desire to enter into this Assignment.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties hereby effect this Assignment as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated into the operative provisions of this Assignment by this reference as if such recitals were set forth herein in full.

2. Assignment of Raw Water Credit. When Platte provides written notice to the Town that Platte has sold the JPA Water to JPA and on the condition that the water associated with the JPA Water only be used in the boundaries of the Town, the Town hereby approves the assignment and allocation of 27 acre-feet of raw water credit from the Platte Water Bank to JPA. Subsequent to the assignment, the Platte Water Bank shall have a raw water credit in the amount of 19 acre-feet, as set forth on Exhibit A attached hereto and incorporated herein by reference.

3. JPA Water Bank. Upon receipt of the written notice described above, the Town shall create a water bank, to be known as the "Johnstown Plaza Apartments Water Bank," containing 27 acre-feet of raw water. JPA, or its successors or assigns, may use the JPA Water

for potable or non-potable purposes within the boundaries of the Town. Prior to an allocation of the JPA Water from the Johnstown Plaza Water Bank for a proposed use, JPA, or its successors or assigns, shall provide notice and a raw water demand to the Town, estimating the amount of water needed for the use of the water. Upon approval of the Town's Water Engineer and the execution of a water and sewer service agreement, the JPA Water shall be allocated from the Johnstown Plaza Water Bank for such use.

4. Johnstown Municipal Code. Except for providing a mechanism by which water dedicated to the Town may be transferred by Platte to JPA to be used within the boundaries of the Town for a proposed use, nothing contained herein shall supersede or replace the provisions of the Johnstown Municipal Code ("Code"). Among other provisions in the Code, the Town reserves the right to review actual water usage at any time after the JPA Water has been allocated for a specific use and, if warranted, to require additional water rights dedication and/or cash-in-lieu payments based on actual water usage.

PLATTE LAND & WATER, LLC,
Delaware limited liability company

By: TW
Name: Timothy Walsh
Title: President

JOHNSTOWN PLAZA APARTMENTS, LLC

By: Michel L Schlup
Name: Michel L Schlup
Title: Member

TOWN OF JOHNSTOWN, COLORADO,
a home-rule municipal corporation

By: Matthew LeCerf
Matthew LeCerf, Town Manager

ATTEST:

By: Diana Seele
Diana Seele, Town Clerk

EXHIBIT C

RAW WATER CREDIT ALLOCATION ACKNOWLEDGMENT

This is to acknowledge and agree that the Town of Johnstown may allocate raw water credit from The Gerrard Family Partnership, LLLP and Thompson Ranch Development Company raw water credit account held by the Town of Johnstown, known as the "2534 Master Association Water Bank," to provide non-potable water service to Johnstown Plaza Apartments, LLC for the development known as Johnstown Plaza Apartments, and any successor occupant of the premises at the same location, pursuant to a Water and Sewer Service Agreement to be executed between Johnstown Plaza Apartments, LLC and the Town of Johnstown. The amount of such allocated raw water credit is calculated to be 11.38 acre-feet per year for non-potable irrigation use, subject to adjustment pursuant to the terms of the Water Sewer Service Agreement and the Johnstown Municipal Code.

The undersigned certify that they are authorized to execute this Raw Water Allocation Acknowledgment on behalf of Gerrard Family Partnership, LLLP and Thompson Ranch Development Company.

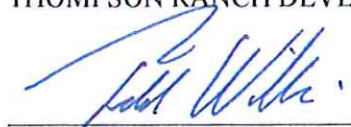
THE GERRARD FAMILY PARTNERSHIP, LLLP



Nathan Gerrard, Managing Partner
The Gerrard Family Limited Partnership, LLLP

Dated: 6/16/2021

THOMPSON RANCH DEVELOPMENT COMPANY



Todd Williams, Vice President
Thompson Ranch Development Company

Dated: 6/16/2021



Town of Johnstown

MEMORANDUM

TO: Honorable Mayor and Town Council Members

FROM: Matt LeCerf, Town Manager

DATE: July 19, 2021

CC: Town Staff
Local Media

SUBJECT: Town Manager's Report

Upcoming Town Council Work Sessions – If there are topics that the Council would like staff to schedule for discussion, please let me know. The following topics are recommended for Council discussion (all meetings will be held in the Town Council Chambers unless otherwise indicated):

- 08/02/2021 – Regular Town Council Meeting
 - 08/09/2021 – Work Session (Tentative) 6 p.m.
 - 08/16/2021 – Regular Town Council Meeting
-

Administration, Finance, Planning, & Human Resources

- *Team Building* – The Management Team participated in a full day of leadership and team building. The day consisted of 6 hours of leadership training including a personality/trait analysis which is a management/coaching instrument that will aid in developing better communications, understanding and mutual respect. The system focuses on the strengths of people and has proven that when strengths are understood and matched with the requirements of a job or situation, positive improvements will result. The focus is to help our management team grow and develop into a higher performing team resulting in greater outcomes, better communication and enhanced trust and culture in the organization. The exercise also included a team building exercise conducted at Topgolf.
- *Sewer Bonding* – A bond rating call with Standard and Poor's will be conducted next week. Staff is preparing information for the Preliminary Official Statement and doing

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final evaluations on the utility rate proformas to ensure proper financial conditions for the extensive capital improvements on the horizon.

- *Hiring* – Our new Police Officer was promoted from an internal civilian role. We are currently hiring for a PT Customer Service Technician, two Maintenance Workers in PW, a Water/Wastewater Operator, and a Code Enforcement Officer.
- *Liquor Licensing* – Red Barn Liquors renewal application has been submitted to the state.
- *Comprehensive Plan Update* – Staff is working with our consultants to finalize the Final Public Draft of the Comprehensive Plan to present to the Planning & Zoning Commission and bring to Town Council for adoption in the near future.
- *Planning & Zoning Commission* – The next meeting of PZC is scheduled for July 28, as a work session to review the Comprehensive Plan draft to-date, interview commissioner candidates, review bylaws, procedures and expectations, and discuss issues and elements to include in the pending land use code update project.
- *Communications & Police Department* – On July 9, Town Communications announced the Police Department Trading Card collector's competition for the month of July and to end on August 3 (National Night Out). The competition initiative works within the mission of National Night Out (to promote community togetherness and connection) and exists to encourage residents to say hello to and engage with Officers. The trading cards have been out since BBQ Day in June and Officers are getting a lot of requests for them. Residents and the public are encouraged to collect all of the Officer cards in the 2021 series of trading cards and submit an entry to the competition at the Town's website: johnstown.colorado.gov/PDTradingCards.
- *Communications & Public Works* – As a reminder, Public Works project updates can be found on the Town's website at johnstown.colorado.gov/PWProjects. Public Works projects include street, water, sewer, wastewater, park, and Town building projects. This webpage is updated for significant project announcements or once a month, whichever is sooner. The purpose of this webpage is to provide residents a quick and easy way to access information as it related to Public Works projects and service within the Town of Johnstown.
- *Communications Public Information Officer Training Completed* – The Communications Manager completed the FEMA G0290 PIO course over July 12-13; a valuable training to compliment ongoing communications work for the Town of Johnstown. The course provided an in-depth look at PIO roles and responsibilities, strategic planning, and crisis communications and will help the Town's Office of Communications provide more effective and valuable information and resources to residents.

Police Department

Training

- *Threat Liaison Training* – Lieutenant Oglesby attended Threat Liaison Officer Training (TLO) through the Colorado Information Analysis Center (CIAC). The TLO program is designed to strengthen information sharing and enhance multi-jurisdiction and multi-

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disciplinary partnerships throughout Colorado. This training provides JPD with an effective means of information sharing related to local, regional, and global threats, suspicious activity and large-scale incidents. Lt. Oglesby is now certified as the department TLO for CIAC.

- *Crisis Intervention Training* – Officer Dudley attended Crisis Intervention Training (CIT). This training gives officers more tools and knowledge when dealing with people having a mental health crisis.

Community Policing, Outreach & Miscellaneous Items:

- *Operation Chill* – The police department is again partnering with 7-11 for Operation Chill. Officers will be issuing Operation Chill tickets from 7-Eleven to children who are being safe and doing good for the community. The ticket is good for a free Slurpee from 7-Eleven.

Public Works Department

Streets, Stormwater, Fleet & Parks

- *Parks* – Crews adjusted the clocks for park irrigation systems to run in accordance with the new water restrictions. Staff is still working through various system checks to ensure timers are set properly and in compliance. All parks continue to be mowed and trimmed on a weekly basis.
- *Cross Walks* – Crews installed new thermo crosswalks along River Ranch Parkway in the Thompson River Ranch neighborhood.
- *Weeds* – Staff took care of the weeds on the Purvis property. Weeds were also sprayed in Clearview, Country Acres, and the Seep Ditch north of the future park in Carlson Farms.
- *Streets* – All streets in Old Town and SH60 were swept with the sweeper. County Roads 46, 42, and 44 were all graded twice each for a total of 6 miles.
- *Fleet* – New tires were installed on Police unit 9. New tires were installed and oil changes were completed on two water trucks.
- *Trash Collection RFP* – Staff awarded the Trash Solid Waste and Recycling Services to Waste Connections. Services to begin in September.
- *2nd Street Bridge* – Staff is working with legal to develop a Design Build Contract for Council award. Currently verifying design approach with Hillsborough Ditch. We anticipate presenting consideration for the award at the August 2 Council meeting.

Water Plant & System

- *Algae Levels* – Algae in the Town Reservoir is high. The new floating ultrasonic algae control units are set to arrive sometime in July.
- *Flows* – Constant adjustments to flows have been required with one tank offline. The North tank near Highway 34 is requiring 3-4 changes per night every few hours to maintain sufficient tank levels.

- *GAC Update* – Town Staff is working through material sourcing for the connections between the manifold and the vessels. The above ground pipe and concrete restraints should be installed the second week of July to reinforce pipe. Next steps are to work with the engineer to finalize a sample location, complete piping connections, and disinfect piping.

Wastewater Plants and Collection System

- *Central Plant* – The Central WWTP is currently adjusting the recycle pumps for the DAF to improve circulation. We are also in the process of evaluating and fine tuning the adjustments.
- *WWTP Retrofit Low Point* – Staff is evaluating relocating electrical lines and installing a larger transformer. Contractor and engineer are working through design valve engineering.
- *Sewer Interceptor Project* – The force main is installed up to south side of SH60. Lift station excavation is currently underway, but encountering groundwater.

Development & Project Updates

- *County Road 3 Update* – Road contractor is performing structural work for parapet walls along box culvert. The sewer contractor still needs to install the final sewer line across CR18/402. Material delays have affected this project as well as others in the Town of Johnstown. Access off CR 18 will be closed again to finish final sewer work tentatively scheduled for July 12-16. Once sewer is complete, the road will be placed back in its original condition and maintained in that condition until project completion. Undergrounding of electrical lines will happen later this summer. Completion of the water line north from box culvert to River Ranch Parkway also needs to be completed. We appreciate resident cooperation and understanding through this project.



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021

SUBJECT: Ordinance 2021-204 Annexing property known as the North Ridge Annexation

ACTION PROPOSED: Hold Public Hearing and Consider Ordinance 2021-204 on First Reading -Annexing certain unincorporated lands located in Larimer County, known as the North Ridge Annexation, containing approximately 35.32 acres

ATTACHMENTS:

1. Ordinance 2021-204
2. Petition
3. Vicinity Map
4. Annexation Map
5. PZC Agenda Memorandum for Annexation & Zoning

PRESENTED BY: Kim Meyer, Planning & Development Director

AGENDA ITEM DESCRIPTION:

The Town has received a petition for annexation from RidgeCo II, LLC, et al, for the North Ridge Annexation (Attachment 2). This proposed parcel to be annexed meets the eligibility and contiguity requirements of CRS 31-104 and 105, and is surrounded by Johnstown on all sides. (See Attachment 4). A Resolution to this effect was approved by Council on June 7, 2021. The property encompasses approximately 35.32 acres, located east of the I-25 frontage road, adjacent to the Thompson River Ranch subdivision, and south of the Abundant Life Tabernacle Church. (See Attachment 3).

The Planning & Zoning Commission (PZC) held a public hearing on June 9, 2021, to consider the North Ridge Annexation (Case ANX20-0004). Public comment was given by two neighbors in the area, with concerns for how the existing ditch will be addressed in development, and requesting a privacy fence along property lines, adjoining the proposed development area. A Thompson River Ranch neighbor is concerned for his mountain views, density, impact on his very low water pressure, and his property value. Concern was also expressed regarding the increase in traffic on CR 18. Staff indicated that the development-level details are noted and will be further addressed at subdivision and development planning. The Applicant spoke of the intent to “culvert” the ditch and that there are existing agreements with the Gard Lateral Ditch Co.; also

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indicated that likely both parties would likely want perimeter fencing for screening and buffering between these uses.

The Planning & Zoning Commission Agenda Memorandum attached (See Attachment 5) provides background and historical use of the property. The property has been undeveloped agricultural land until recently. The memo also describes notification and a remote Neighborhood Meeting held on April 27, 2021, which no neighbors attended.

The Johnstown Review Committee reviewed this project and provided redlines and comments, which have been addressed by the Applicant. Referrals of this Annexation were sent to Loveland and Larimer County. Loveland indicated their preference that development adjacent to this interchange reflect the guiding principles of their 402 Corridor Plan, and to receive copies of Traffic studies for this area, which Staff has provided. Larimer County noted a small triangular parcel that is not included in the annexation – that is a separate parcel of land deeded by Warranty Deed (Rec #20180039394) to CDOT, so therefore not right-of-way, which would be simple to include in an annexation, but a fee simple parcel that would require difficult-to-coordinate CDOT approvals and signatures. Full referral packets, required per C.R.S., were sent via registered mail to the Larimer County Board of County Commissioners, the County Attorney, and all Special Districts.

Based upon the materials submitted, analysis, and findings, the PZC approved a motion (4-0) to recommend to Town Council approval of this annexation request.

This petition and application for annexation is accompanied by companion requests, on this Council agenda, for Establishment of Zoning to PUD-MU (Planned Unit Development – Mixed Use), an Annexation Agreement, and a PUD Outline Development Plan (ODP) for a larger area that encompasses this annexation area.

Note: There was a discrepancy found in the legal description as additional work was done by the Applicant on this property. The current annexation plat and PZC staff report show a 36.971 AC property; with the revised legal the Town was recently provided, the property encompasses 35.32 AC. Staff has requested updated plat that fully reflect this corrected legal in the notations and legal descriptions on that plat; this revision will be included with Council packets for the 2nd reading, to ensure a corrected plat for Council approval, signature, and recordation.

LEGAL ADVICE:

Ordinance was prepared by the Town Attorney.

FINANCIAL ADVICE:

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NA

RECOMMENDED ACTION:

Approve Ordinance 2021-204 Annexing the 35.32-acre North Ridge Annexation on First Reading.

SUGGESTED MOTIONS:

For Approval

I move to approve Ordinance 2021-204 Annexing 35.32-acres known as the North Ridge Annexation on First Reading.

For Denial

I move to deny Ordinance 2021-204 with the following findings...

Reviewed and Approved for Presentation,



Town Manager

TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2021-204

**ANNEXING CERTAIN UNINCORPORATED LANDS LOCATED IN THE
 NORTHWEST QUARTER OF THE SOUTHEAST QUARTER (NW ¼ OF
 SE ¼) OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE
 6TH P.M., COUNTY OF LARIMER, STATE OF COLORADO,
 CONSISTING OF APPROXIMATELY 35.32 ACRES AND KNOWN AS
 THE NORTH RIDGE ANNEXATION**

WHEREAS, by Resolution No. 2021-18, the Town Council of the Town of Johnstown, Colorado found a petition for annexation of certain property situated in the Northwest Quarter of the Southeast Quarter (NW ¼ of SE ¼) of Section 22, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado, consisting of approximately 35.32 acres, known as the “North Ridge Annexation,” being more particularly described on Exhibit A, which is attached hereto and incorporated herein by this reference, to be in substantial compliance with C.R.S. § 31-12-107(1); and

WHEREAS, after notice pursuant to C.R.S. § 31-12-108, on July 19, 2021, the Town Council has held a public hearing on the proposed annexation to determine if the annexation complies with C.R.S. §§ 31-12-104 and 105; and

WHEREAS, the Town Council has determined that the requirements of C.R.S. §§ 31-12-104 and 105 have been met, that an election is not required and that no additional terms or conditions are to be imposed on the annexed area.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT:

Section 1. The annexation of certain unincorporated property situated in the Northwest Quarter of the Southeast Quarter (NW ¼ of SE ¼) of Section 22, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado, consisting of approximately 35.32 acres, being more particularly described on Exhibit A, be and the same is hereby approved and said unincorporated area is hereby incorporated and made a part of the Town of Johnstown, Colorado.

Section 2. That the annexation of such unincorporated area to the Town of Johnstown, Colorado shall be complete and effective on the effective date of this Ordinance, except for the purpose of general property taxes, and shall be effective as to general property taxes on and after the first day of January, 2022.

Section 3. That, within thirty (30) days of the effective date of this Ordinance, the Town Clerk be and is hereby authorized and directed to:

- A. File one copy of the annexation map with the original of the annexation ordinance in the office of the Town Clerk; and

- B. File two certified copies of the annexation ordinance and map of the area annexed containing a legal description of such area with the Larimer County Clerk and Recorder.

Section 4. This Ordinance shall take effect as provided by State law.

INTRODUCED AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this __ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this _____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

PETITION FOR ANNEXATION
To the Town of Johnstown
(Larimer County)

The undersigned, in accordance with Article 12, Chapter 31, CRS, as amended, hereby petition the Town Council of the Town of Johnstown, Colorado, for annexation to the Town of Johnstown the unincorporated territory more particularly described below, currently known as North Ridge Johnstown, and in support of said Petition, your petitioners allege that:

- (1) It is desirable and necessary that the following described territory be annexed to the Town of Johnstown, Colorado:

See Exhibit A attached hereto and made a part hereof.

- (2) Not less than one-sixth (1/6) of the perimeter of that area proposed to be annexed is contiguous with the Town of Johnstown, Colorado.
- (3) A community of interest exists between the territory proposed to be annexed and the Town of Johnstown, Colorado.
- (4) The territory proposed to be annexed is urban or will be urbanized in the near future;
- (5) The territory proposed to be annexed is integrated or is capable of being integrated with the Town of Johnstown, Colorado;
- (6) The signatures of the Petition comprise one hundred percent (100%) of the landowners of the territory to be included in the area proposed to be annexed and said landowners attesting to the facts and agreeing to the conditions herein contained will negate the necessity of any annexation election;
- (7) No land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate:
- (a) Is divided into separate parts or parcels without the written consent of the landowner or landowners thereof, unless such tracts or parcels are separated by a dedicated street, road or other public way;
 - (b) Comprising twenty (20) acres or more and which, together with the building and improvements situated thereon has an assessed value in excess of Two Hundred Thousand Dollars (\$200,000.00) for ad valorem tax purposes to be annexed without the written consent of the landowner or landowners.
- (8) No part of the area proposed to be annexed is more than three miles from a point on the municipal boundary, as such was established more than one year before this annexation will take place;

- (9) The area proposed to be annexed comprises more than ten acres and an impact report as provided in Section 31-12-105.5, CRS, as amended, is required.
- (10) The area proposed to be annexed is located within Larimer County, Thompson School District, Northern Colorado Water Conservancy District, Little Thompson Water District, Loveland Rural Fire Protection District, Aims Junior College District, and no others;
- (11) The mailing address of each signer, the legal description of the land owned by each signer and the date of signing of each signature are all shown on this Petition;
- (12) Accompanying this Petition are five (5) prints of the area proposed to be following information:
 - (a) A written legal description of the boundaries of the area proposed to be annexed;
 - (b) A map showing the boundary of the area proposed to be annexed, such map prepared and containing the seal of a registered engineer or land surveyor;
 - (c) Within the annexation boundary map there is shown the location of each ownership tract in unplatted land, and if part or all of the area is to be platted at the time of the effectiveness of the annexation (as opposed to after such effectiveness), then the boundaries and the plat number of plots or of lots and blocks are shown;
 - (d) Next to the boundary of the area proposed to be annexed is drawn the contiguous boundary of the Town of Johnstown, and the contiguous boundary of any other municipality abutting the area proposed to be annexed;
 - (e) The dimensions of the contiguous boundaries are shown on the map.
 - (f) A proposed drainage plan and a proposed utilities plan.
- (13) The territory to be annexed is not presently a part of any incorporated city, city and county, or town;
- (14) The undersigned agree to the following conditions, which shall be covenants running with the land, and which shall, at the option of the Town, appear on the annexation map:
 - (a) Water rights shall be provided as mutually agreed to by the Town and the undersigned; The undersigned specifically agree that they have not sold or transferred any water rights appurtenant to their property within the past

year nor will they do so during the pendency of this annexation petition and once annexed to the Town of Johnstown, they will not sell or transfer any water rights appurtenant to the subject property without the prior written approval of the Johnstown Town Council.

- (b) The owners shall participate in providing drainage plan and improvements and payment of a unit drainage fee as may be required by the Town the area;
 - (c) The undersigned hereby waive any and all “vested rights” previously created pursuant to Section 24-68-103, CRS, as amended.
 - (d) The undersigned and the Town may enter into an Annexation Agreement prior to the effective date of this annexation, which agreement shall be additional conditions as effectively as if set forth in this Petition.
- (15) Petitioner represents that: (Check one)
- x No part of the property to be annexed is included within any site specific development plan approved by Larimer County, Colorado.
- A site specific development plan has been approved by Larimer County, Colorado, which has created a vested right.
- (16) Submitted with this Petition is the required \$100.00 for publication costs.

EXECUTED this 12th day of July 2021.

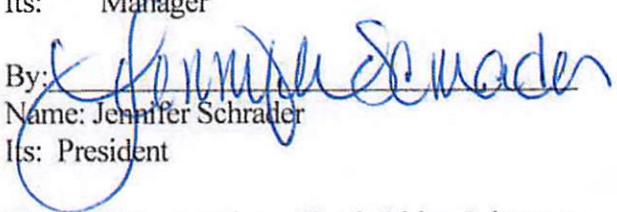
Ridge II HoldCo, LLC
a Delaware limited liability company

By: Ridge II ManageCo, LLC
a Delaware limited liability company
Its: Manager

By: Caliber Services, LLC
an Arizona limited liability company
Its: Manager

By: Caliber Companies, LLC
an Arizona limited liability company
Its: Managing Member

By: CaliberCos Inc.
a Delaware corporation
Its: Manager

By: 
Name: Jennifer Schrader
Its: President

Name of Annexation: North Ridge Johnston

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this ____ day of July 2021,
by Ridge II HoldCo, LLC, a Delaware limited liability company, by Jennifer Schrader,
Director.

Witness my hand and official seal.

My commission expires: _____

Notary Public

AFFIDAVIT OF CIRCULATOR

The undersigned, being of lawful age, who being first duly sworn upon oath, deposes and says:

That (he or she) was the circulator of the foregoing Petition for Annexation of lands to the Town of Johnstown, Colorado, consisting of five (5) pages, including this page and that each signature thereon was witnessed by your affiant and is the true signature of the person whose name it purports to be.

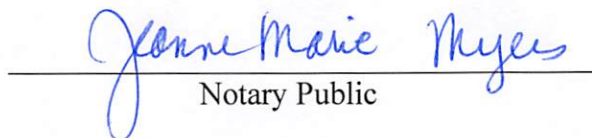

 Mark F. Hunter, Circulator

STATE OF COLORADO)
) ss
 COUNTY OF BOULDER)

The foregoing Affidavit of Circulator was subscribed and sworn to before me this 9th day of July 2021 by Mark F. Hunter.

Witness my hand and official seal.

My commission expires: 7/15/2024


 Notary Public

JEANNE MARIE MYERS Notary Public State of Colorado Notary ID # 20064008374 My Commission Expires 01-15-2024

EXHIBIT D**FORM--IRREVOCABLE LETTER OF CREDIT**

NAME OF ISSUING BANK _____
ADDRESS OF ISSUING BANK _____

Town of Johnstown
 450 So. Parish
 P. O. Box 609
 Johnstown, CO 80534

ATTENTION: TOWN OF JOHNSTOWN ATTORNEY AND TOWN MANAGER

We hereby establish, at the request and for the account of this Irrevocable Letter of Credit in favor of the Town of Johnstown in the amount of \$ _____. The purpose of this Letter of Credit is to secure performance of a Development Agreement for _____, dated this day _____ of _____, 20____, between the Town of Johnstown and _____.

You are hereby authorized to draw by drafts or written demands up to the aggregate amount of \$ _____. The sole condition for payment of any demand made or draft drawn against this Irrevocable Letter of Credit is that the Town's demand or draft be accompanied by a letter, on the Town's stationery, signed by the Town Manager to the effect that "the Town of Johnstown has declared a default under the Development Agreement."

Partial and multiple drawings are permitted hereunder.

We hereby agree with the Town of Johnstown and its drawers, endorsers, and bona fide holders of demands made or drafts negotiated under this Letter of Credit that the same shall be duly honored upon presentation and delivery of the documents as specified above.

This Irrevocable Letter of Credit is not transferable.

This Letter of Credit shall be for a twelve (12) month term from the date of execution hereof. It is a condition of this Letter of Credit that it shall be automatically renewed, without amendment, for additional periods of one year each from the present or any future expiration date, unless, at least sixty (60) calendar days prior to the effective expiration date, the Town Manager notifies you in writing delivered by certified U.S. mail, return receipt requested, to your address set forth above that the Town of Johnstown elects not to renew this Letter of Credit for any further additional period. Upon your receipt of our written notification of impending expiration, you may draw the unused balance of this Irrevocable Credit upon your written demand or your sight draft.

With the exception of C.R.S. §4-5-108(b) concerning the period of time in which to honor or reject a draft, demand or credit, this Letter of Credit shall be governed and construed in accordance with the laws of the State of Colorado. In the event of a conflict between the provisions of the Colorado Uniform Commercial Code and the provisions hereof, the provisions hereof shall control.

Signed this _____ day of _____, 20____.

Issuing Bank: _____

By: _____

Officer's Title: _____

Address: _____

STATE OF)
) ss.
COUNTY OF)

SUBSCRIBED AND SWORN to before me this _____ day of _____,
20____, by _____ as the _____ of _____.

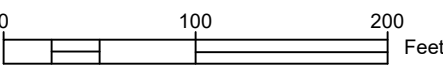
WITNESS my hand and official seal.

My commission expires:

Notary Public

NORTH RIDGE ANNEXATION VICINITY MAP





Reception No. 20180039394
Book 712, Page 186

and being more particularly described by metes and bounds as follows:

COMMENCING at the Center Quarter corner of said Section 22 and assuming the North line of said NW1/4SE1/4 as bearing North 89°31'03" East, as monumented as shown on this plat, being a Grid Bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/2011, a distance of 1320.19 feet, and with all bearing contained herein relative thereto;

THENCE North 89°31'03" East along said North line a distance of 75.00 feet to the East line of said Book 712, Page 186 and to the POINT OF BEGINNING;
THENCE North 89°31'03" East continuing along said North line a distance of 1245.19 feet to the Northeast corner of the NW1/4SE1/4;
THENCE South 00°33'46" East along the East line of the NW1/4SE1/4 a distance of 1311.33 feet to the Southeast corner of the NW1/4SE1/4;
THENCE South 89°29'02" West along the South line of the NW1/4SE1/4 a distance of 1038.10 feet;
Thence along the Westerly lines of said Reception No. 20180039395 the following three courses:
THENCE along the arc of a curve, non-tangent to the aforesaid line, concave to the Northeast a distance of 325.89 feet, having a Radius of 1255.00 feet, a Delta of 14°52'41" and is subtended by a Chord that bears North 34°24'06" East a distance of 225.00 feet;
THENCE South 63°20'02" West along a line non-tangent to the aforesaid curve a distance of 42.17 feet to the East line of Book 712, Page 186;
THENCE North 00°03'59" East along said East line a distance of 1061.12 feet to the POINT OF BEGINNING;

Said parcel contains 1,610,450 Square Feet or 36.971 Acres more or less by this survey.

By: _____ As: _____

Witness my hand and seal this _____ day of _____, 20 ____.

STATE OF COLORADO)
 ss
COUNTY OF LARIMER)
The foregoing instrument was acknowledged before me by _____ as _____ this _____ day of _____, 20____.
Witness my Hand and Official Seal.
My commission expires: _____.

By: _____ As: _____

Witness my hand and seal this _____ day of _____, 20____.

STATE OF COLORADO)
 ss
 COUNTY OF LARIMER)
 The foregoing instrument was acknowledged before me by _____ as _____ this ____ day of _____, 20____.
 Witness my Hand and Official Seal.
 My commission expires: _____.

I, Steven Parks, a Colorado Licensed Professional Land Surveyor, do hereby state that this Annexation Map is an accurate representation of the property to the best of my knowledge, information, belief, and in my professional opinion. I further state that this certificate does not extend to any unnamed parties or the successors and/or assigns.

This Map to be known as NORTH RIDGE ANNEXATION was recommended to the Town Council for approval by action of the Planning and Zoning Commission of the Town of Johnstown, Colorado at the regular meeting held on the _____ day of _____, _____.

Chair, Planning & Zoning Commission

This Map to be known as NORTH RIDGE ANNEXATION is approved and accepted to the Town of Johnstown, Colorado by Ordinance Number _____, passed and adopted on final reading at a regular meeting of the Town Council of the Town of Johnstown, Colorado held on the ____ day of _____, 20__.

Mayor

Attest:
Town Clerk

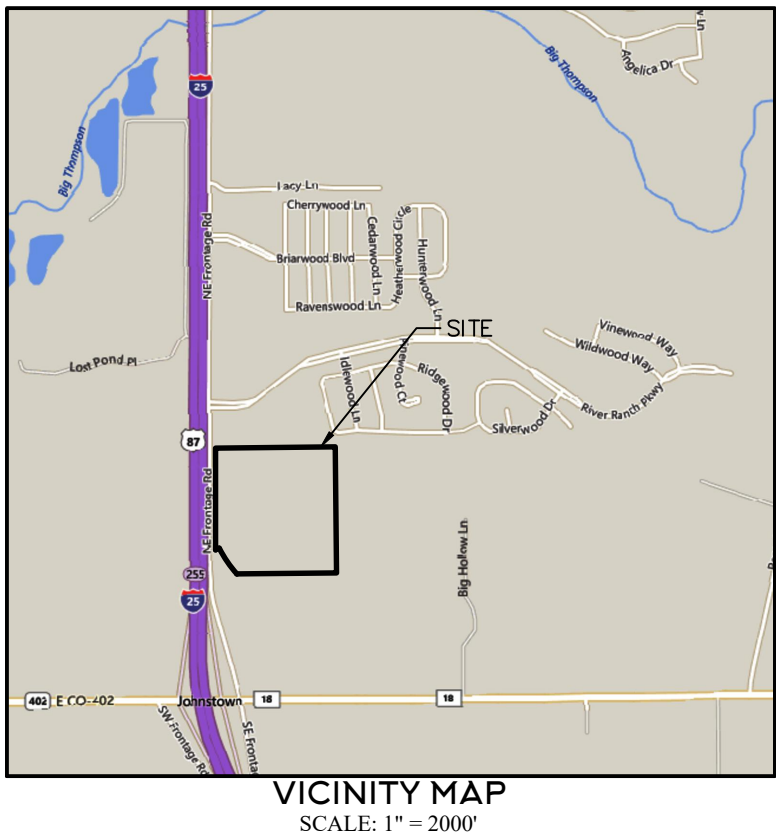
Assuming the North line of the Northwest Quarter of the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the 6th P.M., monumented as shown on this plat, as bearing North 89°31'03" East, a distance of 1320.19 feet and with all other bearings contained herein relative thereto.

The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."

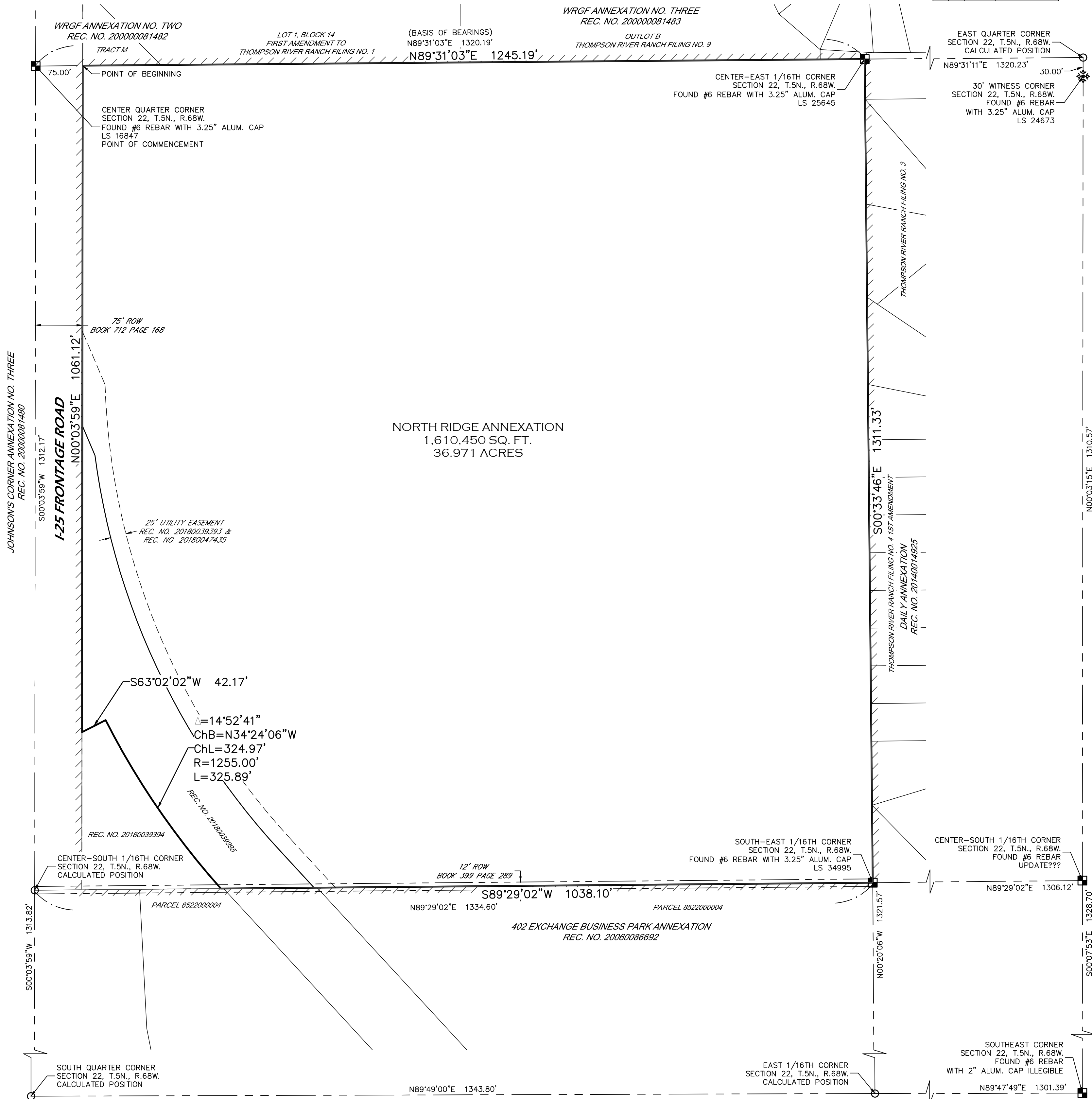
According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon. (13-80-105 C.R.S. 2012)

For all information regarding easements, rights-of-way and title of records, Majestic Surveying, LLC relied upon Title Commitment Number 35100-19-11002, dated October 17, 2019, as prepared by North American Title Company of Colorado to delineate the aforesaid information. This survey does not constitute a title search by Majestic Surveying, LLC to determine ownership or easements of record.

TOTAL BOUNDARY: 5,023 L.F.
 CONTIGUOUS BOUNDARY: 4,656 L.F.
1/6 OF TOTAL BOUNDARY 837 L.F.
 RATIO 1:1.08



	BOUNDARY LINE
	EASEMENT LINE
	RIGHT OF WAY LINE
	SECTION LINE
	TOWN LIMITS
	ALIQUOT CORNER AS DESCRIBED
	WITNESS CORNER
	CALCULATED POSITION



 MAJESTIC SURVEYING MAJESTIC SURVEYING, LLC 1111 DIAMOND VALLEY DRIVE #104, WINDSOR, CO 80550	PROJECT NO: 2020124	PROJECT NAME: NORTH RIDGE	REVISIONS:	DATE:	1 SHEET 1 OF 1
	DATE: 5-12-2020	CLIENT: JUB ENGINEERS			
	DRAWN BY: SIP	FILE NAME: 2020124ANNEX			
	CHECKED BY: SIP	SCALE: 1" = 100'			



Town of Johnstown

PLANNING & ZONING COMMISSION AGENDA MEMORANDUM

ITEM:	3a: Annexation 3b: Establishment of Zoning
DESCRIPTION:	North Ridge Annexation and Establishment of Zoning for 36.97 acres
LOCATION:	Portion of Southeast ¼, Section 22, Township 5 North, Range 68 West
APPLICANT:	Ridge II ManageCo, LLC; Caliber Services, LLC; Caliber Companies, LLC; CaliberCos Inc.
STAFF:	Darryll Wolnik, Planner II
HEARING DATE:	June 9, 2021

BACKGROUND & SUMMARY

The applicant, Caliber Development, requesting annexation of 36.97 acres of land,). The property is located in the Southeast ¼ of Section 22, Township 5 North, Range 68 West. More specially, it is located along the Frontage Road, North of County Road 18 / Freedom Pkwy. Petitioner is proposing zoning of PUD-MU (Planned Unit Development – Mixed Use).

The subject property is presently zoning FA – Farming in unincorporated Larimer County. It is bordered on all sides by incorporated areas of Johnstown, though there are portions of unincorporated Larimer County slightly beyond adjacent parcels. Zoning in all surrounding parcels is PUD-MU. There is land presently in unincorporated Larimer County just to the Southeast that is zoned FA.

Surround land uses are as follows. Thompson River Ranch, a single-family residential development, is adjacent to the North and East. I-25 and the Frontage Rd. run North-South on the West side of this property, with the Mountain View Farms PUD on the other side of the ROW. That PUD is currently used for agricultural purposes. To the South is undeveloped land currently that is siting vacant as part of The Ridge development. Properties to the Southeast, beyond The Ridge and Thompson River Ranch, are used for agricultural and large-lot residential purposes.

HISTORY

Historically, this property has been used for farming. There was a farmhouse and active farm on the property until 2018-2019, when the frontage road was re-routed. The farmhouse was demolished at that

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time, in order to make way for the re-routed frontage road, which passed directly over the site of the former home. At some point, CDOT took part of the property for said roadway improvements and realignment, resulting in the current parcel.

Based on aerial imagery, it appears agricultural operations ceased between 2016 and 2018, and the fields were left unutilized.

ATTACHMENTS

- 1-Vicinity Map
- 2- Application & Petition
- 3-Annexation Map
- 4-Zoning Map

NOTICE

Notice for the Planning & Zoning Commission hearing was published in the local paper of widest circulation, the Johnstown Breeze, on Thursday, July 13, 2021. This notice provided the date, time, and location of the Planning and Zoning Commission hearing, as well as a description of the project. Notices were mailed to all property owners within 500 feet of the property in question. This notice included a map of the proposed annexation and zoning.

On Monday, June 7, 2021, Town Council passed Resolution 2021-18, finding the proposed annexation in substantial compliance with Colorado Revised Statutes and the Colorado Constitution. This resolution set the public hearing date for the proposed annexation as Wednesday, July 7, 2021.

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NEIGHBORHOOD MEETING

An online neighborhood meeting was held on Tuesday, September 27, 2021. Notice for said meeting was mailed to all property owners within 500 feet of the proposed annexation advertising the meeting time and place. Town Staff and the Applicants team were present and no resident attended.

ANALYSIS

Annexation: This annexation is being considered by the Town for the following reasons:

1. At least 1/6 of the area to be annexed for each individual annexation is contiguous to the Town of Johnstown boundary.
2. The property is planned to be zoned and developed as urban-level development.
3. The property is located within the Town of Johnstown Growth Management Area.
4. The Town is capable of providing water, sewer, and police service to the property.
5. The Town is authorized to annex the area without an election under Section 30(b) of Article II of the Colorado Constitution.

Johnstown Comprehensive Plan Alignment

P.2-5: The intersection of County Road 18 and I-25 is projected as a “Gateway Center”, meaning this is not only a major entryway in Town, but also a center of development. In addition, this area is “Commercial Mixed Use” and is at the crossroads of a major arterial, a minor arterial, and I-25.

Goal CF-1: New development achieves the community’s goals and is consistent with the Town’s vision – Contiguous, compact pattern.

This proposal would create areas for medium-density housing. Additionally, it makes use of the “keyhole” property to its best and highest use. This land would otherwise be left undeveloped and vacant between the Frontage Road and I-25.

Goal CF-2: Beautiful Town gateways and entries at major intersections – gateways.

The proposed annexation sits at the intersection of County Road 18 and I-25, one of The Town’s most important and visible gateways. Zoning as proposed at this intersection would increase visibility and draw people into Johnstown.

Zoning & Development Standards

The current zoning for the property is FA – Farming in Larimer County. There are no conditional uses or uses by special review for the property.

The applicant requests zoning PUD-MU upon annexation. An ODP is also proposed and is separate from this proposal. Said ODP would create basic zoning and land use standards.

Infrastructure

There is currently no Town water service to the property. Applicant proposes looping the existing water line in Thompson River Ranch through this property. It would then tie into the proposed water lines in the Ridge 3 development to the south.

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Sanitary sewer for the site would be handled by the Low Point Waste Water Treatment Plant (WWTP). Connections for sanitary sewer will be made at two potential locations. One connection would be to the line in Thompson River Ranch, while the other would be on the Johnson's Corner interceptor along County Road 18. The exact routing is still under consideration, but construction of infrastructure and conveyance of wastewater is absolutely possible.

Major transportation infrastructure is already in place for this annexation. The Frontage Road is slated as a minor arterial road in the Johnstown Master Transportation Plan. The required ROW has previously been dedicated, so there is no concern in that regard. Applicant will need to work with The Town and CDOT regarding access onto the Frontage Road. The Town will expect appropriate roadway improvements be completed at time of development.

Staff Concerns

Staff has no concerns for the annexation.

RECOMMENDED PLANNING AND ZONING COMMISSION FINDINGS AND MOTIONS

Item #3a Annexation: North Ridge Annexation

It is recommended that Planning and Zoning Commission send a positive recommendation to Town Council that the North Ridge Annexation be approved based upon the following findings:

1. The area is contiguous to the Town of Johnstown along at least 1/6 of its boundaries.
2. The property is located within the Town of Johnstown Growth Management Area.
3. The Town can adequately and efficiently provide utility and police services.
4. The proposed zoning is consistent with the Town of Johnstown Comprehensive Plan.
5. The property is eligible for annexation without election pursuant to the Colorado Constitution Article II, Section 30(b).

Recommended Motion

Based on the application received, associated submittal materials, and the preceding analysis, the Planning & Zoning Commission finds that the request for the North Ridge Annexation furthers the *Johnstown Area Comprehensive Plan* goals, and is compatible with all other applicable Town standards and regulations, and therefore moves to recommend to the Town Council approval of the North Ridge Annexation based upon the findings as stated in the staff report.

Alternate Motions

- A. Motion to Approve with Conditions: "I move that the Commission recommend to Town Council approval of the North Ridge Annexation with the following conditions..."
- B. Motion to Deny: "I move that the Commission recommend to the Town Council denial of the North Ridge Annexation based upon the following..."

Item #3b Zoning: North Ridge Annexation- Establishment of Zoning

It is recommended that Planning and Zoning Commission send a positive recommendation to Town Council that the requested zoning of PUD-MU for the North Ridge Annexation be approved based upon the following findings:

- 1. The proposed zoning is consistent with the Town of Johnstown Comprehensive Plan.
- 2. The proposed zoning and accompanying uses are the best use for the area, namely commercial uses at the major intersections.

Motion

Based on the application received, associated submittal materials, and the preceding analysis, the Planning & Zoning Commission finds that the request for PUD-MU zoning for the North Ridge Annexation furthers the *Johnstown Area Comprehensive Plan* goals, and is compatible with all other applicable Town standards and regulations, and therefore moves to recommend to the Town Council approval of the request for PUD-MU zoning for the North Ridge Annexation based upon the 2 findings as stated in the staff report.

Alternate Motion

Motion to Deny: "I move that the Commission recommend to the Town Council denial of the request for PUD-MU zoning for the North Ridge Annexation based upon the following..."

Planner:



Darryll Wolnik

Planner II

Reviewed by:



Kim Meyer

Planning & Development Director

File Name: S:\PLANNING\2020 Land Use Projects\ANX20-004 North Ridge Annexation\Hearings – PZC North Ridge ANNEX PUD Staff Report 06 09 21.docx

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Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE:	July 19, 2021
SUBJECT:	Ordinance 2021-205 Approving the Establishment of PUD-MU Zoning for the North Ridge Annexation
ACTION PROPOSED:	Hold Public Hearing and Consider Ordinance 2021-205 on First Reading - Approving the Establishment of PUD-MU Zoning for the North Ridge Annexation
ATTACHMENTS:	1. Ordinance 2021-205 2. Vicinity Map 3. North Ridge Zoning Plat 4. PZC Agenda Memorandum – Annexation and Zoning
PRESENTED BY:	Kim Meyer, Planning & Development Director

AGENDA ITEM DESCRIPTION:

In conjunction with a Petition for Annexation for the North Ridge Annexation, the Town has received a request to establish zoning on this 35.32 acres of PUD-MU (Planned Unit Development – Mixed Use). A separate Outline Development Plan is being proposed to further define the PUD zoning for a larger 60-acre area, which included this 35.32-acre property.

The property is located east of the I-25 frontage road, adjacent to the Thompson River Ranch subdivision, and south of the Abundant Life Tabernacle Church. (See Attachment 2).

The Planning & Zoning Commission (PZC) held a public hearing on June 9, 2021, to consider the North Ridge Zoning (Case ZON20-0005). Public comment was given by two neighbors in the area, with concerns for how the existing ditch will be addressed in development, and requesting a privacy fence along property lines, adjoining the proposed development area. A Thompson River Ranch neighbor is concerned for his mountain views, density, impact on his very low water pressure, and his property value. Concern was also expressed regarding the increase in traffic on CR 18. Staff indicated that the development-level details are noted and will be further addressed at subdivision and development planning. The Applicant spoke of the intent to “culvert” the ditch and that there are existing agreements with the Gard Lateral Ditch Co.; also indicated that likely both parties would likely want perimeter fencing for screening and buffering between these uses.

The Planning & Zoning Commission Agenda Memorandum attached (See Attachment 3) provides background and historical use of the property. The property has been undeveloped agricultural land until recently. The memo also describes notification and a remote Neighborhood Meeting held on April 27, 2021, which no neighbors attended.

Based upon the materials submitted, analysis, and findings, the PZC approved a motion (4-0) to recommend to Town Council approval of this zoning request.

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Note: There was a discrepancy found in the legal description as additional work was done by the Applicant on this property. The current annexation plat and PZC staff report show a 36.971 AC property; with the revised legal the Town was recently provided, the property encompasses 35.32 AC. Staff has requested updated plat that fully reflect this corrected legal in the notations and legal descriptions on that plat; this revision will be included with Council packets for the 2nd reading, to ensure a corrected plat for Council approval, signature, and recordation.

LEGAL ADVICE:

Ordinance was prepared by the Town Attorney.

FINANCIAL ADVICE:

NA

RECOMMENDED ACTION:

Approve Ordinance 2021-205 approving PUD-MU Zoning for the property known as North Ridge Annexation on First Reading.

SUGGESTED MOTIONS:

For Approval

I move to approve Ordinance 2021-205 approving PUD-MU Zoning for the property known as North Ridge Annexation on First Reading.

For Denial

I move to deny Ordinance 2021-205 with the following findings...

Reviewed and Approved for Presentation,



Town Manager

TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2021-205

**APPROVAL OF PUD-MU ZONING OF THE PROPERTY KNOWN AS
 NORTH RIDGE ANNEXATION LOCATED IN THE NORTHWEST
 QUARTER OF THE SOUTHEAST QUARTER (NW ¼ OF SE ¼) OF
 SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE 6TH P.M.,
 COUNTY OF LARIMER, STATE OF COLORADO AND CONSISTING OF
 APPROXIMATELY 35.32 ACRES**

WHEREAS, the Town Council of the Town of Johnstown approved annexation of certain property situated in the Northwest Quarter of the Southeast Quarter (NW ¼ of SE ¼) of Section 22, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado, consisting of approximately 35.32 acres, being more particularly described on Exhibit A, which is attached hereto and incorporated herein by this reference, known as the North Ridge Annexation (“Property”); and

WHEREAS, the property owners applied for Planned Unit Development – Mixed Use (“PUD-MU”) zoning of the Property in conjunction with annexation; and

WHEREAS, pursuant to state law, upon annexation, the Town Council must zone the Property within ninety (90) days; and

WHEREAS, the Town Planning and Zoning Commission held a hearing and recommended approval of PUD-MU zoning on the Property; and

WHEREAS, on July 19, 2021, the Town Council held a public hearing to determine appropriate zoning for the Property and, based upon the evidence received at the hearing, finds that the requested zoning of the Property to PUD-MU conforms to the Town’s Comprehensive Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT:

1. Zoning of the Property known as the North Ridge Annexation and more particularly described on the attached Exhibit A shall hereby be designated as PUD-MU.
2. The Town Clerk is hereby directed to publish this Ordinance as required by the Town’s Home Rule Charter and state law and file this Ordinance with the real estate records of the Larimer County Clerk and Recorder.

INTRODUCED AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this ___ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this ____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

NORTH RIDGE ANNEXATION VICINITY MAP



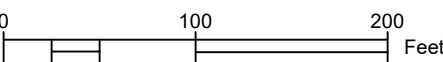
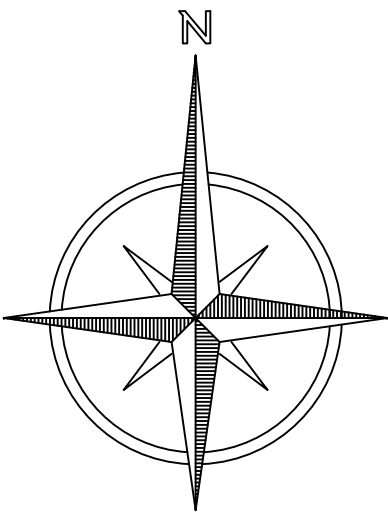
NORTH RIDGE ZONING MAP

TOWN OF JOHNSTOWN, COLORADO

SITUATE IN THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE 6TH P.M.

TOWN OF JOHNSTOWN, COUNTY OF LARIMER, STATE OF COLORADO

36.971 ACRES



PROPERTY DESCRIPTION

The Northwest Quarter of the Southeast Quarter (NW1/4SE1/4) of Section Twenty-two (22), Township Five North (T.5N.), Range Sixty-eight West (R.68W.) of the Sixth Principal Meridian (6th P.M.), County of Larimer, State of Colorado,
EXCEPT THOSE PARCELS DESCRIBED IN THE FOLLOWING DOCUMENTS:

Reception No. 20180039394
Book 712, Page 186

and being more particularly described by metes and bounds as follows:

COMMENCING at the Center Quarter corner of said Section 22 and assuming the North line of said NW1/4SE1/4 as bearing North 89°31'03" East, as monumented as shown on this plat, being a Grid Bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/2011, a distance of 1320.19 feet, and with all bearing contained herein relative thereto;

THENCE North 89°31'03" East along said North line a distance of 75.00 feet to the East line of said Book 712, Page 186 and to the POINT OF BEGINNING;
THENCE North 89°31'03" East continuing along said North line a distance of 1245.19 feet to the Northeast corner of the NW1/4SE1/4;
THENCE South 00°33'46" East along the East line of the NW1/4SE1/4 a distance of 1311.33 feet to the Southeast corner of the NW1/4SE1/4;
THENCE South 89°29'02" West along the South line of the NW1/4SE1/4 a distance of 1038.10 feet;
THENCE along the Westerly lines of said Reception No. 20180039395 the following three courses:
THENCE along the arc of a curve, non-tangent to the aforesaid line, concave to the Northeast a distance of 325.89 feet, having a Radius of 1255.00 feet, a Delta of 14°52'41" and is subtended by a Chord that bears North 34°24'06" West a distance of 324.97 feet;
THENCE South 63°02'02" West along a line non-tangent to the aforesaid curve a distance of 42.17 feet to the East line of Book 712, Page 186;
THENCE North 00°03'59" East along said East line a distance of 1061.12 feet to the POINT OF BEGINNING;

Said parcel contains 1,610,450 Square Feet or 36.971 Acres more or less by this survey.

PLANNING AND ZONING APPROVAL

This Map to be known as NORTH RIDGE ZONING MAP was recommended to the Town Council for approval by action of the Planning and Zoning Commission of the Town of Johnstown, Colorado at the regular meeting held on the ____ day of _____, 20__.

Chair Planning & Zoning Commission

TOWN COUNCIL APPROVAL

This Map to be known as NORTH RIDGE ZONING MAP is approved and accepted to the Town of Johnstown, Colorado by Ordinance Number _____, passed and adopted on final reading at a regular meeting of the Town Council of the Town of Johnstown, Colorado held on the ____ day of _____, 20__.

Mayor _____ Attest: _____
Town Clerk

BASIS OF BEARINGS AND LINEAL UNIT DEFINITION

Assuming the North line of the Northwest Quarter of the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the 6th P.M., monumented as shown on this plat, as bearing North 89°31'03" East, a distance of 1320.19 feet and with all other bearings contained herein relative thereto.

The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."

NOTICE

According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon. (13-80-105 C.R.S. 2012)

TITLE COMMITMENT NOTE

For all information regarding easements, rights-of-way and title of records, Majestic Surveying, LLC relied upon Title Commitment Number 35100-19-11002, dated October 17, 2019, as prepared by North American Title Company of Colorado to delineate the aforesaid information. This survey does not constitute a title search by Majestic Surveying, LLC to determine ownership or easements of record.

OWNER: ENTITY

By: _____ As: _____

Witness my hand and seal this ____ day of _____, 20__.

NOTARIAL CERTIFICATE

STATE OF COLORADO)
ss
COUNTY OF LARIMER)
The foregoing instrument was acknowledged before me by _____ as _____ this ____ day of _____, 20__.
Witness my Hand and Official Seal.
My commission expires: _____.

LIENHOLDERS

By: _____ As: _____

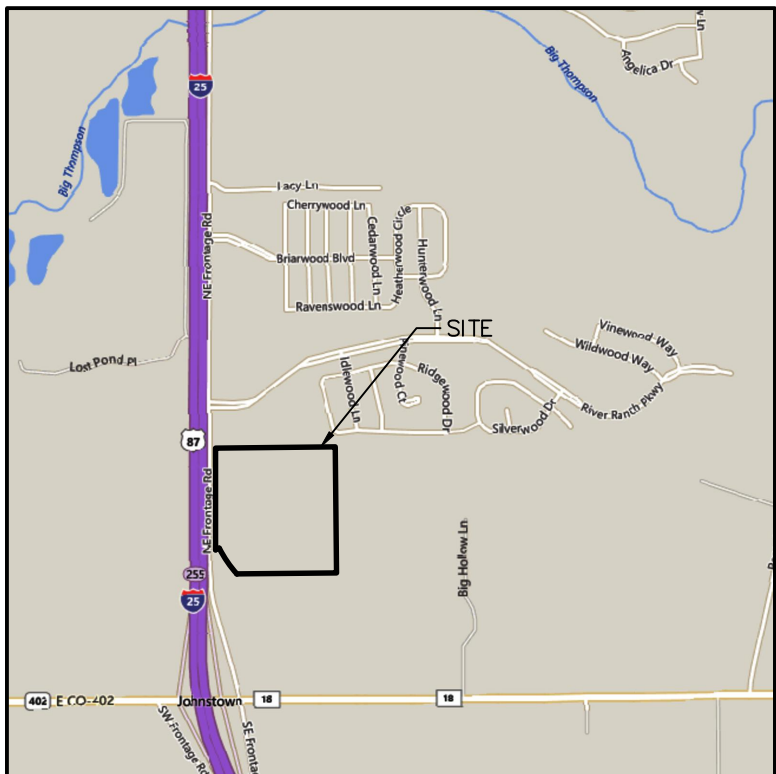
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SURVEYOR'S CERTIFICATE

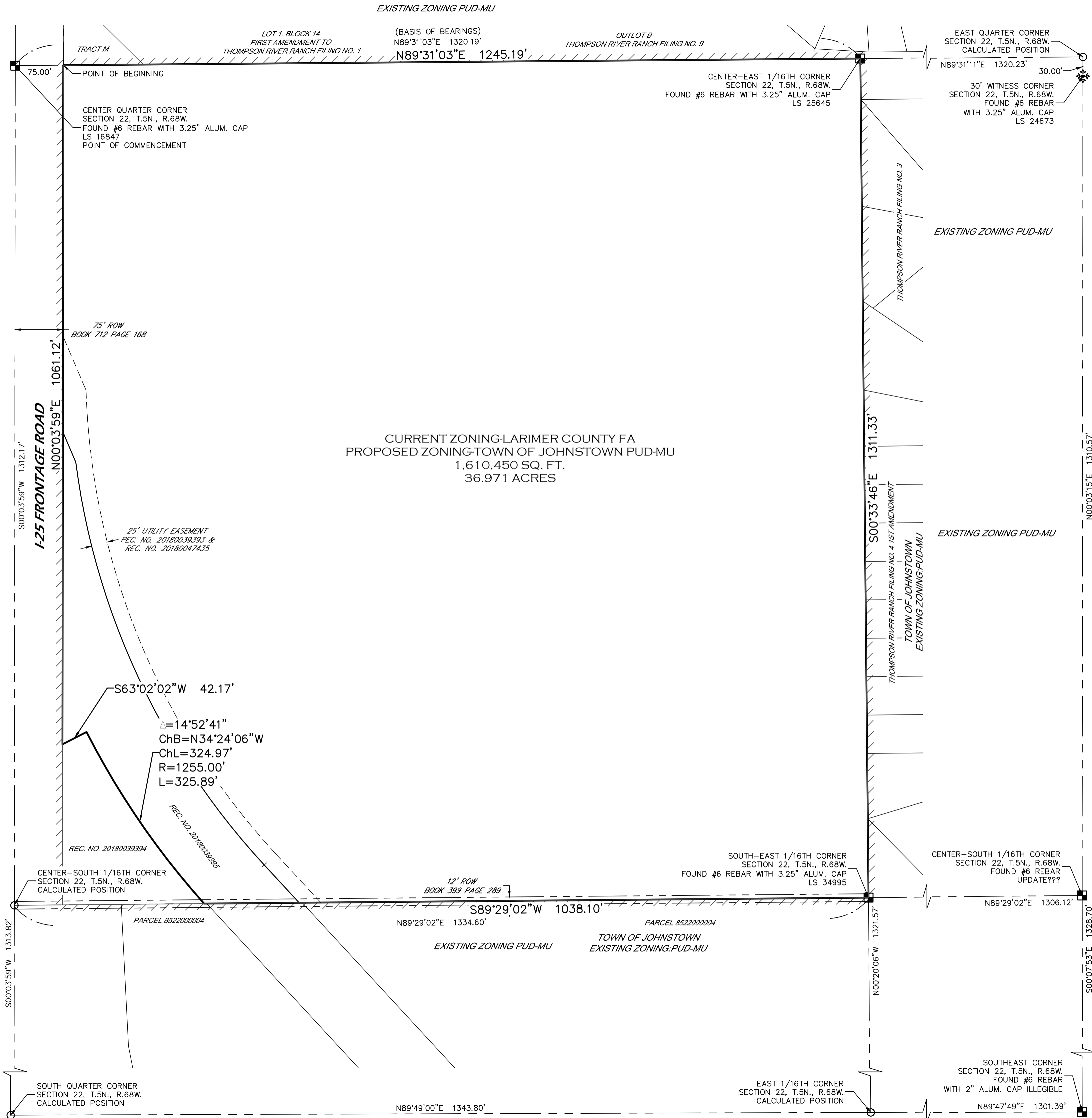
I, Steven Parks, a Colorado Licensed Professional Land Surveyor, do hereby state that this Zoning Map is an accurate representation of the property to the best of my knowledge, information, belief, and in my professional opinion. I further state that this certificate does not extend to any unnamed parties or the successors and/or assigns.



VICINITY MAP
SCALE: 1" = 2000'

LEGEND

- BOUNDARY LINE
- EASEMENT LINE
- RIGHT OF WAY LINE
- SECTION LINE
- TOWN LIMITS
- ALIQUOT CORNER AS DESCRIBED
- WITNESS CORNER
- CALCULATED POSITION



PROJECT NO: 2020124	PROJECT NAME: NORTH RIDGE	REVISIONS:	DATE:
DATE: 5-12-2020	CLIENT: JUB ENGINEERS		
DRAWN BY: SIP	FILE NAME: 2020124ZONE		
CHECKED BY: SIP	SCALE: 1" = 100'		

1

SHEET 1 OF 1

PRELIMINARY

Steven Parks - On Behalf of Majestic Surveying, LLC
Colorado Licensed Professional Land Surveyor #38348



Town of Johnstown

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RECOMMENDED PLANNING AND ZONING COMMISSION FINDINGS AND MOTIONS

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Recommended Motion

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Alternate Motions

- A. Motion to Approve with Conditions: "I move that the Commission recommend to Town Council approval of the North Ridge Annexation with the following conditions..."
- B. Motion to Deny: "I move that the Commission recommend to the Town Council denial of the North Ridge Annexation based upon the following..."

Item #3b Zoning: North Ridge Annexation- Establishment of Zoning

It is recommended that Planning and Zoning Commission send a positive recommendation to Town Council that the requested zoning of PUD-MU for the North Ridge Annexation be approved based upon the following findings:

- 1. The proposed zoning is consistent with the Town of Johnstown Comprehensive Plan.
- 2. The proposed zoning and accompanying uses are the best use for the area, namely commercial uses at the major intersections.

Motion

Based on the application received, associated submittal materials, and the preceding analysis, the Planning & Zoning Commission finds that the request for PUD-MU zoning for the North Ridge Annexation furthers the *Johnstown Area Comprehensive Plan* goals, and is compatible with all other applicable Town standards and regulations, and therefore moves to recommend to the Town Council approval of the request for PUD-MU zoning for the North Ridge Annexation based upon the 2 findings as stated in the staff report.

Alternate Motion

Motion to Deny: "I move that the Commission recommend to the Town Council denial of the request for PUD-MU zoning for the North Ridge Annexation based upon the following..."

Planner:



Darryll Wolnik

Planner II

Reviewed by:



Kim Meyer

Planning & Development Director

File Name: S:\PLANNING\2020 Land Use Projects\ANX20-004 North Ridge Annexation\Hearings – PZC North Ridge ANNEX PUD Staff Report 06 09 21.docx

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021

SUBJECT: Ordinance 2021-206 Approving the North Ridge P.U.D. Outline Development Plan

ACTION PROPOSED: Hold Public Hearing and Consider Ordinance 2021-206 on First Reading - Approving the North Ridge P.U.D. Outline Development Plan, which supersedes any existing PUD plans

ATTACHMENTS:

1. Ordinance 2021-206
2. Vicinity Map
3. North Ridge Outline Development Plan
4. PZC Agenda Memorandum – Outline Development Plan

PRESENTED BY: Kim Meyer, Planning & Development Director

AGENDA ITEM DESCRIPTION:

The North Ridge Outline Development Plan (ODP) is connected to, and contingent upon, final adoption of the Ordinances related to the North Ridge Annexation and Zoning. That annexation and establishment of zoning to PUD-MU encompasses 35.32 acres, while the proposed ODP covers additional land for a total of approximately 60 acres. The additional acreage is land annexed into Johnstown, in 2005, as the 402 Exchange Business Park Annexation, and zoned PUD-MU at that time with the intent of commercial and mixed-use development. The ODP area is located along the I-25 frontage road, adjacent to Thompson River Ranch subdivision, county parcels, and the Abundant Life Tabernacle Church. (See Attachment 2).

The Planning & Zoning Commission (PZC) held a public hearing on June 9, 2021, to consider the North Ridge ODP, in conjunction with the proposed annexation and PUD-MU zoning. Public comment was given by two neighbors in the area, with concerns for how the existing ditch will be addressed in development, and requesting a privacy fence along property lines, adjoining the proposed development area. A Thompson River Ranch neighbor is concerned for his mountain views, density, impact on his very low water pressure, and his property value. Concern was also expressed regarding the increase in traffic on CR 18. Staff indicated that the development-level details are noted and will be further addressed at subdivision and development planning. The Applicant spoke of the intent to “culvert” the ditch and that there are existing agreements with the Gard Lateral Ditch Co.; also indicated that likely both parties would likely want perimeter fencing for screening and buffering between these uses.

The proposed ODP clarifies and identifies the proposed mix of uses, densities, and intensities of use, as well as providing a basis for Town staff – through the supplemental materials and reports required including engineering reports, master traffic study, and similar – to ensure that the proposed development plan is feasible for this location.

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The ODP document (See Attachment 3) illustrates:

Planning Area	Acreage	Use	Density/Intensity	Imperv Lot Coverage	Height
A	±14.2 Ac	Commercial	432,986 SF Max	70%	130 ft
B	± 3.2 Ac	Commercial	83,635 SF Max	60%	85 ft
C	± 7.1 Ac	Commercial	154,638 SF Max	50%	85 ft
D	±12.0 Ac	Office/Commercial	261,360 SF Max	50%	50 ft
E	±23.4 Ac	Residential	10 DU/Ac. Max	na	35 ft

There is language within the ODP that also allows some flexibility once more detailed development plans are proposed, which permits transfers of acreages between planning areas of up to 30%, to accommodate opportunities or obstacles encountered with the market or in detailed engineering and site design. Basic development standards are included, with more detailed design guidelines are expected with subsequent development plans which are expected to closely mimic those of The Ridge (formerly The Villages at Johnstown) immediately to the south of this.

Commercial Development standards would provide for a 50-foot building setback, and 20-foot parking setback from the I-25 corridor, and 20-foot setback for buildings and parking from the frontage road right-of-way. A minimum of 20% of commercial lots will be landscaped areas. Few specific uses were included in this ODP – mentioning only “a wide range of commercial development uses, which could include office, retail, private garage condominiums, hotel development or similar uses.” Staff generally supports these development standards, given the size of the lots remaining after the recent frontage road realignment, and the distance of Planning Area A from the main flow of highway traffic, but would seek to narrow and better understand that “wide range” of uses with updated development guidelines with preliminary and final development plans and subdivision.

The Residential area is currently under design and conceptual plans and indications with Staff is that the units will be proposed as for-sale, fee simple lots for small-lot single family, with a comparable design to the courtyard homes located to the north. The minimum 1400 SF lot size would be applicable primarily to a medium-density, townhome-type attached unit, and would necessarily increase as various types of housing types are proposed to accommodate required parking, drives, and setbacks. The residential area will be required to provide a minimum of 30% open space, which may include plazas, walks/trails, and other “hardscape” as well as landscaped areas.

Infrastructure capacity exists and/or will be constructed as development warrants. Town systems can adequately handle this additional demand.

The Johnstown Review Committee reviewed this project and provided redlines and comments, which have been addressed by the Applicant or will be incorporated into future development plans. Referrals of this ODP were sent to Loveland and Larimer County, comments related to future development plans or the annexation only.

The Planning & Zoning Commission Agenda Memorandum attached (See Attachment 4) provides further background and details. The property has been undeveloped agricultural land until recently. The memo also describes notification and a remote Neighborhood Meeting held on April 27, 2021, which no neighbors attended.

Based upon the materials submitted, analysis, and findings, the PZC approved a motion (4-0) to recommend to Town Council approval of this zoning request.

LEGAL ADVICE:

Ordinance was prepared by the Town Attorney.

FINANCIAL ADVICE:

NA

RECOMMENDED ACTION:

Approve Ordinance 2021-206 Approving the North Ridge P.U.D. Outline Development Plan on First Reading.

SUGGESTED MOTIONS:**For Approval**

I move that the Town Council approve Ordinance 2021-206 Approving the North Ridge P.U.D. Outline Development Plan on First Reading.

For Approval with Conditions:

I move to approve Ordinance 2021-206 Approving the North Ridge P.U.D. Outline Development Plan on First Reading, with the following conditions...

For Denial

I move to deny Ordinance 2021-206 with the following findings...

Reviewed and Approved for Presentation,



Town Manager

**TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2021-206**

**APPROVING P.U.D. OUTLINE DEVELOPMENT PLAN FOR
NORTH RIDGE LOCATED IN THE SOUTHEAST QUARTER OF
SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST, COUNTY
OF LARIMER, STATE OF COLORADO, CONSISTING OF
APPROXIMATELY 60 ACRES.**

WHEREAS, the Town of Johnstown, Colorado (“Town”) is a Colorado home rule municipality, duly organized and existing under the laws of the State of Colorado and the Town’s Home Rule Charter; and

WHEREAS, Ridge II HoldCo, LLC, a Delaware limited liability company, submitted an application to the Town for approval of a P.U.D. Outline Development Plan for a subdivision known as North Ridge, located in the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the 6th Principal Meridian, Town of Johnstown, County of Larimer, State of Colorado, consisting of approximately 60 acres; and

WHEREAS, on June 9, 2021, the Planning and Zoning Commission held a public hearing and recommended approval of the P.U.D. Outline Development Plan for North Ridge; and

WHEREAS, on July 19, 2021, the Town Council held a public hearing concerning approval of the P.U.D. Outline Development Plan for North Ridge; and

WHEREAS, after considering the Planning and Zoning Commission’s recommendation for approval, reviewing the file and conducting such public hearing, Town Council finds that the P.U.D. Outline Development Plan for North Ridge is consistent with, and furthers the goals of, the *Johnstown Area Comprehensive Plan* goals and is compatible with all other applicable Town standards and regulation; and

WHEREAS, based on the foregoing, Town Council desires to approve the P.U.D. Outline Development Plan for North Ridge.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT:

Section 1. P.U.D. Outline Development Plan Approval. The P.U.D. Outline Development Plan for North Ridge, located in the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the 6th Principal Meridian, Town of Johnstown, County of Larimer, State of Colorado, consisting of approximately 60 acres, attached hereto and incorporated herein by reference as Exhibit A, is hereby approved.

Section 2. Supersede and Replace. The P.U.D. Outline Development Plan for North Ridge adopted herein shall supersede and replace the outline development plan, if any, previously approved with respect to the 402 Exchange Business Park annexation, an annexation approved by the Town on or about December 15, 2005.

Section 3. Effective Date. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Home Rule Charter of the Town of Johnstown, Colorado (“Charter”) and the adoption, posting and publication shall be authenticated by the signature of the Mayor and the Town Clerk and by the Certificate of Publication. This Ordinance shall become effective upon final passage as provided by the Charter. Copies of the entire Ordinance are available at the office of the Town Clerk.

INTRODUCED AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this ____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this ____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

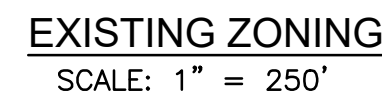
By: _____
Gary Lebsack, Mayor

NORTH RIDGE ANNEXATION VICINITY MAP



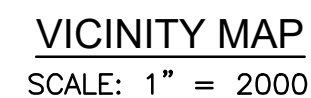
VICINITY MAP

LOCATED ON THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE SIXTH
PRINCIPAL MERIDIAN, COUNTY OF LARIMER, AND STATE OF COLORADO



1. ACCESS POINTS SHOWN ON THIS ODP ARE APPROXIMATE. EXACT LOCATIONS TO BE DETERMINED DURING THE PRELIMINARY AND FINAL PLATTING PROCESS BASED ON THE FINAL TRAFFIC IMPACT STUDY.
2. LOCAL AND COLLECTOR STREETS MAY CHANGE LOCATION, SIZE AND CONFIGURATION AT THE TIME OF FINAL PLATTING. LOCAL AND COLLECTOR STREETS WILL CONFORM TO THE TOWN OF JOHNSTOWN STREET STANDARDS.
3. ALL DENSITIES AND UNIT COUNTS ARE PROJECTIONS, FINAL DENSITIES TO BE DETERMINED AT TIME OF PLATTING. DENSITY OF ANY GIVEN PHASE WILL NOT EXCEED 10 DU/AC, ACTUAL NUMBER OF UNITS WILL BE DETERMINED AT TIME OF RESIDENTIAL PARCEL PLATTING.
4. EXACT LOCATION OF PARCELS SHOWN ARE APPROXIMATE AND MAY VARY. EXACT LOT SIZES WILL BE DETERMINED WITH EACH PRELIMINARY AND FINAL SUBDIVISION SUBMITTAL.
5. FINAL CONFIGURATION OF PARCELS, OPEN SPACE AREA, AND STREETS MAY VARY FROM THAT SHOWN.
6. WHERE A PROPOSED USE IS NOT LISTED IN THE ODP, IT MAY BE ALLOWED IF DETERMINED BY THE TOWN OF JOHNSTOWN TO BE SIMILAR IN CHARACTER AND OPERATION, AND HAVING THE SAME OR LESSER IMPACT AS USES THAT ARE ALLOWED.
7. ALL DRAINAGE ELEMENTS ARE CONCEPTUAL IN NATURE AND FINAL DETERMINATIONS OF THE DRAINAGE SYSTEM, TO INCLUDE THE PLACEMENT OF DETENTION/RETENTION PONDS, CHANNELS, AND STORM SEWER, WILL BE MADE DURING THE PRELIMINARY AND FINAL DRAINAGE REPORTS AND DURING THE PRELIMINARY DEVELOPMENT PLAN PROCESS AS PART OF THE FINAL SUBDIVISION PLATTING.
8. LIGHTING, SIGNAGE, AND LANDSCAPING REQUIREMENTS, INCLUDING LIGHTING FOR DEVELOPMENT WITH THIS PUD WILL EITHER FOLLOW THOSE APPLICABLE STANDARDS IN THE TOWN OF JOHNSTOWN MUNICIPAL CODE OR THE DEVELOPER MAY FORMULATE A DESIGN STANDARDS REGULATING THE DESIGN, CHARACTER, LOCATION, AND OTHER DETAILS OF THESE ELEMENTS PRIOR TO THEIR IMPLEMENTATION. THE DEVELOPER FORMULATED DESIGN STANDARDS MUST RECEIVE APPROVAL BY THE PLANNING AND DEVELOPMENT DIRECTOR PRIOR TO IMPLEMENTATION.

IT IS ANTICIPATED THAT NORTH RIDGE WILL DEVELOP SOUTH TO NORTH, COMMENCING ON THE 402, LLC PARCEL WITH ANTICIPATED LOT DELIVERIES IN 2021 AND BUILD-OUT BY 2022 OR EARLY 2023. CURRENT CONCEPT PLANS FOR COMMERCIAL, INCLUDE CONVENIENCE STORE WITH GAS, RETAIL SHOPS, OFFICE CONDOMINIUMS, AND A POTENTIAL HOTEL ALONG THE I-25 CORRIDOR. GARAGE CONDOMINIUMS WERE CONSIDERED IN CONCEPT DRAWINGS, BUT HAVE BEEN REJECTED IN FAVOR OF OTHER COMMERCIAL USES TO BE DETERMINED BY MARKET DEMAND. CURRENT CONCEPT PLANS FOR RESIDENTIAL INCLUDE 23.5 ACRES OF SINGLE FAMILY SMALL FOOT-PRINT (1,100 - 1,700 SQ. FT.) HOMES. INTEREST ON THE RESIDENTIAL COMPONENT IS BY A SINGLE DEVELOPER WHO HAS SUCCESSFULLY DEVELOPED OTHER PROJECTS WITHIN THE TOWN.



THE INTENT OF THIS OUTLINE DEVELOPMENT PLAN (ODP) IS TO PROVIDE THE FRAMEWORK FOR THE NORTH RIDGE JOHNSTOWN DEVELOPMENT. NORTH RIDGE JOHNSTOWN IS A CONTINUATION OF THE RIDGE AT JOHNSTOWN DEVELOPMENT, ALL OF WHICH WILL BRING NEEDED INFRASTRUCTURE, SERVICES, AMENITIES, AND TAX REVENUE TO THE TOWN.

THE ANNEXATION OF THE BATH PARCEL WILL COMPLETE NORTH RIDGE AND COMPLEMENT THE RIDGE DEVELOPMENT BRIDGING THE TWO PROJECTS TOGETHER THROUGH INTEGRATED CONCEPT DESIGN AND UNIFORM DEVELOPMENT STANDARDS. THE BATH PARCEL IS CONTIGUOUS TO AN EXISTING ANNEXED PARCEL IN THE TOWN ALLOWING INFRASTRUCTURE TO BE BROUGHT TO NORTH RIDGE FROM EITHER OR BOTH THE SOUTH AND THE NORTH IN COORDINATION WITH DEVELOPED PROJECTS. THE TOWN WILL BENEFIT FROM REVENUES GENERATED BY NEW BUSINESS, AND INCREASED EXPOSURE AND VISIBILITY ALONG I-25. THE COMMUNITY WILL HAVE ADDITIONAL COMMERCIAL RESOURCES NEEDED FOR A GROWING JOHNSTOWN.

RIDGE II HOLDCO, LLC, A COLORADO LIMITED LIABILITY COMPANY, BEING THE OWNER(S) OF THE PROPERTY LOCATED IN THE TOWN OF JOHNSTOWN, COUNTY OF LARIMER, AND STATE OF COLORADO, DO HEREBY SUBMIT THIS OUTLINE DEVELOPMENT PLAN AND AGREE TO PERFORM UNDER THE TERMS NOTED HEREIN.

RIDGE II HOLDCO, LLC
A DELAWARE LIMITED LIABILITY COMPANY

BY: RIDGE II MANAGECO, LLC
A DELAWARE LIMITED LIABILITY COMPANY
ITS: MANAGER

BY: CALIBER SERVICES, LLC
AN ARIZONA LIMITED LIABILITY COMPANY
ITS: MANAGER

BY: CALIBER COMPANIES, LLC
AN ARIZONA LIMITED LIABILITY COMPANY
ITS: MANAGING MEMBER

BY: CALIBERCOS INC.
A DELAWARE CORPORATION
ITS: MANAGER

BY: _____
NAME: JENNIFER SCHRADER
ITS: PRESIDENT

TOWN COUNCIL

THIS OUTLINE DEVELOPMENT PLAN, TO BE KNOWN AS _____, IS APPROVED AND ACCEPTED BY THE TOWN OF JOHNSTOWN, BY ORDINANCE NUMBER _____, PADDED AND ADOPTED ON FINAL READING AT THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, HELD ON THE _____ DAY OF _____, _____.

BY: _____
GARY LEBSACK, MAYOR

ATTEST: _____
DIANA SEELE, TOWN CLERK

[illegible]

**NORTH RIDGE DEVELOPMENT
JOHNSTOWN**

OUTLINE DEVELOPMENT PLAN COVER

FILE : 87-20-003 ODPCOVER

JUB PROJ. # : 87-20-003

DRAWN BY: ALM

DESIGN BY: ALM

CHECKED BY: ###

A horizontal scale bar with arrows at both ends, labeled "ONE INCH" in the center.

AT FULL SIZE, IF NOT ON
INCH SCALE ACCORDING

LAST UPDATED: 4/1/2021

SHEET NUMBER:

ODP-01

OUTLINE DEVELOPMENT PLAN
NORTH RIDGE

LOCATED ON THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE SIXTH
PRINCIPAL MERIDIAN, COUNTY OF LARIMER, AND STATE OF COLORADO

LEGEND	
	POTENTIAL FUTURE ACCESSES
	DEVELOPMENT PARCEL BOUNDARY (FOR GRAPHICAL PURPOSES ONLY)
	P/L PROPERTY BOUNDARY
	R/W RIGHT OF WAY
	JOHNSTOWN TOWN LIMITS

- NOTES:
- ADDITIONAL DESIGN REQUIREMENTS FOR COMMERCIAL DEVELOPMENT PER THE DESIGN GUIDELINES.
 - THE PLANNING DIRECTOR MAY APPROVE ADJUSTMENTS TO COMMERCIAL SETBACKS THAT MAY BE NECESSARY DUE TO PARCEL SIZE, CONFIGURATION, OR OTHER CONSTRAINT.

PLANNING AREA BOUNDARIES:

PLANNING AREA ACREAGE AND BOUNDARIES ARE PRELIMINARY AND SUBJECT TO CHANGE WITH DETAILED PLANNING. PLANNING ACREAGE MAY CHANGE UP TO 30% WITHOUT A MAJOR AMENDMENT TO THIS PUD DOCUMENT.

PLANNING AREA INDEX:

PLANNING AREA (PA)	APPROX. ACREAGE	ANTICIPATED USES	LOT COVERAGE
PA-A	±14.2	COMMERCIAL	70%
PA-B	±3.2	COMMERCIAL	60%
PA-C	±7.1	COMMERCIAL	50%
PA-D	±11.4	COMMERCIAL	50%
PA-E	±23.4	RESIDENTIAL	-

DENSITY:

ANTICIPATED RESIDENTIAL DENSITIES ARE SPECIFIED WITHIN EACH PARCEL. THE FINAL DENSITY SHALL BE DETERMINED AT THE TIME OF PLATTING. NO MINIMUM DENSITIES ARE REQUIRED FOR RESIDENTIAL PLANNING AREAS.

LAND USE SUMMARY:

LAND USE	ACRES	PERCENTAGE (NEAREST 1%)
COMMERCIAL	36.5	60
RESIDENTIAL	16.4	30
OPEN SPACE	7.1	10
TOTAL	60.0	100

DEVELOPMENT STANDARDS: COMMERCIAL

MAXIMUM HEIGHT	A: 130' B & C: 85' D: 50' ALL AREAS UP TO 150' W/ CONDITIONAL USE GRANT
LANDSCAPE REQUIREMENT	20% LANDSCAPING
BUILDING SETBACK FROM HIGHWAY	50'
BUILDING SETBACK FROM ARTERIAL	25'
BUILDING SETBACK FROM FRONTAGE ROAD	20'
PARKING SETBACK FROM ROW	20'

DEVELOPMENT STANDARDS: RESIDENTIAL

	SINGLE FAMILY DETACHED
MINIMUM LOT SIZE	1,400 SF
MAXIMUM HEIGHT	35'
FRONT SETBACK TO BUILDING	15' MIN.
FRONT SETBACK TO GARAGE	10' MIN.
FRONT SETBACK TO SIDE LOADED GARAGE	10' MIN.
SIDE YARD SETBACK	5' MIN.
REAR YARD SETBACK (FRONT LOADED)	5' MIN.
REAR YARD SETBACK (ALLEY LOADED)	5' MIN.
SIDE (CORNER) SETBACK	15' MIN.
BUILDING SEPARATION	PER FIRE CODE

- NOTES:
- ADDITIONAL DESIGN REQUIREMENTS FOR RESIDENTIAL DEVELOPMENT PER THE DESIGN GUIDELINES.
 - THE PLANNING DIRECTOR MAY APPROVE ADJUSTMENTS TO RESIDENTIAL SETBACKS THAT MAY BE NECESSARY DUE TO PARCEL SIZE, CONFIGURATION, OR OTHER CONSTRAINT.

OPEN SPACE, PARKS, & WALKS/TRAILS:

OPEN SPACE:

- 30% OF RESIDENTIAL ACREAGE IS REQUIRED TO BE OPEN SPACE.
- PARK SPACE WILL BE COUNTED TOWARDS OPEN SPACE REQUIREMENTS.
- OPEN SPACE INCLUDES STREETSCAPES OUTSIDE OF ROW, HARDSCAPES, PLAZAS, FOUNTAIN AREAS, PONDS, AND AREAS SUCH AS SIDEWALKS WITH BENCH SEATING.
- SIDEWALKS ARE REQUIRED TO BE 10' WIDE AND 6" DEEP REINFORCED CONCRETE ALONG ARTERIAL STREETS. DETACHED AND MEANDERING SIDEWALKS PROPOSED AS FEASIBLE.

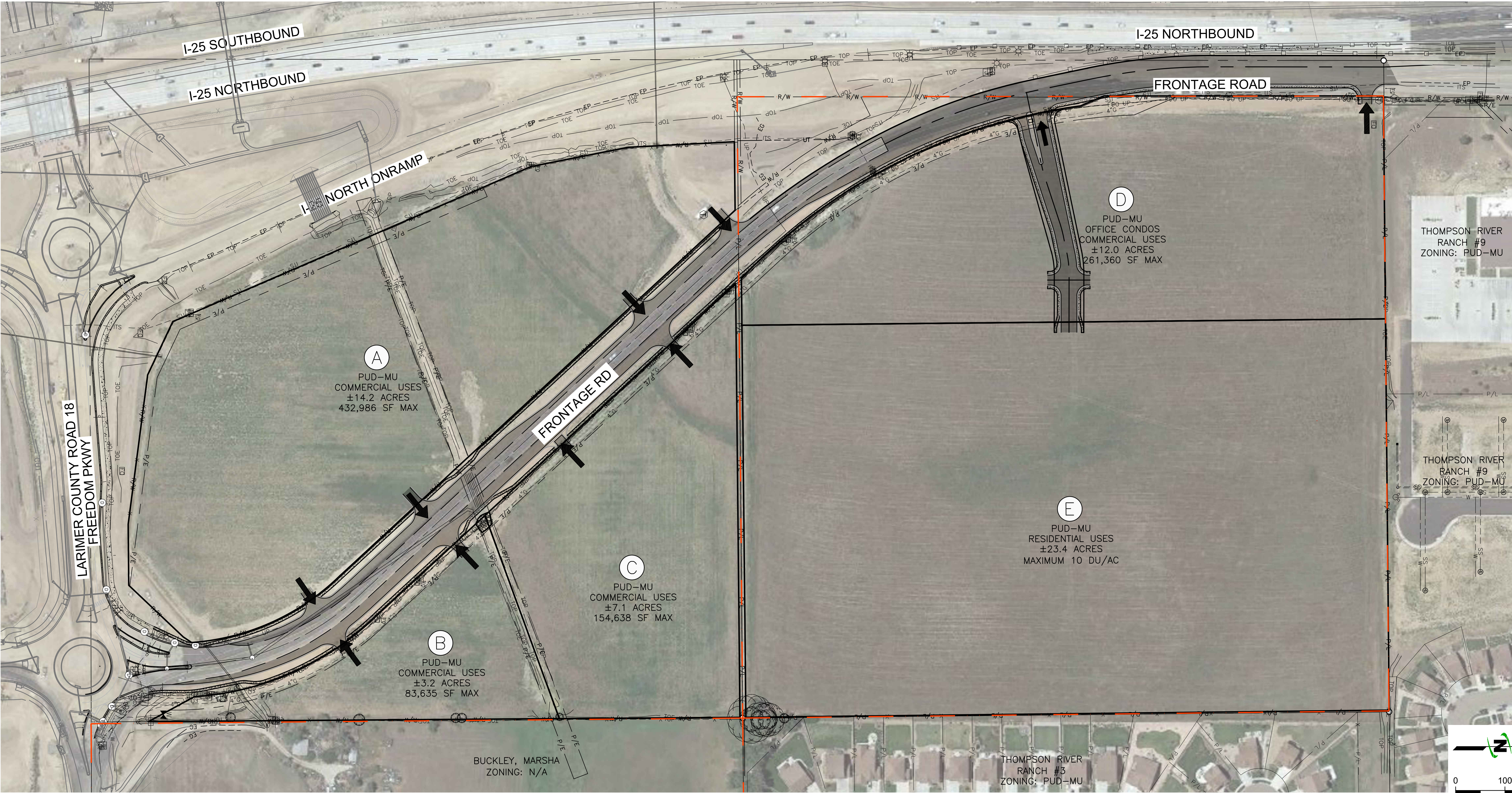
PARKS AND RECREATION:

- 10% OF RESIDENTIAL ACREAGE IS REQUIRED TO BE DESIGNATED AS LAND USE FOR PARKS AND RECREATION.
- PARKS MAY BE PRIVATELY OR PUBLICLY OWNED, TO BE DETERMINED AT THE TIME OF FINAL PLAT.
- ALL PARKS, NO MATTER IF OWNERSHIP IS PUBLIC OR PRIVATELY HELD, WILL BE ACCESSIBLE TO THE GENERAL PUBLIC, REGARDLESS OF RESIDENCY STATUS.

PARCEL DESIGN INTENT:

PARCEL A, B, C, AND D:
THE DESIGN INTENT FOR THE PLANNING AREAS A, B, C, AND D IS TO ALLOW FOR A WIDE RANGE OF COMMERCIAL DEVELOPMENT USES, WHICH COULD INCLUDE VARIOUS OFFICE, RETAIL, PRIVATE GARAGE CONDOMINIUMS, HOTEL DEVELOPMENT OR SIMILAR USES.

PARCEL E:
THE DESIGN INTENT FOR PLANNING AREA E IS TO ALLOW FOR RESIDENTIAL DEVELOPMENT. RESIDENTIAL DEVELOPMENT COULD INCLUDE SINGLE-FAMILY, MULTI-FAMILY USES SUCH AS CONDOMINIUMS OR APARTMENTS, OR MIXED USE DEVELOPMENT.



JUB
J-U-B ENGINEERS, INC.
J-U-B ENGINEERS, INC.
4745 Boardwalk Drive
Building D, Suite 200
Fort Collins, CO 80525
Phone: 970.377.3602
www.jub.com

FINAL EXHIBIT	
REUSE OF DRAWINGS	JUB SHALL RETAIN ALL COMMON LAW, STATUTORY, COPYRIGHT AND OTHER RIGHTS IN THIS DRAWING. NO PART OF THIS DRAWING SHALL BE REUSED WITHOUT WRITTEN CONSENT BY JUB. ANY REUSE WITHOUT WRITTEN CONSENT BY JUB WILL BE AT CLIENT'S SOLE RISK AND WITHOUT LIABILITY OR LEGAL EXPOSURE TO JUB.
REVISION	
NO	DESCRIPTION
BY	DATE

NORTH RIDGE DEVELOPEMNT
JOHNSTOWN
NORTH RIDGE OUTLINE DEVELOPMENT PLAN

FILE : 87-20-003 ODP
JUB PROJ. # : 87-20-003
DRAWN BY: ALM
DESIGN BY: ALM
CHECKED BY: ###
ONE INCH
AT FULL SIZE IF NOT ONE
INCH SCALE ACCORDINGLY
LAST UPDATED: 5/17/2021
SHEET NUMBER:
ODP-02

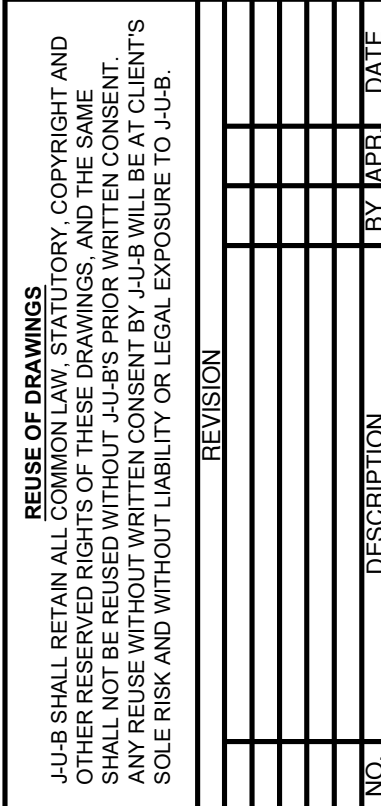
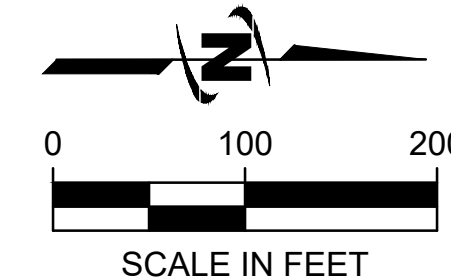
LOCATED ON THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST
OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF LARIMER, AND STATE OF COLORADO

---	4900	---	EXISTING MAJOR CONTOUR
---	4902	---	EXISTING MINOR CONTOUR
---	SD	---	EXISTING STORM PIPE
---		---	BASIN BOUNDARY: ONSITE
---		---	BASIN BOUNDARY: OFFSITE
---		---	BASIN BOUNDARY: PROPERTY LINE
			BASIN ID
			C-MINOR AREA
			C-MAJOR
			DESIGN POINT
			DIRECT FLOW ARROW
			OVERLAND FLOW ARROW

Basin	Total Area	Composite	Composite	Q2	Q100
	acres	"C2"	"C100"	cfs	cfs
P1-N	9.84	0.64	0.79	13.93	49.36
P-1S	11.77	0.64	0.79	14.93	48.00
P-2S	4.15	0.77	0.87	23.35	75.32
P-2N	7.86	0.77	0.87	14.93	48.00
P-3	12.84	0.76	0.86	23.35	75.32
P-4	23.48	0.64	0.80	31.67	112.01
Total:	69.94				
Combined Basins to Design Point (DP)					
P2	33.62	0.73	0.82	89.50	173.28
P2 is combined basins P1-N, P1-S, P2-N and P2-S.					

PROPOSED PONDS	100-YR RELEASE RATE (cfs)	WQCV (acre-ft)	100-YR VOLUME (acre-ft)	TOTAL VOLUME (acre-ft)	APPROX SURFACE AREA (area)
P1-N	9.84	0.64	0.79	13.93	49.36
P-1S	11.77	0.64	0.79	14.93	48.00
P-2S	4.15	0.77	0.87	23.35	75.32
P-2N	7.86	0.77	0.87	14.93	48.00
P-3	12.84	0.76	0.86	23.35	75.32
P-4	23.48	0.64	0.80	31.67	112.01

TYPE B SOIL TYPE.



NORTH RIDGE DEVELOPEMNT
JOHNSTOWN

NORTH RIDGE MASTER GRADING AND DRAINAGE PLAN

FILE : 87-20-003 MASTERGRADING PLAN
JUB PROJ. # : 87-20-003
DRAWN BY: ALM
DESIGN BY: ALM
CHECKED BY: ###
 ONE INCH AT FULL SIZE, IF NOT ONE INCH SCALE ACCORDINGLY
LAST UPDATED: 6/15/2021

SHEET NUMBER:

ODP-03

OUTLINE DEVELOPMENT PLAN
NORTH RIDGE

LOCATED ON THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH, RANGE 68 WEST
OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF LARIMER, AND STATE OF COLORADO

LEGEND	
	DEVELOPMENT PARCEL BOUNDARY (FOR GRAPHICAL PURPOSES ONLY)
	PROPERTY BOUNDARY
	RIGHT OF WAY
	JOHNSTOWN TOWN LIMITS
	DOMESTIC WATER
	SANITARY SEWER

ESTIMATED WASTEWATER FLOW:

PLANNING AREA (PA)	ANTICIPATED USES	DENSITY (MAX.)	APPROX. ACREAGE	AVERAGE FLOW (gpd)	PEAK FLOW (gpd)
PA-A	COMMERCIAL	6 UNITS/ACRE	±14.2	22,010	44,020
PA-B	COMMERCIAL	6 UNITS/ACRE	±3.2	4,960	9,920
PA-C	COMMERCIAL	6 UNITS/ACRE	±7.1	11,005	22,010
PA-D	COMMERCIAL	6 UNITS/ACRE	±12.0	18,600	37,200
PA-E	RESIDENTIAL	15 UNITS/ACRE	±23.4	77,220	282,057

WASTEWATER CALCULATIONS AND ASSUMPTIONS:

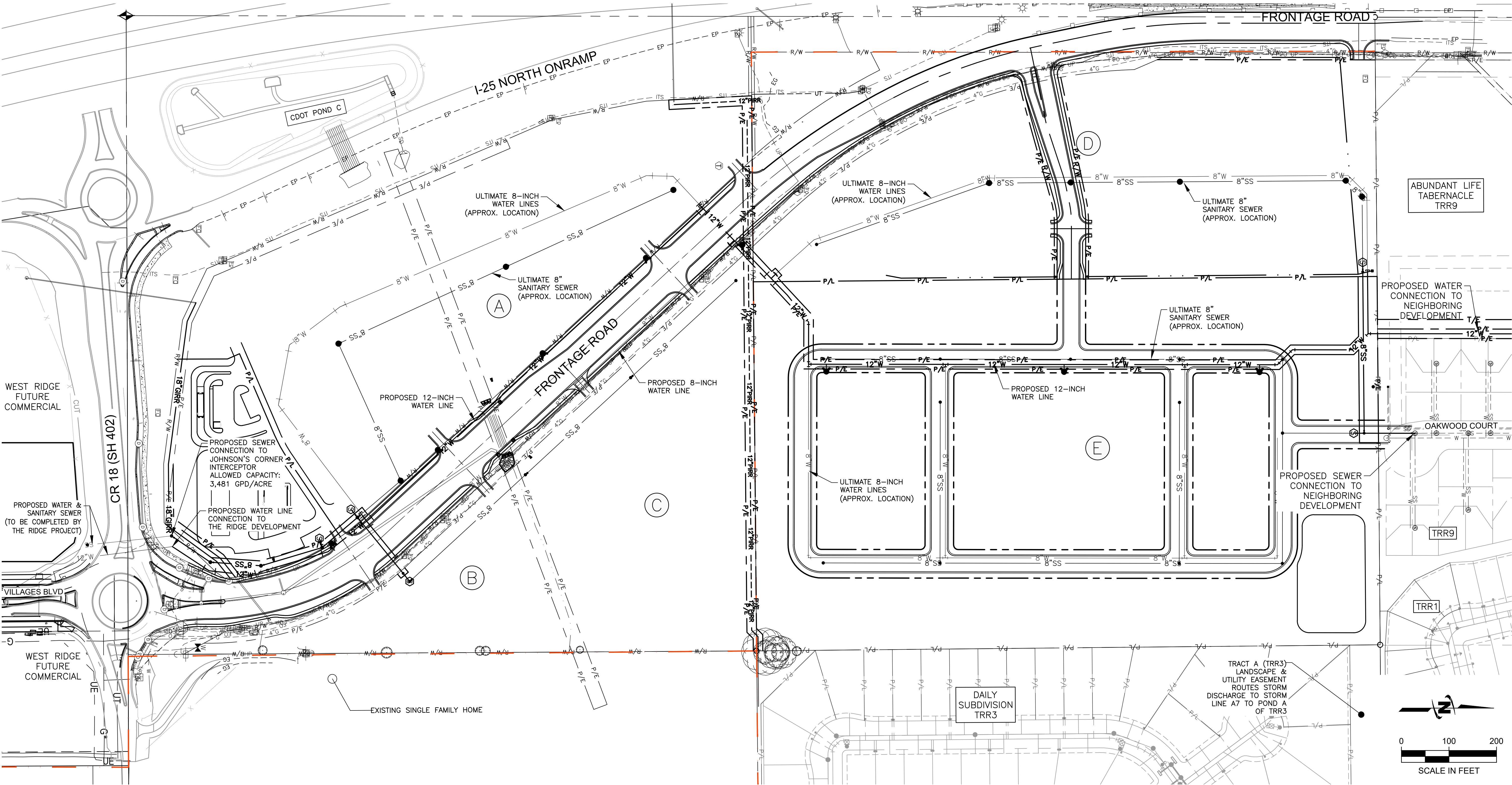
RESIDENTIAL AVERAGE DAILY FLOW (ADF) = 220 GPD/SFE*
*INCLUDES ALLOWANCE FOR 1/1
COMMERCIAL AVERAGE FLOW = 1,550 GPD/ACRE
COMMERCIAL PEAKING FACTOR = 2
RESIDENTIAL PEAKING FACTOR = 2.6 * $Q_A^{-0.16}$
 Q_A = AVERAGE FLOW IN CFS

ESTIMATED WATER DEMAND:

PLANNING AREA (PA)	ANTICIPATED USES	DENSITY (MAX.)	APPROX. ACREAGE	AVERAGE FLOW (gpm)	MAX DAY DEMAND + FIRE FLOW (gpm)	PEAK FLOW (gpm)
PA-A	COMMERCIAL	6 UNITS/ACRE	±14.2	16.8	3025	37.8
PA-B	COMMERCIAL	6 UNITS/ACRE	±3.2	3.8	3,006	8.6
PA-C	COMMERCIAL	6 UNITS/ACRE	±7.1	8.4	3,013	18.9
PA-D	COMMERCIAL	6 UNITS/ACRE	±12.0	14.2	3,021	32.0
PA-E	RESIDENTIAL	15 UNITS/ACRE	±23.4	109.7	3,219	329.1

WATER CALCULATIONS AND ASSUMPTIONS:

RESIDENTIAL AVERAGE DAY FLOW (ADF) = 150 GPCD (450 GPD/SFE)
COMMERCIAL AVERAGE DAY FLOW (ADF) = 1,700 GPD/ACRE
FIRE FLOW AVAILABILITY = 3,000 GPM FOR 3 HOURS
MAXIMUM DAY FLOW (MDF) = 2 x ADF
PEAK HOUR FLOW = 1.5 x MDF



J-U-B ENGINEERS, INC.

J-U-B ENGINEERS, INC.
4745 Boardwalk Drive
Building D, Suite 200
Fort Collins, CO 80525
Phone: 970.377.3602
www.jub.com

FINAL EXHIBIT

NO.	REVISION	DESCRIPTION	BY	DATE

REUSE OF DRAWINGS
JUB SHALL RETAIN ALL COMMON LAW, STATUTORY, COPYRIGHT AND PATENT RIGHTS IN THIS DRAWING. NO PART OF THIS DRAWING SHALL BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN CONSENT OF JUB. ANY REUSE WITHOUT WRITTEN CONSENT BY JUB WILL BE AT CLIENT'S SOLE RISK AND WITHOUT LIABILITY OR LEGAL EXPOSURE TO JUB.

NORTH RIDGE DEVELOPEMNT JOHNSTOWN

NORTH RIDGE MASTER UTILITY PLAN

FILE : 87-20-003 MASTER UTILITY PLAN
JUB PROJ. # : 87-20-003
DRAWN BY: ALM
DESIGN BY: ALM
CHECKED BY: ###
ONE INCH
AT FULL SIZE IF NOT ONE INCH SCALE ACCORDINGLY
LAST UPDATED: 4/1/2021
SHEET NUMBER:
ODP-04



Town of Johnstown

PLANNING & ZONING COMMISSION AGENDA MEMORANDUM

ITEM:	5
DESCRIPTION:	Public Hearing for North Ridge Outline Development Plan for approximately 60 acres of land
LOCATION:	Portion of Southeast ¼, Section 22, Township 5 North, Range 68 West
APPLICANT:	Ridge II ManageCo, LLC; Caliber Services, LLC; Caliber Companies, LLC; CaliberCos Inc.
STAFF:	Darryll Wolnik, Planner II
HEARING DATE:	June 9, 2021

BACKGROUND & SUMMARY

The Applicant, requests approval of an Outline Development Plan (ODP) that covers approximately 60 acres of land. The property is located in the Southeast ¼ of Section 22, Township 5 North, Range 68 West. More specifically, it is located along the Frontage Road, North of County Road 18 / Freedom Pkwy. An additional agenda item – North Ridge Annexation– considers the annexation and establishment of zoning that will apply.

The subject property is presently zoning FA – Farming in unincorporated Larimer County. It is bordered on all sides by incorporated areas of Johnstown, though there are portions of unincorporated Larimer County slightly beyond adjacent parcels. Zoning in all surrounding parcels is PUD-MU. There is land presently in unincorporated Larimer County just to the Southeast that is zoned FA.

Surrounding land uses are as follows. Thompson River Ranch, a single-family residential development, is adjacent to the North and East. I-25 and the Frontage Rd. run North-South on the West side of this property, with the Mountain View Farms PUD on the other side of I-25. That PUD is currently used for agricultural purposes. To the South is undeveloped land that is in the review process as part of The Ridge development. Properties to the Southeast, beyond The Ridge and Thompson River Ranch, are used for agricultural and large-lot residential purposes.

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HISTORY

Historically, this property has been used for farming. There was a farmhouse and active farm on the property until 2018-2019, when the frontage road was re-routed. The farmhouse was demolished at that time to make way for the re-routed frontage road, which passed directly over the site of the former home. At some point, CDOT took part of the property for said roadway improvements and realignment, resulting in the current parcel.

Based on aerial imagery, it appears agricultural operations ceased between 2016 and 2018, and the fields were left unutilized.

ATTACHMENTS

- 1 - Vicinity Map
- 2 - Application
- 3 - ODP

NOTICE

Notice for the Planning & Zoning Commission hearing was published in the local paper of widest circulation, the Johnstown Breeze, on Thursday, July 13, 2021. This notice provided the date, time, and location of the Planning and Zoning Commission hearing, as well as a description of the project. Notices were mailed to all property owners within 500 feet of the property in question. This notice included a map of the proposed annexation and zoning.

On Monday, June 7, 2021, Town Council passed Resolution 2021-18, finding the proposed annexation in substantial compliance with Colorado Revised Statutes and the Colorado Constitution. This resolution set the public hearing date for the proposed annexation as Wednesday, July 7, 2021. This ODP will be considered at that time as well.

Notice for the November 2nd Town Council hearing was published in the local newspaper of widest circulation, the Johnstown Breeze, beginning on Thursday, June 10, 2021. This notice provides the date, time, and location of the Town Council hearing, as well as a description of the project. This notice, along with a copy of Resolution 2021-18, is published in the Johnstown Breeze for four (4) consecutive weeks. Notices will be mailed to all property owners within 500 feet of the property in question, including a map of the proposed Annexation and ODP.

NEIGHBORHOOD MEETING

An online neighborhood meeting was held on Tuesday, September 27, 2021. Notice for said meeting was mailed to all property owners within 500 feet of the proposed annexation advertising the meeting time and place. Town Staff and the Applicants team were present and no resident attended.

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ANALYSIS

Johnstown Comprehensive Plan Alignment

P.2-5: The intersection of County Road 18 and I-25 is projected as a “Gateway Center”, meaning this is not only a major entryway in Town, but also a center of development. In addition, this area is “Commercial Mixed Use” and is at the crossroads of a major arterial, a minor arterial, and I-25. As such, the density and intensity of uses in this area is consistent with the land use map.

Goal CF-1: New development achieves the community’s goals and is consistent with the Town’s vision – Contiguous, compact pattern.

This proposal would create areas for medium-density housing. Additionally, it makes use of the “keyhole” property to its best and highest use. This land would otherwise be left undeveloped and vacant between the Frontage Road and I-25.

Goal CF-2: Beautiful Town gateways and entries at major intersections – gateways.

The proposed annexation and ODP sits at the intersection of County Road 18 and I-25, one of The Town’s most important and visible gateways. Development as proposed at this intersection would increase visibility and draw people into Johnstown.

Goal CC-1: Walkable, mixed-use economic centers – Hierarchy of mixed-use centers.

Proposed ODP shows a mix of medium-density single-family housing and commercial uses.

Zoning & Development Standards

The current zoning for the property is FA – Farming in Larimer County. There are no conditional uses or uses by special review for the property.

The proposed ODP would allow for a mix of uses across the site, and is split into five planning areas. Planning Area A is located in the “keyhole” property, surrounded by I-25 ROW to the West, County Road 18 to the North, and the Frontage Rd. to the East and South. This planning area is 14.2 acres and allows for commercial uses. Lot coverage for this area is allowed up to 70%, due to its proximity to I-25, County Road 18, and the Frontage Rd., all of which are some type of arterial roadway. Planning Area A may have buildings of up to 130’ in height, with the potential for up to 150’ with a conditional use grant.

Planning Area B is a triangle-shaped parcel to the East of Planning Area A, bounded by County Road 18 and the Frontage Rd. It is 3.2 acres in size and allows for commercial uses. Uses may occupy up to 60% of the lot, and buildings may be up to 85’ in high as-of-right, and up to 150’ with a conditional use grant. Planning Area C is just to the south of Planning Area B, and is 7.1 acres in size. It has the same building height guidelines, but may only have 50% lot coverage. This is because of its adjacency to residential

uses, and the need to reduce the intensity of use the closer you get to single-family residential to the South and East.

At 12 acres, Planning Area D is Southwest of Planning Area C, East-adjacent to the Frontage Rd. Commercial uses, specifically office condos, will be allowed in this area. Because of its proximity to both existing and proposed single-family residential to the East, buildings may only be up to 50' in height, though the ability to go as high as 150' is available through a conditional use grant.

Planning Areas A thru D must all adhere to the same landscape and setback standards. While these will be further refined in eventual design guidelines, basic guidelines are provided within the ODP. Buildings must be 50' from I-25, 25' from County Road 18, and 20' from the Frontage Rd. Parking lots shall be at least 20' from the ROW line. All lots must provide at least 20% landscape area. While lot coverage allowances may seem significant, these landscape requirements, along with provision of necessary parking, will effectively limit the size of buildings and the resulting lot coverage. It is possible landscape guidelines could be met and Planning Area A could have 70% lot coverage, but this would require use of parking structures, which would be in line with the projected density and intensity of uses in this area.

Planning Area E is located on the Southeast portion of this proposed development. Directly adjacent to Thompson River Ranch, this 23.4-acre area shall be residential uses at a maximum of 10 dwelling units/acre. The provided guidelines are a minimum representation, and may be supplemented through expanded design guidelines. Minimum lot sizes shall be 1,400 square feet, with a maximum height of 35'. Setbacks on the front are 15' to the home and 10' to the garage; side setbacks are 5', and rear setbacks are 5'.

The ODP also addresses the ability to transfer area and densities between planning areas, up to 30%, with maximum DU/Ac assigned to residential areas, as stated above.

Infrastructure

There is currently no Town water service to the property. Applicant proposes looping the existing water line in Thompson River Ranch through this property. It would then tie into the proposed water lines in the Ridge 3 development to the south.

Sanitary sewer for the site would be handled by the Low Point Waste Water Treatment Plant (WWTP). Connections for sanitary sewer will be made at two potential locations. One connection would be to the line in Thompson River Ranch, while the other would be on the Johnson's Corner interceptor along County Road 18. The exact routing is still under consideration, but construction of infrastructure and conveyance of wastewater is absolutely possible.

Major transportation infrastructure is already in place for this annexation and Outline Development Plan. The Frontage Road is slated as a minor arterial road in the Johnstown Master Transportation Plan. The required ROW has previously been dedicated, so there is no concern in that regard. Applicant will need to work with The Town and CDOT regarding access onto the Frontage Road. The Town will expect appropriate roadway improvements be completed at time of development.

Staff Concerns

Staff has no concerns which would preclude the proposed Outline Development Plan from being approved. However, staff has concerns that applicant should bear in mind when moving into development planning.

The ODP shows a significant number of conceptual access points. Some of these access points are too close to one another, while others may be too close to the roundabout at County Road 18. CDOT still controls the Frontage Road, and has ultimate say in whether or not to allow an access point. Staff would encourage the applicant to begin planning with CDOT for these intersections as soon as possible. In addition, there is a significant hill near the midpoint of the Frontage Road as it runs within this ODP. Applicant will have significant challenges as it relates to safe sight distances and clearances because of this hill.

Connectivity is another issue that the applicant should be prepared to deal with. Current conceptual renderings show road connection between Planning Area E and Thompson River Ranch Filing 9. This connection is very important to the overall connectivity of the area. Staff would suggest applicant find other ways to ensure Planning Areas B thru E are interconnected not just via car, but also for multimodal transportation, IE bicycle, walking. Care should also be given to how Planning Area A integrates in this regard, as its disconnected nature has the potential to create a sort of outlier. Appropriate pedestrian connections are imperative, as this could save car trips if residents from Thompson River Ranch or the future Ridge development to the south can walk or bike safely and efficiently.

RECOMMENDED PLANNING AND ZONING COMMISSION FINDINGS AND MOTIONS

Item #4 Zoning: North Ridge ODP

It is recommended that Planning and Zoning Commission send a positive recommendation to Town Council that the North Ridge ODP be approved based upon the following findings:

1. The proposed ODP is consistent with the Town of Johnstown Comprehensive Plan.
2. The proposed ODP and accompanying uses are the best use for the area, namely commercial uses at the major intersections.

Motion

Based on the application received, associated submittal materials, and the preceding analysis, the Planning & Zoning Commission finds that the request for PUD-MU zoning for the North Ridge ODP furthers the *Johnstown Area Comprehensive Plan* goals, and is compatible with all other applicable Town standards and regulations, and therefore moves to recommend to the Town Council approval of the request for PUD-MU zoning for the North Ridge ODP based upon the 2 findings as stated in the staff report.

Alternate Motion

Motion to Deny: "I move that the Commission recommend to the Town Council denial of the request for PUD-MU zoning for the North Ridge ODP based upon the following..."

Planner:



Darryll Wolnik

Planner II

Reviewed by:



Kim Meyer

Planning & Development Director

File Name: S:\PLANNING\2020 Land Use Projects\ANX20-004 North Ridge Annexation\PZC North Ridge ODP Staff Report 06 09 21.docx



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021
SUBJECT: North Ridge Annexation Agreement
ACTION PROPOSED: Consider the North Ridge Annexation Agreement
ATTACHMENTS: 1. North Ridge Annexation Agreement
PRESENTED BY: Kim Meyer, Planning & Development Director
Avi Rocklin, Town Attorney

AGENDA ITEM DESCRIPTION:

A petition for the North Ridge Annexation, requesting annexation and PUD-MU zoning, and a larger Outline Development Plan (ODP) were submitted to the Town in September 2020. This property comprises approximately 35.32 acres of land, located east of the I-25 Frontage Road, adjacent to the Thompson River Ranch subdivision, and south of the Abundant Life Tabernacle Church.

In conjunction with the proposed annexation, Town Council is asked to consider the attached Annexation Agreement. (Attachment 1.)

In addition to the standard terms contained in the Town's annexation agreements, the Agreement contains the following material terms:

- Frontage Road Dedication. The Frontage Road is intended to be "Devolved" to the Town at some point in the near future by CDOT, and is shown on our Master Transportation Plan as a Minor Arterial, requiring 110-foot right of way (ROW), which can reduce to 100-foot width where development and walks are planned for one side only. The Town must ensure that appropriate ROW is dedicated along this frontage as development occurs. *See Section 11.*
- 402 Financing /Reimbursement Fee. Section 15 acknowledges that fees will be typical and ordinary; and that there may be a special fee assessment at building permit related to the investments made by the Town to ensure high-quality highway infrastructure near the 402 & I-25 Interchange.

Exhibit B provides evidence of water rights and a recorded dry-up covenant for this property.

LEGAL ADVICE:

Agreement was prepared by the Town Attorney.

FINANCIAL ADVICE:

NA

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RECOMMENDED ACTION:

Approve the Annexation Agreement for the North Ridge Annexation.

SUGGESTED MOTIONS:

For Approval

I move that the Town Council approve the Annexation Agreement for the North Ridge Annexation.

For Denial

I move that the Town Council deny the Annexation Agreement for the North Ridge Annexation.

Reviewed and Approved for Presentation,



Town Manager

**TOWN OF JOHNSTOWN
ANNEXATION AGREEMENT
THE NORTH RIDGE ANNEXATION**

THIS ANNEXATION AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 2021, by and between RIDGE II HOLDCO, LLC, a Delaware limited liability company (“Owner”), and the TOWN OF JOHNSTOWN, a home-rule municipal corporation of the State of Colorado (“Town”).

WITNESSETH:

WHEREAS, Owner desires to annex real property into the Town, situated in Northwest Quarter of the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado, known by site address as 1016 SE Frontage Road, Johnstown, CO 80534, consisting of approximately 35.32 acres more or less, being more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (“Property”); and

WHEREAS, Owner executed a Petition for Annexation, dated August 25, 2020, a copy of which petition is on file with the Town Clerk; and

WHEREAS, Owner intends to develop the Property as part of a subdivision to be known as North Ridge and has prepared an Outline Development Plan (PUD) identifying and illustrating requested zoning, proposed land uses and intended development; and

WHEREAS, it is to the mutual benefit of the parties hereto to enter into this Agreement regarding annexation of the Property to the Town and other related matters as set forth herein; and

WHEREAS, Owner acknowledges that, upon annexation, the Property will be subject to all ordinances, resolutions and other regulations of the Town, as amended from time to time; and

WHEREAS, Owner acknowledges that, when development proceeds, the need for conveyances and dedication of certain property to the Town, including, but not limited to, property for rights-of-ways and easements, shall be directly related to and generated by the development within the Property.

NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE PREMISES AND THE COVENANTS AS HEREINAFTER SET FORTH, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. ***Incorporation of Recitals.*** The parties confirm and incorporate the foregoing recitals into this Agreement.

2. **Purpose.** The purpose of this Agreement is to set forth the terms and conditions of the annexation of the Property to the Town. Except as expressly provided for herein to the contrary, all terms and conditions herein are in addition to all requirements concerning annexation contained in the Johnstown Municipal Code, the Town's development regulations and Comprehensive Plan, and the Municipal Annexation Act of 1965, as amended, C.R.S. §§31-12-101, *et seq.*

3. **Owner.** As used in this Agreement, the term "Owner" shall include any of the heirs, transferees, successors or assigns of Owner. In addition to the foregoing and to the extent excluded therefrom, this Agreement shall be binding upon all developers of the Property or any part thereof. All such parties shall be subject to the terms of this Agreement as if they were the original parties thereto.

4. **Further Acts.** Owner agrees to execute promptly upon request of the Town any and all surveys and other documents necessary to effect the annexation of the Property and the other provisions of this Agreement. Owner agrees not to sign any other petition for annexation of the Property or any petition for annexation election relating to the Property, except upon request of the Town.

5. **Annexation Documents.** Owner agrees to provide legal documents, surveys, engineering work, newspaper publications, maps, and reports determined by the Town to be necessary to accomplish the annexation.

6. **Zoning and Land Use.** The parties recognize that it is the intent and desire of Owner to develop the Property in a manner generally consistent with the zoning and land uses presented in the Outline Development Plan (PUD) submitted to the Town contemporaneously with the request for annexation and with the zoning and land uses applicable to The Ridge Johnstown subdivision, zoned PUD-MU (Planned Unit Development – Mixed Use), complementing the 255 acres south of Larimer County Road 18 and utilizing the same or similar design review guidelines. Owner shall take all action necessary to permit zoning by Johnstown of the annexed Property within the time prescribed by state statute.

7. **Non-Conforming Use.** The Town agrees to allow existing non-conforming agricultural use, if any, to continue until such time as the Property is platted, but not at a greater level than at its current level of activity and use.

8. **Water Rights Dedication.** Owner owns the water rights and lateral ditch company rights appurtenant to the Property that are described on **Exhibit B** attached hereto and incorporated herein by reference. Owner shall dedicate all such water rights and lateral ditch company rights to the Town no later than the date of approval of the final plat of the first phase of development of the Property. Owner specifically agrees that it has not sold or transferred any water rights appurtenant to the Property within the past year nor will it do so during the pendency of this annexation petition and, once annexed to the Town, will not sell or transfer any water rights appurtenant to the Property without the prior written approval of the Town.

9. ***Municipal Services.*** The Town agrees to make available to the Property all of the usual municipal services provided by the Town in accordance with the ordinances and policies of the Town. Except as otherwise agreed by the Town, Owner shall bear the cost of the delivery of such services.

10. ***Public Improvements.*** Owner agrees to design and construct all required public improvements to Town standards at Owner's expense. Owner shall provide financial guarantees for construction of all required improvements as set forth in each phase or filing of the development and dedicate to the Town any or all of the improvements required by Town ordinances or as otherwise agreed. The public improvements and financial guarantees shall be set forth in a development agreement for each filing between the Town and Owner. All overhead utility lines shall be undergrounded.

11. ***I-25 Frontage Road.***

- a. Owner recognizes that the only current access to the Property is via the Interstate 25 Frontage Road, which is owned, maintained and controlled by the Colorado Department of Transportation ("CDOT"). Because the Town does not have jurisdictional control over the Interstate 25 Frontage Road, Owner shall be required to work with CDOT to obtain approval for subsequent accesses to the Property. The Town agrees to help facilitate such negotiations with CDOT.
- b. Within thirty (30) days of the effective date of the annexation, Owner shall dedicate the right of way to the Town to expand the Interstate 25 Frontage Road to a Town minor arterial standard, as shown and described on **Exhibit C** attached hereto and incorporated herein by reference. If required by the Town, in its discretion, Owner shall dedicate additional right of way to support development of the Property at no cost to the Town, which shall be set forth in a subsequent agreement between the Town and Owner.

12. ***Land Dedication.*** The dedication of parks and open space, flood plains, public easements for utilities, rights-of-way for streets and other public ways and dedications for other public purposes shall be by general warranty deed (to include, except for public easements, mineral interest owned by Owner, if any, at the time of annexation) or another appropriate instrument of conveyance acceptable to the Town. Such dedications shall occur when required by the Town. The Town and Owner agree that such dedications are directly related to and generated by the development intended to occur within the Property and that no taking thereby will occur requiring any compensation.

13. ***Water and Waste Water Utilities.*** Owner agrees to construct all on-site and required off-site water and waste water mains and appurtenances to Town standards at Owner's expense. The Town and Owner hereby agree to cooperate in good faith with respect to 1) determining reasonable oversizing requirements; 2) locating and securing approvals for installation of utility mains and appurtenances within public rights-of-way; and 3) facilitating

installation of off-site infrastructure if Owner and Town determine that such installation is necessary in connection with orderly development of the Property.

14. ***Drainage.*** A drainage study of the entire annexation territory shall be provided by Owner to the Town no later than the date of Owner's filing of a preliminary plat with the Town. Improvements shall be made as required by the Town. Historical irrigation and drainage patterns shall be maintained on the property to the extent feasible including no change in the quality, quantity or point of discharge, except to the extent approved by the Town.

15. ***Limitation on Fee Impositions by the Town.*** The Town agrees that the Property shall be subject to typical development fees similar to those that are imposed on other comparable developments in the Town pursuant to the Town's regulations and ordinances. Owner acknowledges that the Town has adopted impact fees that will apply to this development and may adopt a special fee to be paid prior to the issuance of building permits for the Property to obtain reimbursement for the Town's costs related to improvements to the Interstate 25 and State Highway 402 interchange.

16. ***Conformity with Laws.*** Owner agrees that the design, improvement, construction, development, and use of the Property shall be in conformance with all applicable laws and ordinances and that Owner shall comply with all Town ordinances, resolutions and regulations including, without limitation, ordinances, resolutions, and regulations pertaining to annexation, subdivision, zoning, storm drainage, utilities, access to Town streets, and flood control.

17. ***Disconnection.*** No right or remedy of disconnection of the Property from the Town shall accrue from this Agreement other than that provided by applicable state laws. In the event the Property or any portion thereof is disconnected at Owner's request, the Town shall have no obligation to serve the disconnected Property or portion thereof and this Agreement shall be void and of no further force and effect as to such Property or portion thereof.

18. ***Special Districts.*** Within thirty (30) days after written request by the Town, Owner shall apply for inclusion of the Property within one or more special districts serving the Town and the Town may request Owner to petition to exclude the Property from another special district. All costs, expenses, attorney fees and judgments for exclusion of the property from any special district shall be borne by Owner. Within thirty (30) days after written request by the Town, Owner shall be required to pay sums due owing to the Little Thompson Water District, if any, pursuant to an Intergovernmental Agreement between the Town of Johnstown and the Little Thompson Water District dated January 21, 2009.

- a. Owner may include the Property into one of the Villages at Johnstown Metropolitan District Nos. 1-8 at any time after thirty (30) days following the Town's annexation of the Property, on the condition that the annexation is not subject to a legal challenge. The Town hereby consents to such inclusion, subject to the Consolidated Service Plan for the Villages at Johnstown Metropolitan District Nos. 1-8, approved on March 19, 2018, as amended, the Intergovernmental Agreement between the Town and Villages at Johnstown Metropolitan District Nos. 1-8, dated March 19, 2018, and any other applicable

intergovernmental agreements executed by and between the Town and the Villages at Johnstown Metropolitan District Nos. 1-8.

19. ***Future Cooperation.*** The parties agree that they will cooperate with one another in accomplishing the terms, conditions, and provisions of the Agreement and will execute such additional documents as necessary to effectuate the same.

20. ***No Joint Venture or Partnership/No Assumption of Liability.*** Nothing contained in this Agreement is intended to create a partnership or joint venture between the Town and Owner or between the Town and any one or more of the individual owners that may exist and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not provide for the joint exercise by the parties of any activity, function or service, nor does it create a joint enterprise or an agency relationship. Except as specifically otherwise provided in this Agreement, no party shall in any way assume any of the liability of any other party for any act or obligations of the other party.

21. ***Failure to Annex.*** This Agreement shall be null and void if the Town fails to approve the annexation of the Property.

22. ***No Warranties by the Town.*** The Town is entering into this Agreement in good faith and with the present intention, on the part of the present Town Council, to comply with this Agreement. Because certain of the provisions of this Agreement may involve areas of legal uncertainty or be subject to subsequent revisions to the law, the Town does not intend to provide any warranty.

23. ***Breach.*** In the event of a default or breach by Owner of any term, condition, covenant, or obligation under this Agreement, the Town may take such action as it deems necessary to protect the public health, safety and welfare; to protect lot buyers and builders; and to protect the citizens of the Town from hardship. The Town's remedies include:

- (I) The refusal to issue any development permit, building permit or certificate of occupancy. This remedy shall not affect sales to bona fide purchasers nor be applied to bona fide purchasers;
- (II) A demand that the security given for the completion of the public improvements be paid or honored;
- (III) The refusal to consider further development plans within the Property; and/or
- (IV) Any other remedy available at law.

Unless necessary to protect the immediate public health, safety and welfare, the Town shall provide Owner ten (10) days' written notice of its intent to take any action under this Paragraph during which ten-day period Owner may cure the breach described in said notice and prevent further action by the Town.

24. ***Attorney's Fees.*** If Owner breaches this Agreement, Owner shall pay the Town's reasonable costs and attorney's fees incurred in the enforcement of the terms and conditions of this

Agreement. Should litigation occur by suit of a third party, Owner shall reimburse the Town for the Town's attorney's fees, court costs, and witness fees. Rather than require the Town to defend an action brought by a third party alleging that the Property is not subject to annexation or that the technical requirements of the Municipal Annexation Act of 1965, § 31-12-101, *et seq.*, C.R.S. (the "Act"), were not met, Owner may withdraw the Petition for Annexation. In addition thereto, in the event that any person, corporation, special district, municipal or county government or any other entity asserts a claim against the Town, its officials, or employees pursuant to the provisions of the Act, Owner agrees to reimburse the Town all reasonable costs and attorney's fees incurred by the Town in defense of such claims whether or not such defense is successful; provided, however, that nothing herein shall be interpreted as permitting Owner to act or participate in any manner whatsoever in the defense of such claims, including, but not limited to, selection of legal counsel or settlement of claims. Owner acknowledges and understands that the Town may, in its sole discretion, voluntarily elect not to defend against such an action and may consent to and permit the entry by the court of an order voiding the annexation or reach another means of settlement of claims. In such an event, Owner shall also reimburse to the Town any costs or attorney's fees assessed against the Town by the court, if any.

25. **Assignments.** Within ten days of an assignment, Owner shall provide written notice to the Town of the name, address and telephone number of the assignee.

26. **Town Police Powers.** Nothing contained in the Agreement shall constitute or be interpreted as a repeal of existing codes, ordinances or as a waiver of the Town's legislative, governmental, or police powers to promote and protect the health, safety, and general welfare of the Town or its inhabitants; nor shall this Agreement prohibit the enactment by the Town of any fee which is of uniform or general application.

27. **Design Review Guidelines.** The Town and Owner shall jointly develop and agree to adopt design review guidelines addressing design considerations, including architectural, site planning, landscaping, streetscape, and sign elements for land uses within the Property. The design review guidelines shall be applied to all development projects within the Property. The design review guidelines shall not supersede any uniform code of the Town such as the Uniform Building Code, Uniform Fire Code, or any other like code which is applicable to all properties located within the Town. The Town and Owner anticipate that the performance standards shall be the same or substantially similar to the performance standards applicable to The Ridge at Johnstown subdivision.

28. **Economic Incentives.** Based upon Owner's representation of proposed high-quality commercial development within Property, Owner may be entitled to economic incentives, including sales tax rebates, related to such portion of the development. If Owner desires economic incentives, Owner shall apply for such incentives at or around the time that Owner applies for approval of a final development plat and final development plan or at the time of issuance of a building permit. The Town shall then, in good faith, assess the request for economic incentives and, if approved by the Town in its discretion, the Town and Owner shall enter into a separate agreement regarding the economic incentives.

29. **Notice.** All notices required under this Agreement shall be in writing and shall be; 1) hand-delivered or; 2) sent by registered or certified mail, return receipt requested, postage prepaid, to the addresses of the parties herein set forth; or 3) sent by electronic mail return receipt requested and received. All notices by hand-delivery shall be effective upon receipt. All notices by mail shall be considered effective seventy-two (72) hours after deposit in the United States mail with the proper address as set forth below. Either party, by notice to be given, may change the address to which future notices shall be sent.

Notice to Town:

Town of Johnstown
ATTN: Town Manager
450 S. Parish Avenue
P. O. Box 609
Johnstown, CO 80534
Email: mlecerf@townofjohnstown.com

With copy to:

Law Office of Avi S. Rocklin, LLC
Town Attorney
1437 N. Denver Avenue #330
Loveland, CO 80538
Email: avi@rocklinlaw.com

Notice to Owner:

RIDGE II HOLDCO, LLC
Attention: ROY BADE
8901 E. Mountain View Rd, Ste 150
Scottsdale, AZ 85258
Email: Roy.Bade@calibercos.com

With copy to:

Hunter & Goodhue, PLLC
Attention: Mark F. Hunter
4845 Pearl East Circle, Suite 101
Boulder, CO 80301
Email: mark@huntgoodlaw.com

30. **Voluntary Annexation; Election.** Owner agrees that it is voluntarily entering into this Agreement. Owner represents and submits that, to the extent an election would be required pursuant to § 31-12-112, C.R.S., to approve the annexation or to impose terms and conditions upon the Property to be annexed, Owner owns one hundred percent (100%) of the Property, excluding public streets and alleys, and would vote to approve the annexation and all terms and conditions as set forth herein.

31. **Cost Reimbursement to Town.** Developer shall reimburse Town for professional consultants such as engineers, testing companies, planners, and attorneys necessitated by processing and completion of this development.

32. ***No Third Party Rights.*** This Agreement is made solely for the benefit of the parties hereto and is not intended to nor shall it be deemed to confer rights to any persons or entities not named as parties hereto.

33. ***Governing Law.*** The laws of the State of Colorado shall govern the validity, performance, and enforcement of this Agreement. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be in Larimer or Weld County, Colorado.

34. ***Default.*** In the event of default by either party hereunder, the non-defaulting party shall notify the defaulting party in writing of such default(s), specifying the nature and extent thereof. If such default is not cured within thirty (30) days and the non-defaulting party desires to seek recourse, the parties shall participate in mediation at a location that is not more than sixty miles from the Property, the costs of which shall be shared equally by the parties. If mediation is not successful after ninety (90) days, either party may then commence a legal action.

35. ***Headings.*** The paragraph headings in this Agreement shall not be used in the construction or interpretation hereof as they have no substantive effect and are for convenience only.

36. ***No Repeal of Laws.*** Nothing contained in this Agreement shall constitute or be interpreted as a repeal of the Town's ordinances or resolutions, or as a waiver of the Town's legislative, governmental, or police powers to promote and protect the health, safety, and welfare of the Town and its inhabitants, nor shall this Agreement prohibit the enactment or increase by the Town of any tax or fee.

37. ***Amendments to Law.*** As used in this Agreement, unless otherwise specifically provided herein, any reference to any provision of any Town ordinances, resolution, regulations, or policy is intended to refer to any subsequent amendments or revisions to such ordinance, resolution, regulations, or policy, and the parties agree such amendments or revision shall be binding upon Owner.

38. ***No Vested Rights.*** No vested rights shall accrue to Owner by virtue of annexation of the Property or this Annexation Agreement.

39. ***Binding Effect.*** This Agreement shall be binding upon and inure to the benefit of all heirs, transferees, successors and assigns hereof, and shall constitute covenants running with the land. In addition to the foregoing and to the extent excluded therefrom, this Agreement shall be binding upon all developers of the Property or any part thereof. This Agreement shall be recorded with the County Clerk and Recorder of Larimer County, Colorado, at Owner's expense. Subject to the conditions precedent herein, this Agreement may be enforced in any court of competent jurisdiction.

40. ***Entire Agreement.*** This Agreement embodies the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this

Agreement supersedes all previous communications, representations or agreements, either verbal or written, between the parties related to the subject matter herein.

41. ***Amendment.*** This Agreement may be amended only by mutual agreement of the Town and Owner. Such amendments shall be in writing, shall be recorded with the County Clerk and Recorder of Larimer County, Colorado, shall be covenants running with the land and shall be binding upon all persons or entities having an interest in the Property and/or an interest in water rights referenced in this Agreement.

42. ***Severability.*** The parties agree that if any part, term, portion, or provision of this Agreement is held by a court of competent jurisdiction to be illegal or in conflict with any law of the State of Colorado or any federal law, the validity of the remaining parts, terms, portions, or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, portion, or provision held to be invalid.

[Remainder of page intentionally left blank.]

ATTEST:

**TOWN OF JOHNSTOWN, COLORADO,
A MUNICIPAL CORPORATION**

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

RIDGE II HOLDCO, LLC

By: Ridge II ManageCo, LLC
 a Delaware limited liability company
 Its: Manager

By: Caliber Services, LLC
 an Arizona limited liability company
 Its: Manager

By: Caliber Companies, LLC
 an Arizona limited liability company
 Its: Managing Member

By: CaliberCos Inc.
 a Delaware corporation
 Its: Manager

By: _____
 Name: Jennifer Schrader
 Its: President

STATE OF ARIZONA)
) ss.
 County of Maricopa)

The foregoing instrument was acknowledged before me this ____ day of _____ 2021, by Ridge II HoldCo, LLC, a Delaware limited liability company, by Jennifer Schrader, Director.

Witness my hand and official seal.

My commission expires: _____

 Notary Public

My commission expires: _____

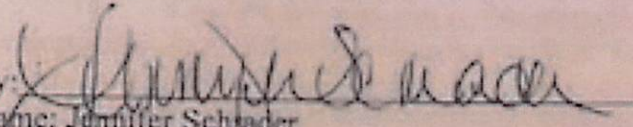
RIDGE II HOLDCO, LLC

By: Ridge II ManageCo, LLC
 a Delaware limited liability company
 Its: Manager

By: Caliber Services, LLC
 an Arizona limited liability company
 Its: Manager

By: Caliber Companies, LLC
 an Arizona limited liability company
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 Its: Manager

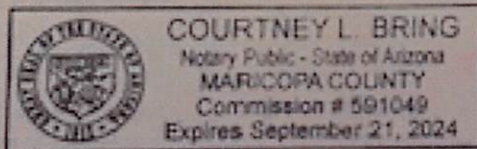
By: 
 Name: Jennifer Schrader
 Its: President

STATE OF ARIZONA)
) ss.
 County of Maricopa)

The foregoing instrument was acknowledged before me this 14 day of July 2021, by Ridge II HoldCo, LLC, a Delaware limited liability company, by Jennifer Schrader, Director.

Witness my hand and official seal.

My commission expires: 9-21-2024



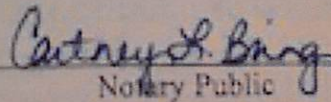

 Notary Public

EXHIBIT A
PROPERTY

A portion of the Northwest Quarter of the Southeast Quarter of Section 22, Township 5 North, Range 68 West of the Sixth Principal Meridian, County of Larimer, State of Colorado, more particularly described by metes and bounds as follows;

Considering the West line of said South Quarter as bearing North 00°20'30" East according to a deed recorded in Book 742 at Page 168 of said Larimer County records, between the monuments shown and described hereon, with all bearings contained herein relative thereto;

Commencing at the South Quarter Corner of said Section 22; thence North 00°20'30" East, along the West Line of the Southeast Quarter Section 22, a distance of 2,627.22 feet to the North line of the Northwest Quarter of the Southeast Quarter of Section 22 Township 5 North, Range 68 West of the Sixth Principal Meridian; thence North 89°47'34" East, along said North line, a distance of 75.00 feet to a point on the West line of said parcel as described in Reception No. 20180039395 and Reception No. 20180039394, said point being the POINT OF BEGINNING; thence continuing North 89°47'34" East, along said North line, a distance of 1,245.21 feet to the Northeast corner of the Northwest Quarter of the Southeast Quarter of said Section 22; thence South 00°18'28" East, along the East line of said Northwest Quarter of the Southeast Quarter, a distance of 1,310.93 feet ; thence South 89°45'05" West, along said South line of the Northwest Quarter of the Southeast Quarter of said Section 22 a distance of 884.81 feet to the Easterly right-of-way of Interstate Highway 25 Frontage Road; thence along right-of-way North 42°26'48" West, 88.01 feet to a point on a tangent curve concave to the Northeast, havening a central angle of 35°19'59" an radius 1,145.00 feet and the chord of which bears North 24°47'53" West a distance of 694.96 feet; thence along the arc of said curve 706.10 feet; thence North 22°48'11" West 51.45 feet to the East line of that parcel of land described in Book 742 at Page 168 of said Larimer County records; thence North 00°20'30" East, along said East line, and along the East line of said Parcel as described in Book 742 at Page 168, a distance of 567.00 feet to the POINT OF BEGINNING.

Containing 1,538,721 square feet or 35.32 acres, more or less.

EXHIBIT B

WATER RIGHTS

No 6998

Incorporated Under the
Laws of the State of Colorado

— 6 —
Shares

The Consolidated Home Supply Ditch and Reservoir Co.

CAPITAL STOCK
\$100,000

2,000 SHARES
\$50 EACH



This is to Certify that
Ridge II Hold Co.

Seonset Resources Corporation - Lien Holder;
LLC - Owner

is the owner of — Six — Shares of Capital Stock of
The Consolidated Home Supply Ditch and Reservoir Company, full paid
transferable only on the books of the Company, in person, or by attorney,
on surrender of this certificate.

Witness the Seal of the Company and the Signatures of the President
and Secretary at Loveland, Colorado, this 19th day of March

2020

James T. Lee President
David A. Schultz Secretary

DRY-UP COVENANT

THIS DRY-UP COVENANT is made and given this 18 day of March 2021, by Ridge II HoldCo, LLC, a Delaware limited liability company ("Grantor").

RECITALS

WHEREAS, Grantor owns a parcel of property consisting of approximately 36 acres, which is described as Exhibit A, and illustrated on Exhibit B attached hereto and incorporated herein by this reference ("Property"), and the water rights historically used to irrigate approximately 36 acres of the Property, which include six shares of capital stock of The Consolidated Home Supply Ditch and Reservoir Company represented by stock certificate number 6998, a copy of which is attached hereto and incorporated herein by reference as Exhibit C ("Water Rights");

WHEREAS, Grantor desires to dedicate the Water Rights in connection with its annexation of the Property in to the Town of Johnstown, Colorado, a municipal corporation ("Johnstown"); and that Johnstown intends to utilize the Water Rights for municipal water uses and other related uses once it obtains a decree from the Water Court changing the Water Rights from irrigation to municipal, or other beneficial, use;

WHEREAS, Grantor understands that the Water Court or State Engineer may require, as a term and condition of such change, that the Property must be dried up and not further irrigated with the Water Rights as a term and condition of allowing such change;

WHEREAS, Grantor desires to execute this Agreement affirming the permanent removal from irrigation of the Property, and cessation of all other consumptive uses of the Water Rights on the Property, as well as certain other covenants with respect to the Property under the terms of this Agreement, a covenant running with and burdening the Property; and

WHEREAS, Grantor executes this Dry-Up Covenant to ensure that the historical consumptive use on the Property attributable to the Water Rights ceases, except as otherwise provided herein.

COVENANT

THEREFORE, Grantor covenants and agrees as follows:

1. The Recitals are incorporated herein and made a part hereof.
2. From and after the date hereof, Grantor, for itself and all subsequent owners, covenants and agrees to cease using the Water Rights to irrigate the Property and to otherwise cease all consumptive use of the water attributable to the Water Rights, except as otherwise permitted herein.

3. Grantor hereby grants to Johnstown, or to successors or assigns of the Water Rights ("Grantee"), a non-exclusive perpetual easement for the purpose of access to and over the Property as may be necessary to take actions to effectuate and enforce this Dry-Up Covenant, including but not limited to the conducting of any monitoring or testing activity that may be required by the State Engineer or by any court or tribunal of competent jurisdiction to enforce this Dry-Up Covenant or that may be a pre-condition for changing the Water Rights. The non-exclusive easement provided by Grantor to Grantee in this Section 3 shall be subject to the following conditions: (a) Grantee shall use its best efforts to minimize any interference with the use of the Property by the Property owner except as reasonably required to exercise the Grantee's rights hereunder; (b) Grantee shall at all times comply with all applicable laws and ordinances and shall hold the Property owner harmless from any and all liability and liens on account of Grantee's activities; (c) Grantee shall not engage in activities that cause any permanent harm or damage (other than permanent dry up caused by the cessation of irrigation by the Water Rights) to the Property or to the Property owner's easements or personal property except as reasonably required to exercise Grantee's rights hereunder; and (d) Grantee shall leave the Property and the Property owner's easements and personal property in the same condition as they were in prior to any activities of Grantee except as reasonably required to exercise Grantee's rights hereunder.

4. This Dry-Up Covenant shall entitle Johnstown to the first and prior right to claim credit for the dry-up or non-irrigation of the Property, and the purpose of this Dry-Up Covenant is to ensure that the amount of consumptive use attributable to the Water Rights is not impaired. Grantor agrees to provide Johnstown with all assistance Johnstown may reasonably require in regard to the anticipated change of the Water Rights, provided that Grantor shall not be required to incur out-of-pocket costs in connection therewith.

5. This Dry-Up Covenant shall burden, attach to and run with the Property, and shall be binding upon Grantor, Grantor's heirs, successors and assigns and any other persons or entities which may acquire an ownership or leasehold interest in all or any portion of the Property. This Dry-Up Covenant shall also run with and benefit the Water Rights.

6. The terms and provisions of this Dry-Up Covenant shall not expire and shall be perpetual unless specifically released in writing by Johnstown or its successors and assigns.

7. This Dry-Up Covenant may be enforced by Johnstown or by any party having any right, title or interest in the Water Rights or by the State Engineer of the State of Colorado, at any time in any action at law or in equity.

8. Grantor agrees to comply with or assist in the compliance with the terms of any valid law or regulation, requiring the lands to be dried up pursuant to this Agreement, to be revegetated using accepted best management practices. Grantor, however, will be responsible to revegetate such lands at its sole cost and expenses.

9. Grantor is entitled to use the Property for any purposes not inconsistent with this Agreement, including but not limited to, dry-land grazing, agriculture except irrigated agriculture using water from the Consolidated Home Supply Ditch and Reservoir Company, recreational,

residential, commercial, and industrial purposes. The Grantor intends to develop the project within the Town of Johnstown and will receive municipal water service from Johnstown. Delivery of water from Johnstown's municipal water system is not inconsistent with this Agreement.

10. Upon execution, Grantor agrees to promptly record this Dry-Up Covenant with the Clerk and Recorder for Larimer County, State of Colorado.

[REMAINDER INTENTIONALLY BLANK – SIGNATURE PAGES FOLLOW]

GRANTOR:

EXECUTED this 18th day of March 2021.

Ridge II HoldCo, LLC
a Delaware limited liability company

By: Ridge II ManageCo, LLC
a Delaware limited liability company
Its: Manager

By: Caliber Services, LLC
an Arizona limited liability company
Its: Manager

By: Caliber Companies, LLC
an Arizona limited liability company
Its: Managing Member

By: CaliberCos Inc.
a Delaware corporation
Its: Manager

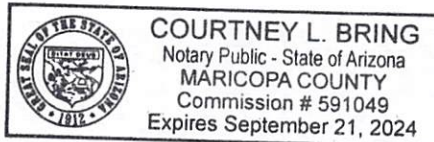
By: Jennifer Schrader
Name: Jennifer Schrader
Its: President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 18 day of March 2021, by Ridge II HoldCo, LLC, a Delaware limited liability company, by Jennifer Schrader, Director.

Witness my hand and official seal.

My commission expires: 9-21-2024



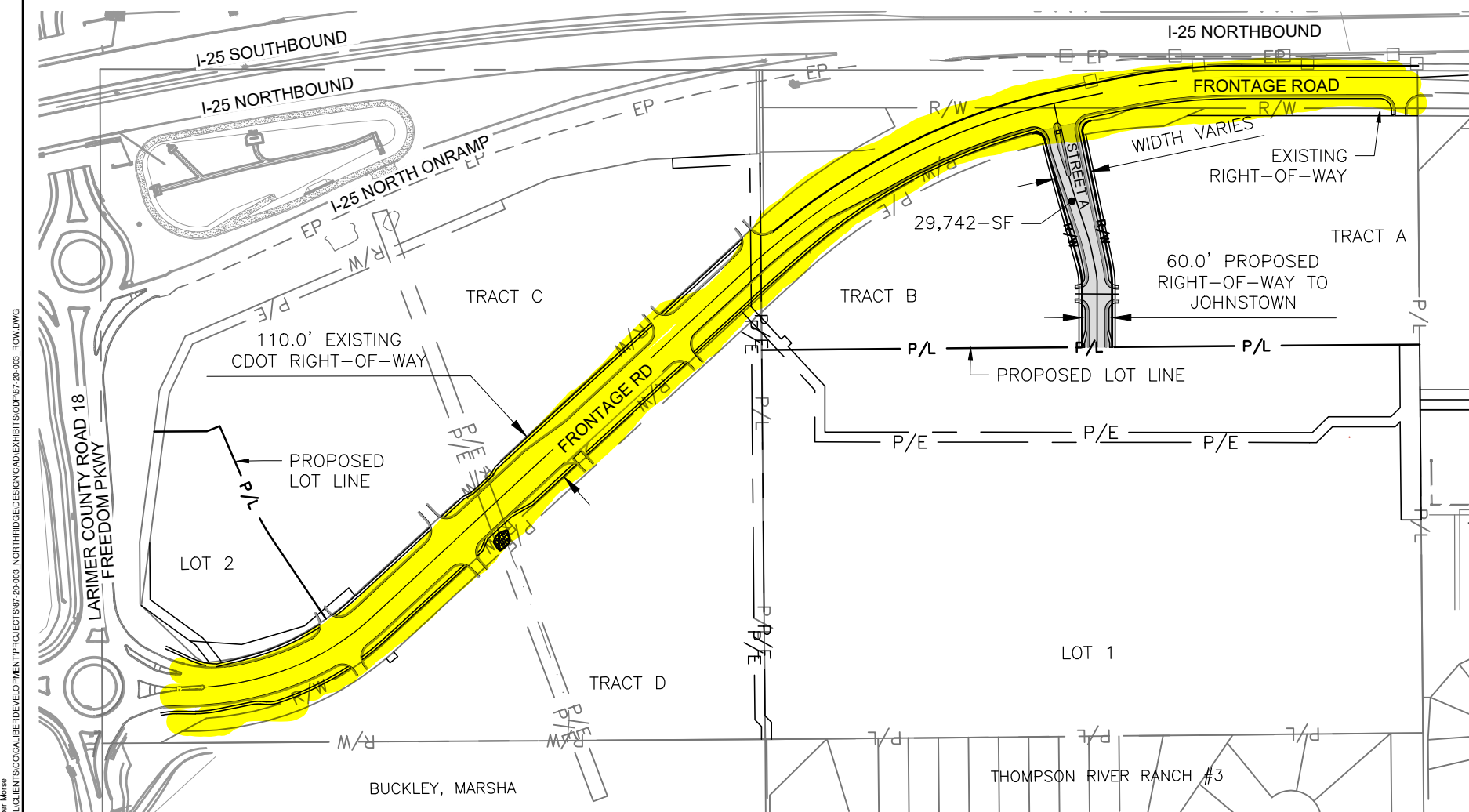
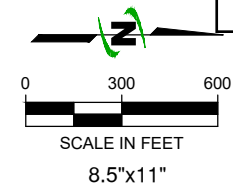
Courtney L. Bring
Notary Public

EXHIBIT C

INTERSTATE 25 FRONTAGE ROAD RIGHT OF WAY DEDICATION

NORTH RIDGE DEVELOPMENT

LOCATED ON THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 5 NORTH,
RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF LARIMER, AND STATE OF COLORADO





Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2020

SUBJECT: 2021 Old Town Street and Drainage Rehabilitation Project

ACTION PROPOSED: Consider Contract Award to DeFalco Construction Co.

ATTACHMENTS:

1. Construction Contract Template
2. Bid Form DeFalco Construction Co.
3. Bid Form Duran Excavating, Inc.
4. Bid Form J-2 Contracting Co, Inc.
5. Bid Results Old Town Drainage

PRESENTED BY: Ellen Hilbig, Deputy Director of Public Works

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration is a request to award the construction contract for the 2021 Old Town Street and Drainage Rehabilitation project. The project scope involves the installation of a storm drainage system in N Greeley Ave. from 1st Street to 2nd Street, in the Alley from N Greeley Ave. to N Estes Ave, and in N Estes Ave. from Charlotte to N 2nd St. The project will also include removal and replacement of full width street paving, curb and gutter, sidewalk, landscaping, and private improvements as well as sanitary sewer main replacement and service connections in the alley.

At the beginning of June 2021, the Town posted the project on the Rocky Mountain E-Purchasing System to solicit bids from qualified Contractors for construction. A Pre-Bid Meeting was held on June 14, 2021 with 5 Contractors in attendance; Premier Earthworks, DeFalco Construction Co, Martin Marietta, Bison Ridge Construction, and J-2 Contracting Co. Bids were received by 2 pm on Thursday July 1, 2020.

The Town received three submittals:

Contractor	Total Bid Cost
DeFalco Construction Co.	\$2,345,331.83
Duran Excavating, Inc.	\$2,512,035.00
J-2 Contracting Co, Inc.	\$2,681,882.00

The bids were reviewed independently by the Town of Johnstown Public Works Department. Staff is recommending awarding the 2021 Old Town Street and Drainage Rehabilitation to DeFalco Construction Co. in an amount of \$2,345,331.83. This project bid is submitted below the budgeted amount. The Town appropriated \$800,000 from the Street & Alley Fund, \$200,000 from the Sewer Fund and \$1,693,750 from the Drainage Fund during the 2021 budget for a total of \$2,693,750. The \$800,000 used from the Street & Alley Fund was expected to be leveraged by a grant through DOLA's Energy Impact Grant. The grant program was delayed and Council during a work session with Staff requested that the project proceed with plans to apply for the grant programming from DOLA with another project in the future. The Council at the time also acknowledged a budget amendment may be necessary to complete this project accordingly.

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

Staff is requesting the full amount budgeted in 2021 for the project of \$2,693,750 to cover construction, construction oversight/inspection, materials testing, and any unforeseen issues encountered during the project with authorization from the Town Manager to approve additional funds for construction expenses encountered on the project not to exceed the budgeted amount.

LEGAL ADVICE:

Staff and Legal developed the attached Construction Contract to utilize on Town construction projects.

FINANCIAL ADVICE:

The Town appropriated \$800,000 from the Street & Alley Fund, \$200,000 from the Sewer Fund and \$1,693,750 from the Drainage Fund during the 2021 budget for a total of \$2,693,750 for the project.

RECOMMENDED ACTION:

Staff is requesting the full 2021 budgeted amount of \$2,693,750 to cover construction, construction oversight/inspection, materials testing, and any unforeseen issues encountered during the project with authorization from the Town Manager to approve additional funds for project construction expenses and unforeseen issues encountered on the project not to exceed the budgeted amount.

SUGGESTED MOTIONS:

For Approval

I move to award DeFalco Construction Co., as the Contractor for the 2021 Old Town Street and Drainage Rehabilitation and authorize the Town Manager to approve any construction related expenses for the project in an amount not to exceed the \$2,693,750 budgeted for the project.

For Denial

I move to deny the selection of DeFalco Construction Co., as the Contractor for the 2021 Old Town Street and Drainage Rehabilitation and direct Staff to rebid the project.

Reviewed and Approved for Presentation,



Town Manager

**TOWN OF JOHNSTOWN, COLORADO
AGREEMENT FOR CONSTRUCTION CONTRACT**

[NAME OF PROJECT]

THIS AGREEMENT FOR CONSTRUCTION CONTRACT ("Agreement") is made by and between the Town of Johnstown, Colorado, a home-rule municipal corporation of the State of Colorado ("Town"), whose address is 450 S. Parish Avenue, Johnstown, CO 80534, and [], a [] of the State of _____, whose address is [] ("Contractor"). The Town and the Contractor may be collectively referred to as "parties."

In consideration of these mutual covenants and conditions, the Town and Contractor agree as follows:

SCOPE OF WORK. The Contractor shall commence and complete the construction of the [] ("Project") and, in furtherance thereof, execute the entire Work described in the Contract.

CONTRACT DOCUMENTS. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, written or oral representations and agreements. The Contract incorporates the following Contract Documents. In resolving inconsistencies among two or more of the Contract Documents, precedence shall be given in the same order as enumerated.

LIST OF CONTRACT DOCUMENTS.

The Contract Documents, except for modifications in writing issued after execution of this Agreement, are:

- | | | | |
|-----|---|--------------|----------------|
| 1. | Change Orders; | | |
| 2. | Agreement for Construction Contract; | | |
| 3. | The following Addenda, if any: | | |
| | Number | Date | Page(s) |
| 4. | Special Conditions; | | Page(s) |
| 5. | Town of Johnstown Construction Contract General Conditions; | | |
| 6. | Technical Specifications: | | |
| 7. | The following Drawings: | | |
| | Number | Title | Date |
| 8. | Notice to Proceed; | | |
| 9. | Notice of Award; | | |
| 10. | Advertisement to Bid; | | |
| 11. | Bid Bond; | | |
| 12. | Bid Proposal; | | |
| 13. | Information and Instructions to Bidders; | | |
| 14. | Performance Bond and Payment Bond; and | | |
| 15. | Insurance Certificates. | | |

CONTRACT PRICE. The Town shall pay the Contractor on a per unit price basis for the total quantity of Work performed and the completion of the Project according to the Contract, subject to Change Orders approved and executed in writing by the Town. The Town will pay the Contractor, in accordance with the unit prices of the Bid Schedule, a total amount not to exceed [] DOLLARS ("Contract Price"), subject to full and satisfactory performance of the terms and conditions of the Contract. The Town has appropriated sufficient funds for the Work.

COMPLETION OF WORK. The Contractor shall begin the Work covered by the Contract within [] calendar days and shall substantially complete work within [] calendar days from and including the date of Notice to Proceed, as modified, if at all, by an executed Change Order extending the Contract Time (the "Substantial Completion Date").

LIQUIDATED DAMAGES. The parties recognize that time is of the essence of the Contract and that the Town will suffer financial loss if the Contractor fails to substantially complete the Work by the Substantial Completion Date. The parties also recognize the delays, expense and difficulties involved in proving in a

legal proceeding the actual loss suffered by the Town if the Work is not completed on time. Accordingly, instead of requiring any such proof, the Town and Contractor agree that, as liquidated damages for the delay, but not as a penalty, Contractor shall pay the Town the sum of _____ Dollars (\$____.00) for each day that expires after the Substantial Completion Date.

SERVICE OF NOTICES. Notices to shall be hand delivered, sent by electronic mail on the condition that the recipient acknowledges receipt thereof or sent by registered or certified mail, postage prepaid, to the following address:

To the Town:

TOWN OF JOHNSTOWN
Attn: Town Manager
450 S. Parish Ave
Johnstown, CO 80534
Email: mlecerf@johnstownco.gov

To the Contractor:

PROJECT MANAGER. The Town hereby designates the following person as the Project Manager for the Project:

Name: _____
450 South Parish Avenue
Johnstown, CO 80534
Phone: _____
Email: _____

CONTRACTOR'S REPRESENTATIVE. The Contractor hereby designates the following person as the Contractor's Representative for the Project:

Name: _____
Address: _____

Phone: _____
Email: _____

INSURANCE PROVISIONS. The Contractor shall not commence any work until the Contractor obtains, at the Contractor's own expense, all required insurance as specified in the General Conditions. Such insurance must have the approval of the Town of Johnstown as to limits, form and amount, and must include the Town as an additionally insured party.

RESPONSIBILITY FOR DAMAGE CLAIMS. The Contractor shall indemnify, save harmless, and defend the Town, its officers, employees and agents, from and in all suits, actions or claims of any character brought because of: any injuries or damage received or sustained by any person, persons or property because of operations for the Town under the Contract; the Contractor's failure to comply with the provisions of the Contract; the Contractor's neglect of materials while constructing the Work; any act or omission, neglect or misconduct of the Contractor; any claims or amounts recovered from any infringements of patent, trademark, or copyright, unless the design, device, materials or process involved are specifically required by Contract; any claims or amount arising or recovered under the "Workers' Compensation Act," by reason of the Contractor's failure to comply with the act; pollution or environmental liability; and/or any failure of the Contractor to comply with any other law, ordinance, order or decree. The Town may retain so much of the money due the Contractor under the Contract, as the Town considers necessary for such purpose. If no money is due, the Contractor's Surety may be held until such suits, actions, claims for injuries or damages have been settled. At the Town's discretion, money due the Contractor may not be withheld when the Contractor produces satisfactory evidence that the Contractor and the Town are adequately protected by public liability and

property damage insurance.

The Contractor also agrees to pay the Town all expenses incurred to enforce this "Responsibility for Damage Claim" provision, including but not limited to attorney's fees. The Contractor further agrees to pay for the Town's cost of defense if the Contractor's insurer fails to provide or pay for the defense of the Town, its officers, employees and agents, as additional insureds.

Nothing in the **INSURANCE PROVISIONS of the General Conditions** shall limit the Contractor's responsibility for payment of claims, liabilities, damages, fines, penalties, and costs, including but not limited to attorney's fees, resulting from its performance or nonperformance under the Contract.

STATUS OF CONTRACTOR. The Contractor shall perform all the Work under the Contract as an independent contractor and not as an agent or employee of the Town. No employee or official of the Town will supervise the Contractor nor will the Contractor exercise supervision over any employee or official of the Town. The Contractor shall not represent that it is an employee or agent of the Town in any capacity. **The Contractor and its employees are not entitled to Unemployment Insurance benefits from the Town. Contractor is obligated to pay federal and state income tax on moneys paid pursuant to the Contract.** This is not an exclusive contract.

THIRD PARTY BENEFICIARIES. None of the terms or conditions in the Contract shall give or allow any claim, benefit, or right of action by any third person not a party to the Contract. Any person except the Town or the Contractor receiving services or benefits under the Contract shall be only an incidental beneficiary.

INTEGRATION. The Contract is an integration of the entire understanding of the parties with respect to the matters set forth in it.

DEFINITIONS AND CAPITALIZED TERMS. The Definitions in the General Conditions apply to the entire Contract unless modified within a Contract Document. Unless otherwise defined, the capitalized terms used herein shall have the meaning set forth in the General Conditions.

[Remainder of page intentionally left blank.]

EXECUTED this _____ day of _____, 20__.

TOWN OF JOHNSTOWN

By: _____
_____, Town Manager

ATTEST

By: _____
_____, Town Clerk

[CONTRACTOR]

By: _____

Name:

Title:

STATE OF COLORADO)

) ss

COUNTY OF _____)

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____, by
_____ as the _____ of _____.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public

TOWN OF JOHNSTOWN
CONSTRUCTION CONTRACT GENERAL CONDITIONS

ARTICLE 1 - ARTICLE 1 - DEFINITIONS

1.1 Definitions: Whenever used in the Bidding Documents and Contract Documents, the following terms shall have the following meanings, applicable to both the singular and plural:

- 1.1.1 **Addenda:** Written changes to the Bidding Documents issued at least two days before the opening of Bids which modify or interpret the Contract or changes the date set for the opening of Bids.
- 1.1.2 **Advertisement to Bid:** The written advertisement inviting Bidders to submit Bids for construction of the Project.
- 1.1.3 **Agreement for Construction Contract or Agreement:** The written agreement between the Town and Contractor covering the Work to be performed, incorporating the Contract Documents as a part thereof.
- 1.1.4 **Alternate Bid:** An Alternate Bid is an amount stated in the Bid added to or deducted from the base amount of the Bid when the Town accepts a corresponding change in project scope, materials or method of construction described in the Contract.
- 1.1.5 **Bid or Bid Proposal:** The proposal the Bidder submits on the prescribed Bid Forms stating the prices for the Work to be performed.
- 1.1.6 **Bid Forms:** The Bid Proposal, Bid Bond, Bid Schedule, Bidder's qualifications and data, non-collusion affidavit, Subcontractor information and related data.
- 1.1.7 **Bidder:** Any qualified individual, firm, partnership, corporation or combination thereof submitting a Bid Proposal for the performance of the Work covered by the Contract.
- 1.1.8 **Bidding Documents:** The Advertisement to Bid, Bid Forms, Information and Instructions to Bidders, Specifications, Drawings, sample forms, Special Conditions, General Conditions and Addenda (if any).
- 1.1.9 **Bid Schedule:** The itemized list of bid items and proposed Contract Price for the Work specified in the Contract Documents.
- 1.1.10 **Bonds:** Bid Bond, Performance Bond and Payment Bonds and/or other instruments of security acceptable to the Town, furnished by the Contractor and its Surety according to the Contract.
- 1.1.11 **Calendar Days:** Includes all days in a month including weekends and holidays.
- 1.1.12 **Change Order:** A written modification of the Contract, issued after award to the Contractor, authorizing an addition, deletion or revision in the Work within the general scope of the Contract or authorizing an adjustment in the Contract Price or Contract Time, mutually agreed upon between the Town and the Contractor.
- 1.1.13 **Contract:** The construction contract consisting of the Agreement for Construction Contract and the incorporated Contract Documents.
- 1.1.14 **Contract Documents:** All the documents expressly incorporated into the Contract by the Agreement for Construction Contract, including but not limited to Addenda, Change Orders, Drawings, General Conditions, Information and Instruction to Bidders, Advertisement to Bid, Insurance Certificates, Invitation to Bid, Notice of Award, Notice to Proceed, Bid Bond, Performance and Payment Bonds, Special Conditions and Technical Specifications.
- 1.1.15 **Contract Price:** The total monies payable to the Contractor under the terms and conditions of the Contract for completion of the Project.
- 1.1.16 **Contract Time:** The number of days stated in the Contract for the completion of the Project.

- 1.1.17 **Contractor:** The person, company, firm or corporation contracting with the Town to construct, erect, alter, install or repair the Project
- 1.1.18 **Contractor's Representative:** The authorized representative of the Contractor assigned to the Project.
- 1.1.19 **Drawings:** The part of the Contract prepared or approved by the Project Manager showing the characteristics and scope of the Work to be performed.
- 1.1.20 **Date of Contract:** The execution date in the Agreement for the Contract.
- 1.1.21 **Day:** A calendar day of twenty-four hours each.
- 1.1.22 **Field Order:** A written order directing a change in the Project issued by the Project Manager to the Contractor during construction.
- 1.1.23 **Final Payment:** Subsequent to issuance of the Notice of Construction Acceptance and Notice of Final Settlement, the final payment, including retainage, paid by the Town to the Contractor.
- 1.1.24 **Information and Instruction to Bidders:** Documentation provided to Bidders with information needed and procedures to be followed in the course of completing the construction of the Project.
- 1.1.25 **Inspector:** The representative authorized to inspect the Work performed by the Contractor.
- 1.1.26 **Notice of Award:** The written notice of acceptance of the Bid from the Town to the successful Bidder.
- 1.1.27 **Notice of Construction Acceptance:** The written acknowledgment that construction is complete which starts the warranty period.
- 1.1.28 **Notice of Final Acceptance:** The written acceptance of Work performed under the Contract following satisfactory conclusion of the warranty period.
- 1.1.29 **Notice of Final Settlement:** The notice published at least twice, not less than ten days before the date of Final Payment, or as otherwise required by law, in a newspaper of general circulation in the county where the Work was done.
- 1.1.30 **Notice to Proceed:** The written notice by the Town to the Contractor authorizing the Contractor to proceed with the Work which establishes the Contract commencement and, absent extensions of time in accordance with these General Conditions, the Substantial Completion Date..
- 1.1.31 **Notice of Substantial Completion:** The written notice of the date, as certified by the Project Manager, when the Project or a specified part is sufficiently completed, according to the Contract, so the Project or specified part can be used for the intended purposes.
- 1.1.32 **Owner:** The Town of Johnstown.
- 1.1.33 **Project:** The undertaking to be performed as provided in the Contract.
- 1.1.34 **Project Manager:** The authorized representative of the Town assigned to the Project.
- 1.1.35 **Shop Drawings:** All Drawings, diagrams, illustrations, brochures, schedules, and other data prepared by the Contractor, a Subcontractor, manufacturer, Supplier or distributor illustrating how specific portions of the Work will be fabricated or installed.
- 1.1.36 **Site:** The location(s) where the Project is constructed and the Work is undertaken.
- 1.1.37 **Special Conditions:** Supplement to the General Conditions containing instructions and conditions specific to the Project.
- 1.1.38 **Specifications:** A part of the Contract Documents consisting of written technical description of materials, equipment, construction systems, standards, and workmanship.
- 1.1.39 **Subcontractor:** Any person, company, firm or corporation having a subcontract with the

Contractor to furnish and perform on-site labor, with or without furnishing materials for the Project.

- 1.1.40 **Substantial Completion Date:** The date, as certified by the Project Manager, when the Project or a specified part is sufficiently completed, according to the Contract, so the Project or specified part can be used for the intended purposes. The Substantial Completion Date shall be set forth in the Agreement and may be extended by a Change Order.
- 1.1.41 **Supplier:** Any person or organization who supplies materials or equipment for the Work, including that fabricated to a special design, but who does not perform labor at the Site.
- 1.1.42 **Surety:** The entity which is bound with and for the Contractor for the Performance Bond and Payment Bond.
- 1.1.43 **Town:** The Town of Johnstown, a home-rule municipal corporation of the State of Colorado, acting by and through its Mayor, Town Council, Town Manager or other authorized representative.
- 1.1.44 **Unit Price:** An amount stated in the Bid as a price per unit of measurement for materials or services as described in the Contract.
- 1.1.45 **Work:** The construction and services required by the Contract, whether completed or partially completed, including all labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may be the whole or a part of the Project.
- 1.1.46 **Work Days:** Includes all days in the month the Contractor is permitted to work; excludes weekends and holidays.

ARTICLE 2 - PRELIMINARY MATTERS

2.1 Notice to Proceed

- 2.1.1 Following the execution of the Contract by the Parties, the Project Manager shall give the Contractor written Notice to Proceed with the Work. The Contractor shall begin and continue the Work regularly and without interruption (unless otherwise directed in writing by the Project Manager) with the force necessary to complete the Work within the Contract Time.

2.2 Contractor's Understanding

- 2.2.1 The Contractor agrees that, by careful examination, the Contractor is satisfied as to the nature and location of the Work, the conformation of the ground, the character, quality, and quantity of the materials to be encountered, the character of equipment and facilities needed before commencing and for completion of the Project, the general and local conditions and all other matters that can in any way affect the Work under the Contract. The Contractor further agrees that no oral agreement with any officer, agent or employee of the Town, either before or after the execution of the Contract, shall affect or change any of the terms or obligations contained in the Contract.

2.3 Contractor's Warranty

- 2.3.1 The Contractor warrants that the Contractor has the knowledge, ability, experience, and expertise to perform the Work competently. The Contractor warrants the capacity of the Contractor's construction personnel and its ability to complete the Project within the Contract Time.

2.4 Contractor's License and Permits

- 2.4.1 The Contractor agrees to obtain all licenses and permits required to do the Work. Whenever necessary, the Contractor shall have a Contractor's License issued by the Town by the time of the Notice of Award. The Contractor shall have all permits required by the Town, as well as

those required by county, state and federal agencies. The Town will not charge for Town permits, although a charge may apply for the Contractor's License. Subcontractors shall also have a Contractor's License issued by the Town and the proper permits. The Town shall not charge for the Subcontractor's permits.

2.5 Schedules, Reports, Labor and Material

- 2.5.1 Before commencing construction, the Contractor shall submit to the Project Manager a construction progress schedule, on a form approved by the Project Manager, showing all Work the Contractor and all Subcontractors will perform. The Project Manager may require the Contractor to substitute a critical path method schedule or bar graph type schedule.
- 2.5.2 The construction progress schedule shall be in enough detail for the Project Manager to readily determine the Work to be performed each day. When requested by the Project Manager, the Contractor shall update the schedule.
- 2.5.3 Before commencing construction, the Contractor shall give the Project Manager the dates it expects to submit Shop Drawings, manufacturers' details, catalog cuts or other required special detail drawings and also the dates of beginning manufacture, testing, delivery and installation of special equipment and materials.
- 2.5.4 If requested by the Town, the Contractor shall furnish the Project Manager proof of labor compensation rates being paid or already paid.
- 2.5.5 The Town reserves the right to furnish materials for the Work and the Contractor may not claim costs and profit on materials furnished by the Town. The Town reserves the right to purchase from the Contractor any materials previously purchased for a project and not used. Payment for the materials will be based on the actual material cost as shown on the Supplier's invoice, any transportation charges incurred, plus a fifteen percent handling fee.

2.6 Contractor's Address

- 2.6.1 The address in the Agreement shall be designated as the place to which all communications to the Town or the Contractor be hand delivered, sent by electronic mail or mailed. The delivery at the listed address, in person, by electronic mail (on the condition of receipt thereof by the intended recipient) or by certified mail, of any notice, letter or other communication to the Contractor shall be adequate service upon the Contractor, and the date of the service is the date of delivery.

2.7 Notification to Utility and Property Owners

- 2.7.1 The Contractor shall cooperate with utility owners to mitigate damage whenever the Contractor's work affects their utilities.
- 2.7.2 The Contractor shall not excavate without first notifying the owners, operators or association of owners and operators having underground facilities in the area of such excavation. Notice may be given in person, by telephone or in writing. Notice to an association is notice to each member of the association.
- 2.7.3 Contractor shall give notice of the commencement, extent and duration of excavation work at least two business days before commencing such work.
- 2.7.4 If the Project affects fences, landscaping, mailboxes, driveways or other such improvements, the Contractor shall notify the affected property owner(s) or occupant(s) in writing at least two business days before commencement of such work. The Contractor shall cooperate with the owners or occupants to reduce inconvenience where reasonably possible.

2.8 Tax Exempt; Department of Revenue Forms

- 2.8.1 All sales to the Town in its governmental capacity are exempt from sales and use tax.
- 2.8.2 It is the responsibility of the Contractor to apply for a tax exemption certificate from the Colorado Department of Revenue and to use such certificate when purchasing materials or supplies in connection with the Project.
- 2.8.3 The Town's tax exemption numbers are to be used only when obtaining the Contractor's own tax exemption certificate for each specific Town project.

ARTICLE 3 - DRAWINGS AND SPECIFICATIONS

3.1 Intent of Drawings and Specifications

- 3.1.1 In the Drawings and Specifications, the Town intends that the Contractor furnish all superintendence, labor, materials, tools, equipment, supplies, machinery and transportation necessary for the proper execution of the Work unless specifically noted otherwise. The Contractor shall do all the Work shown on the Drawings and described in the Specifications and all incidental Work reasonably necessary to complete the Project in an acceptable manner that is ready for use by the Town.
- 3.1.2 The Contractor shall complete all Work according to the Drawings and Specifications and all other Contract Documents, and in compliance with applicable laws.
- 3.1.3 In interpreting the Contract, words describing materials or work having a well-known technical or trade meaning, unless otherwise specifically defined, shall be construed according to well-known meanings as recognized by engineers, architects and the trades.
- 3.1.4 When the Contract refers to a provision of the General Conditions or another Contract Document, the Contract means the provision as amended or supplemented by other provisions of the Contract.
- 3.1.5 When the Specifications state the words "as directed," or "as required," or "as permitted," or words of like meaning, it is understood that the direction, requirement or permission of the Project Manager is intended. Similarly, the words approved, acceptable or satisfactory shall refer to approval by the Project Manager.
- 3.1.6 The Contract Documents are intended to be complementary, and Work called for on any Drawing and not mentioned in the Specifications, or Work described in the Specifications and not shown on any Drawing, is included under the Contract as if set forth in both the Specifications and Drawings.
- 3.1.7 The Project Manager shall decide the intent of the Drawings and Specifications. The decision shall be final.

3.2 Copies of Drawings and Specifications Furnished

- 3.2.1 The Project Manager shall furnish to the Contractor copies of Drawings and Specifications of the Work.

3.3 Discrepancies in Drawings or Specifications

- 3.3.1 Contractor shall immediately report in writing any discrepancies found between the Drawings or Specifications and Site conditions or any errors or omissions in the Drawings or Specifications to the Project Manager, who shall promptly correct such discrepancy, error or omission. Any Work done by the Contractor after discovery of such discrepancies, errors or omissions is done at the Contractor's risk.

3.4 Dimensions

- 3.4.1 Calculated dimensions shall govern over scaled dimensions.

3.5 Drawings and Specifications at Job Site

- 3.5.1 The Contractor shall keep one complete set of all Drawings and Specifications at the Site, available to the Project Manager at all times.

3.6 Shop Drawings

- 3.6.1 The Contractor shall provide Shop Drawings, settings, schedules, and such other drawings as may be necessary for the prosecution of the Work in the shop and in the field as required by the Drawings, Specifications or Project Manager's instructions.
- 3.6.2 The Contractor shall submit for approval reproducible copies of all Shop Drawings and descriptive data as applicable showing all features not fully detailed in the Contract Documents but essential for a completely coordinated installation.
- 3.6.3 The Town's approval of Shop Drawings indicates only that the type and kind of equipment, general method of construction or detailing are satisfactory. The Contractor shall not construe the approval as a complete check. The Contractor has the responsibility for incorporating into the Work satisfactory materials and equipment meeting the requirements of the Drawings and Specifications, the proper dimensions and the detailing of connections.
- 3.6.4 The Town's review of Shop Drawings is only to check for compliance with the design concept of the Project and general compliance with the Contract Documents. Approval does not indicate the waiver of any Contract requirement. Changes in the Work are authorized only by separate written Change Order.

3.7 Record Documents

- 3.7.1 The Contractor shall keep one record copy of all Addenda, Change Orders, Drawings, Field Orders and Shop Drawings and Specifications in good order. The Contractor shall record any changes made during construction on the record copies. The Contractor shall make a set of "Record Drawings" by marking this set of prints with all changes from the original Drawings as bid, which shall include changes resulting from executed Change Orders, alignment changes, depth changes of underground pipes and utilities, and all other items that are not the same as originally drawn. The Contractor shall keep the Record Drawings up to date as the Project progresses. The Project Manager may require, as a condition of the approval of the monthly progress payment, periodic inspection of the Record Drawings. The Contractor shall deliver the Record Drawings to the Project Manager upon completion of the Project before Final Payment.

3.8 Differing Site Conditions

- 3.8.1 The Contractor shall promptly, before such conditions are further disturbed, notify the Project Manager in writing of:
 - 3.8.1.A Subsurface or latent physical conditions at the Site differing materially from those indicated in the Contract; or
 - 3.8.1.B Unknown physical conditions at the Site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in Work of the character provided for in the Contract.
- 3.8.2 Upon receipt of written notification from the Contractor of alleged differing site conditions, the Project Manager shall promptly investigate the conditions and, if the Project Manager finds the conditions materially differ and so cause an increase or decrease in the Contractor's cost of or the time required for performance of any part of the Work under the Contract, an equitable adjustment shall be made and the Contract modified in writing as provided for in Article 10 of these General Conditions. No claim shall be allowed under this Article unless the Contractor has given the written notice required in Article 3.8.1.
- 3.8.3 No claim shall be allowed under this Article if Final Payment has been made.

3.9 Surveys

- 3.9.1 The Project Manager has the option to develop and arrange for detail surveys through a separate contract if deems desirable or necessary and if specifically noted in the Special Conditions, otherwise the Contractor shall provide all surveys required to construct the Project according to the Contract Documents. The Contractor assumes full responsibility for construction according to the proposed lines and grades.
- 3.9.2 The Contractor shall carefully protect all monuments and property markers from disturbance or damage.

ARTICLE 4 - AVAILABILITY OF RIGHT-OF-WAY

4.1 Acquisition of Right-of-Way

- 4.1.1 Before issuance of the Notice to Proceed, the Town shall obtain all land and right-of-way necessary for carrying out and completion of the Work to be performed pursuant to the Contract, unless otherwise mutually agreed.
- 4.1.2 When necessary, the Town shall provide to the Contractor information which delineates and describes the lands owned and rights-of-way acquired. The Contractor shall confine its operations within the areas designated by the Project Manager.

4.2 Access to Right-of-Way

- 4.2.1 The Town shall provide right of access to all locations necessary for the performance of the Work. Nothing contained in the Contract shall give the Contractor exclusive occupancy of such areas. The Town, other contractors of the Town and utility companies, may enter upon or occupy portions of the land furnished by the Town for any purpose, but without unreasonably interfering with the completion of the Project. Joint occupancy of such lands shall not be the basis of any claim for delay or damages.

4.3 State Highway Right-of-Way

- 4.3.1 If any part of the Project is within the right-of-way of a roadway under the jurisdiction of the Colorado Department of Transportation ("CDOT"), the Contractor shall obtain the necessary permits from CDOT and conform to all the requirements and restrictions indicated on the permit.

4.4 Temporary Storage Facilities

- 4.4.1 The Contractor may secure at its own expense, and without liability to the Town, use of any additional property that the Contractor may desire for temporary construction activities or for storage of materials.

ARTICLE 5 - BONDS AND INSURANCE

5.1 Performance Bond and Payment Bond

- 5.1.1 The Contractor shall, within ten (10) days after receipt of the Notice of Award and, in any event, before the commencement of any operations under the Contract, execute the Agreement and furnish the Town with separate Performance and Payment Bonds, each in a penal sum equal to the amount of the Contract Price, conditioned upon the Contractor's performance of all undertakings, covenants, terms, conditions, and agreements of the Contract and upon the Contractor's prompt payment to all persons supplying labor and materials in the prosecution of the Work provided by the Contract. The Contractor and a Surety, licensed to transact such business in the State of Colorado and acceptable to the Town, shall execute the Performance and Payment Bonds. The Performance and Payment Bonds shall cover the entire Contract Price, regardless of changes thereto after execution of the Agreement, and shall remain in full

effect for a period of two years from the date of issuance of the Notice of Construction Acceptance or until Notice of Final Acceptance, whichever is later. The Contractor shall bear the expense of the Performance and Payment Bonds. If at any time the Surety on such Bonds becomes irresponsible or loses its right to do business in the State of Colorado, the Town may require another Surety, which the Contractor shall furnish within ten (10) days after receipt of written notice to do so. Evidence of authority of an attorney-in-fact acting for the corporate Surety shall be provided in the form of a certificate as to its power of attorney and to the effect that it is not terminated and remains in full force and effect on the date of the Performance and Payment Bonds. The form of the Performance and Payment Bonds shall be subject to the Town's approval.

5.2 Insurance

- 5.2.1 The insurance requirements contained in the Contract shall not limit or redefine the obligations of the Contractor as provided elsewhere in the Contract.
- 5.2.2 Only insurance companies in good standing with authority to issue policies in the State of Colorado may provide insurance coverage under the Contract.

5.3 Insurance Requirements

- 5.3.1 The Contractor shall purchase and maintain, for the full period of the Contract, including the warranty period, at the Contractor's sole expense, insurance policies providing coverage as follows:
 - 5.3.1.A General liability. The Contractor shall maintain general liability insurance of at least \$1,000,000 per each occurrence and \$2,000,000 aggregate plus an additional amount adequate to pay related attorney's fees and defense cost. Coverage shall include bodily injury including accidental death, property damage, personal injury and contractual liability.
 - 5.3.1.B Comprehensive Automobile Liability. The Contractor shall maintain comprehensive automobile liability insurance with minimum limits for bodily injury and property damage coverage of at least \$1,000,000 per each occurrence plus an additional amount adequate to pay related attorneys' fees and defense costs, for each of Contractors owned, hired or non-owned vehicles assigned to or used in performance of the Agreement.
 - 5.3.1.C Professional Liability/Errors and Omissions. The Contractor shall maintain errors and omissions insurance in the amount of \$1,000,000.
 - 5.3.1.D Workers' Compensation & Employer's Liability. The Contractor shall maintain the following during the life of the Agreement for all employees engages in services performed under the Agreement:
 - Workers' Compensation insurance with statutory limits as required by the Workers' Compensation Act of the State of Colorado.
 - Employer's Liability insurance with limits of \$100,000 per accident, \$500,000 disease aggregate, and \$100,000 disease each employee.
 - 5.3.1.E Builders Risk/Installation Floater. The Contractor shall maintain builder's risk/installation floater insurance for the full replacement cost. Such insurance shall be written on a builder's risk "All-Risk" or on a peril or special causes of loss policy form that shall at least include insurance for physical loss and damage to the Work, temporary buildings, false work, and work in transit and shall insure against at least the following perils: fire, lightning, extended coverage, theft, vandalism and malicious mischief, collapse, debris removal, demolition occasioned by enforcement of laws and regulations and water damage.
- 5.3.2 In the event any of the Work is performed by a Subcontractor, the Contractor shall be

responsible for any liability directly or indirectly arising out of the services performed under an Agreement with the Subcontractor, which liability is not covered by the Subcontractor's insurance.

- 5.3.3 The insurance coverage required for the performance of the Contract shall be endorsed to name the Town, its elected and appointed officials, officers, agents, employees, as additional insureds under the Contract.
- 5.3.4 The Contractor shall furnish certificates of insurance to the Town prior to the commencement of the Work under the Contract. The certificates of insurance shall specify the parties who are additional insureds. The certificates of insurance shall show the type, amount, class of operations covered, effective dates and date of expiration of policies, and contain substantially the following statement: "The insurance evidenced by this Certificate shall not reduce coverage or limits and shall not be cancelled, except after thirty (30) days written notice has been provided to the Town of Johnstown."
- 5.3.5 All insurance and bonding companies providing coverage or surety under the Contract shall have a Best Insurance Rating of "A" or better. Every policy required above shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by the Contractor. The additional insured endorsement for the comprehensive general liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Contractor shall be solely responsible for deductible losses under each of the policies required above. If the Contractor is self-insured under the laws of the State of Colorado, the Contractor shall provide appropriate declarations and evidence of coverage, subject to review and approval by the Town.
- 5.3.6 For the term of the Contract, including the two-year warranty period, the Contractor shall not cancel, materially change or fail to renew the insurance coverage, and agrees to notify the Project Manager of any material reduction or exhaustion of aggregate policy limits. If the Contractor fails to purchase or maintain the required insurance coverage, the Town shall have the right, but not the obligation, to procure such insurance coverage at the Contractor's expense or, at its discretion, to terminate the Contract.

ARTICLE 6 - INDEMNIFICATION

6.1 Responsibility for Damage Claims

- 6.1.1 The Contractor shall indemnify, save harmless and defend the Town, its officers, employees and agents, from and in all suits, actions or claims of any character brought because of: any injuries or damage received or sustained by any person, persons or property because of operations for the Town under the Contract; the Contractor's failure to comply with the provisions of the Contract; the Contractor's neglect of materials while constructing the Work; any act or omission, neglect or misconduct of the Contractor; any claims or amounts recovered from any infringements of patent, trademark, or copyright, unless the design, device, materials or process involved are specifically required by Contract; any claims or amount arising or recovered under the "Workers' Compensation Act" by reason of the Contractor's failure to comply with the Act; pollution or environmental liability; and/or any failure of the Contractor to comply with any other law, ordinance, order or decree. The Town may retain so much of the money due the Contractor under the Contract as the Town considers necessary for such purpose. If no money is due, the Contractor's surety may be held until such suits, actions, claims for injuries or damages have been settled.
- 6.1.2 The Contractor agrees to pay the Town all expenses incurred to enforce this "Responsibility for Damage Claim" provision, including but not limited to attorney's fees. The Contractor further agrees to pay for the Town's cost of defense if the insurer of the Contractor fails to provide or pay for the defense of the Town, its officers employees and agents, as additional insureds.

- 6.1.3 Nothing in the **INSURANCE PROVISIONS** shall limit the Contractor's responsibility for payment of claims, liabilities, damages, fines, penalties, and costs, including but not limited to attorney's fees, resulting from its performance or nonperformance under the Contract.

ARTICLE 7 - CONTRACTOR'S RESPONSIBILITIES

7.1 Control of the Work

- 7.1.1 The Contractor shall have a Contractor's Representative acceptable to the Town present at the Site during performance of the Work who shall be the Contractor's representative and have charge of the Project. The Contractor's Representative shall have the authority to act on the Contractor's behalf.

7.2 General Use of Subcontractors

- 7.2.1 The Contractor may utilize the services of Subcontractors on those parts of the Work which, under normal contracting practices, are performed by subcontractors.
- 7.2.2 The Contractor shall not subcontract any portion of the Work to be done under the Contract until approval of such action has been obtained from the Town.
- 7.2.3 The Contractor shall be fully responsible to the Town for the acts and omissions of its Subcontractors and of persons either directly or indirectly employed by the Subcontractors.
- 7.2.4 Nothing contained in the Contract creates any contractual relationship between any Subcontractor and the Town.
- 7.2.5 The Contractor shall put appropriate provisions in all subcontract agreements relative to the Work to bind Subcontractors to the terms of the Contract insofar as applicable to the Work of Subcontractors, and to give the Contractor the power to terminate any Subcontractor.
- 7.2.6 The Contractor shall make available to each Subcontractor, before the execution of subcontract agreements, copies of the Contract Documents to which the Subcontractor shall be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors shall similarly make copies of applicable portions of such documents available to their respective proposed sub-subcontractors.

7.3 Materials and Equipment Furnished by the Contractor

- 7.3.1 The Contractor shall furnish and pay the cost of all materials not furnished by the Town, the superintendence, labor, tools, equipment, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery and transportation required for the Project. The Contractor shall perform the work required for the construction of all structures listed and itemized under the Bid Schedule of the Bid in strict accordance with the Drawings, Specifications and any amendments thereto.
- 7.3.2 Unless otherwise provided for in the Specifications, all workmanship, equipment, materials, and articles incorporated in the Project are to be the best of their respective kinds, new and undamaged.
- 7.3.3 Materials, supplies or equipment to be incorporated into the Project shall not be purchased by the Contractor or any Subcontractor subject to chattel mortgage or under a conditional sales contract or other agreement under which an interest is retained by the seller.
- 7.3.4 The Contractor shall furnish the Project Manager, for approval, the name of the manufacturer of machinery, equipment and materials the Contractor contemplates incorporating in the Project. The Contractor shall also furnish to the Project Manager information regarding capacities, efficiencies, sizes and the like of the machinery, equipment or materials and any other information as may be required by the Project Manager. The Contractor shall submit samples for approval when requested. Machinery, equipment, materials and articles installed

or used without the Project Manager's approval are at the risk of subsequent rejection.

- 7.3.5 The Contractor shall provide the Project Manager copies of all shop manuals, operating manuals, parts lists, classifications, catalog cuts, specifications, warranties and guarantees for all equipment and machinery installed.
- 7.3.6 Consideration of a product as an "equal" by the Project Manager may require that the manufacturer of such product furnish guarantees that extend beyond the usual product warranty time. The refusal of a manufacturer to provide such guarantees is sufficient reason for rejecting the product.

7.4 Existing Utilities

- 7.4.1 The Town shall provide available information on the Drawings showing the location of existing underground, surface and overhead structures and utilities. However, the Town does not guarantee that such information is accurate or complete. The Contractor shall verify all locations of existing underground, surface and overhead structures and utilities shown on the Drawings or otherwise existing.
- 7.4.2 The Contractor shall support, and protect from injury, existing power lines, telephone lines, water mains, gas mains, sewers, cables, conduits, ditches, curbs, walks, pavements, driveways and other structures at, near or in the vicinity of the Project.

7.5 Coordination with Town

- 7.5.1 The Contractor shall coordinate its Work with the Town. If it becomes necessary to close portions of any water or sewer system due to construction operations, a minimum of two (2) calendar days written notification shall be given to the Town and, whenever possible, seven (7) days written notice should be provided. The Contractor shall be responsible for ensuring continuity of the utilities.

7.6 Laws and Ordinances

- 7.6.1 The Contractor shall perform all obligations under the Contract in strict compliance with all federal, state and local laws, rules and regulations applicable to the performance of the Contractor under the Contract.
- 7.6.2 The Contractor shall obtain all permits and licenses required in the prosecution of the Work.
- 7.6.3 The Contractor shall not offer, give or agree to give any Town employee, Town official or former Town employee a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation under the Contract.

7.7 Protection of Persons

- 7.7.1 It shall be a condition of the Contract, and the Contractor shall make a condition of each subcontract agreement entered into pursuant to the Contract, that the Contractor and any Subcontractor shall not require any laborer, mechanic or other person employed in performance of the Contract to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to health or safety. The Contractor shall comply with all applicable safety rules and regulations adopted by the United States Department of Labor Occupational Safety and Health Administration ("OSHA"), the Industrial Commission of the State of Colorado and the Town. The Town assumes no duty to ensure that the Contractor follows the appropriate safety regulations.
- 7.7.2 For operations involving trenching, excavation or any other underground construction, the Contractor's attention is specially directed to, and its work shall conform with, the Construction Safety and Health Regulations, Part P Subparagraph 1926.650-653 by OSHA, latest revision.
- 7.7.3 The Contractor shall take all necessary precautions to ensure the protection of the public health, safety and welfare. The Contractor shall furnish, erect, and maintain at its own expense

all necessary precautions for the protection of the Work and safety of the public through and around its construction operations.

7.8 Protection of Property

- 7.8.1 The Contractor shall continuously and adequately protect the Work from damage, injury or loss arising in connection with the Contract. The Contractor shall repair or replace, at its expense, any such damage, injury or loss, except as such may be caused by the negligent acts of the Town. The Contractor shall provide and maintain, at its expense, all passageways, barricades, guard fences, lights and other protection facilities required by a public authority or by local conditions.
- 7.8.2 The Contractor shall be responsible for protection of all public and private property on and adjacent to the Site. The Contractor shall use every precaution necessary to prevent damage to curbs, sidewalks, driveways, trees, shrubs, sod, mailboxes, fences and other private and public improvements. The Contractor shall protect carefully from disturbance or damage all land monuments and property markers and shall not remove them unless authorized to do so.

7.9 Responsibility to Repair or Replace

- 7.9.1 Should any property be damaged during the performance of the Work, the Contractor shall immediately notify the property owner. Unless authorized in writing by the property owner or directed by the Project Manager, the Contractor shall not attempt to make repairs. Written authorization from the property owner allowing the Contractor to make repairs shall include a provision holding the Town harmless from any responsibility whatsoever relative to the sufficiency of the repairs. Prior to commencement of the repairs, the Contractor shall give the Project Manager a copy of the written authorization to make such repairs.
- 7.9.2 When any direct or indirect damage or injury is done to any public or private property or utility by or on account of any act, omission, neglect or misconduct in the execution of the Work by the Contractor, the Contractor shall restore the damaged property at its own expense to a condition equal to or better than that existing before such damage or injury.
- 7.9.3 The Contractor shall replace materials and equipment lost, stolen, damaged or otherwise rendered useless during the performance of Work on the Project.

7.10 Traffic Control

- 7.10.1 The Contractor shall arrange the Work in a manner that minimizes disruption to traffic. All traffic control devices used shall conform to the latest edition of the Manual of Uniform Traffic Control Devices ("MUTCD"). Except as otherwise permitted, two-way traffic shall be maintained at all times on public roadways. At least three (3) calendar days prior to commencing work in Town rights-of-way, the Contractor shall submit a detailed traffic control plan to the Town and an application for a right-of-way permit to the Town. The traffic control plan ("TC Plan") shall include the name of the contractor, the name and phone number of the person responsible for the traffic control, the date for beginning and ending construction activity and hours of operation expected. The TC Plan should show the widths of streets involved, traffic lanes, the size and location of the work area with distances from the curb, distance to the nearest intersection and the type and location of traffic control devices. The Town's approval of the TC Plan shall establish the requirements for closures related to the number of lanes and time of day lanes or streets may be closed. No changes to the TC Plan shall be permitted without prior written approval by the Town.
- 7.10.2 The Contractor shall furnish and maintain all necessary signs, barricades, lights, and flaggers necessary to control traffic and provide for safety of the public, in compliance with the MUTCD and to the satisfaction of the Town.

7.11 Sanitary Regulations

- 7.11.1 The Contractor shall be responsible for providing proper health and sanitation facilities for its employees in compliance with rules and regulations of the Colorado Department of Public Health and Environment (“CDPHE”) and any other bodies having jurisdiction.
- 7.11.2 The Contractor shall always provide an abundant supply of safe drinking water for the Contractor’s employees.
- 7.11.3 At convenient places, the Contractor shall provide outside toilets which are to be maintained in a sanitary condition. Toilets shall not be permitted where they may pollute a water supply.

7.12 Pollution Control

- 7.12.1 The Contractor shall comply with all applicable state and federal laws, orders, rules and regulations concerning the control, prevention and abatement of water pollution and air pollution in all operations pertaining to the Contract.
- 7.12.2 The Contractor shall use construction methods that prevent release, entrance or accidental spillage of solid matter, contaminants, debris or other objectionable pollutants and wastes including, but not limited to, refuse, garbage, cement, concrete, sewage effluent, industrial waste, radioactive substances, oil and other petroleum products, aggregate processing tailings, mineral salts and thermal pollution.
- 7.12.3 The Contractor shall not emit dust into the atmosphere during any operations, including but not limited to dust resulting from: grading, excavating, manufacturing, handling or storing of aggregates, trenching or cement or pozzolans. The Contractor shall use the necessary methods and equipment to collect, deposit, and prevent dust from its operations from damaging crops, orchards, fields or dwellings or from causing a nuisance to persons. The Contractor shall be liable for any damage resulting from dust.
- 7.12.4 The Contractor shall obtain permits for de-watering for structure foundations or earthwork operations adjacent to or encroaching on lakes, streams or water courses and shall complete such work in a manner that prevents muddy water and eroded materials from entering the lakes, streams or water courses, by construction of intercepting ditches, bypass channels, barriers, settling ponds or by other approved means.

7.13 Stormwater Quality

- 7.13.1 The Contractor shall be responsible for the preservation and protection of storm water collection systems and other natural and developed drainage ways that may be affected by the Work. The Contractor shall obtain a Stormwater Discharge Permit Associated with Construction Activity from CDPHE for any construction activity that disturbs one or more acres of land. The Contractor shall be responsible for complying with the requirements of the Stormwater Discharges Permit Associated with Construction Activity Permit until the permit has been formally inactivated.
- 7.13.2 The Contractor may be subject to fines and civil penalties for construction sites that discharge un-permitted stormwater in violation of the Clean Water Act and local regulations.
- 7.13.3 The Contractor shall comply with all permit requirements throughout the warranty period and until final stabilization is reached.
- 7.13.4 The Contractor shall satisfy all environmental quality standards imposed by law and take reasonable steps to minimize the environmental impact of the Work.
- 7.13.5 The Contractor shall ensure that all erosion control be performed in accordance with Sections 208 of the Colorado Department of Transportation’s Standard Specifications or Construction Best Management Practices of UDFCD Volume 3 Urban Storm Drainage Criteria Manual.
- 7.13.6 The Contractor shall coordinate the construction of temporary erosion control measures with the construction of permanent erosion control measures to assure economical, effective and continuous erosion control throughout the construction and warranty period.

- 7.13.7 Unless listed in the Bid Proposal, all erosion control features, including the erosion control supervisor, if available, will not be measured, but will be paid for on a lump sum basis. The lump sum price bid will be full compensation for all work required to complete such item.

7.14 Cleaning Up and Restoration

- 7.14.1 The Contractor shall clean up all refuse and scrap materials so the Site presents a neat, orderly, and workmanlike appearance at all times.
- 7.14.2 Upon completion of the Project, and before final inspection, the Contractor shall remove from the Site and from any occupied adjoining property all buildings, refuse, unused materials, forming lumber, sanitary facilities, and any other materials and equipment that belong to the Contractor or its Subcontractors. The Contractor shall restore the Site to its original condition, including reseeding if necessary, at the completion of the Project.
- 7.14.3 The Town may clean up and restore the construction Site to a satisfactory condition if the Contractor fails to do so. Any costs the Town incurs shall be deducted from the final payment due the Contractor.

ARTICLE 8 - TOWN'S RESPONSIBILITIES

- 8.1 The Town shall furnish the data required by the Contract and make payments to the Contractor as provided by the Contract Documents.

ARTICLE 9 - PROJECT MANAGER'S RESPONSIBILITIES

9.1 Field Direction

- 9.1.1 The Project Manager shall maintain Owner's authority over the Contractor relating to field direction and project administration but shall not assume liability for the Contractor's work or be deemed to control the Contractor's scheduling.

9.2 Inspection

- 9.2.1 The Project Manager shall appoint inspectors to inspect the Project. Inspections may extend to all or any part of the Project. The inspectors are not authorized to alter the provisions of the Drawings or Specifications or to delay the fulfillment of the Contract by failure to inspect materials and Work with reasonable promptness.
- 9.2.2 An inspector has authority to recommend to the Project Manager that the Project Manager reject defective materials or suspend any portion of the Work that is being done improperly.
- 9.2.3 The Contractor shall give the Project Manager due and timely notice of readiness when the Work, or any part thereof, is to be inspected, tested or approved by an inspector. The Contractor shall provide the Project Manager with required certificates of inspection, testing or approval. Inspection, tests or approvals by the Project Manager or others shall not relieve the Contractor from its obligations to perform the Work according to the requirements of the Contract.
- 9.2.4 If the Project Manager considers it necessary or advisable that previously completed or covered Work be inspected or tested, the Contractor shall uncover, expose or otherwise make such portion of the Work available to the Project Manager for inspection and testing. The Contractor shall furnish all tools, labor, material and equipment necessary to make the Work available. If the Project Manager finds the Work defective, the Contractor shall pay for the cost of satisfactory reconstruction and making the Work available. However, if the Work is not found defective, the Contractor shall be allowed an increase in the Contract Price and/or, as appropriate, an extension of the Contract Time for costs and time directly attributable to making the Work available and for reconstruction.
- 9.2.5 If the Contractor's operations require inspecting, testing or surveying to be done outside normal

working hours or on Town holidays, such shall be at the Contractor's expense.

9.3 Stop Work Order

- 9.3.1 The Project Manager has the authority to suspend Work on the Project, either in whole or in part, for as long as the Project Manager deems necessary due to:
- Unsuitable weather;
 - Faulty workmanship;
 - Improper superintendence;
 - Contractor's failure to carry out orders or to perform any provision of the Contract;
 - Conditions which may be considered unfavorable for the prosecution of Work;
 - Work being carried on in an unsafe manner; or
 - Any other reasonable grounds.
- 9.3.2 The Project Manager shall issue the stop work order in writing and the Contractor may not proceed with Work on the suspended portion of the Project until notified in writing by the Project Manager.
- 9.3.3 If it is necessary to stop work for an indefinite period, the Contractor shall, if directed by the Project Manager, store all materials in such a manner that they will not become an obstruction or become damaged in any way. The Contractor shall take every precaution to prevent damage to or deterioration of the Work, providing suitable drainage and erecting temporary structures where necessary.

9.4 Disputes

- 9.4.1 If the Contractor considers any Work directed by the Town to be outside the Contract requirements, or if it considers any directive of the Project Manager to be improper, the Contractor shall promptly ask for a written instruction or decision and shall perform the Work in conformance with the Project Manager's direction. If the Contractor considers such instructions unsatisfactory, the Contractor shall file a written protest with the Project Manager within ten (10) days after receipt thereof.
- 9.4.2 All claims, disputes and other matters in question arising out of or relating to the Contract shall be submitted to the Project Manager before the Contractor may commence litigation.

ARTICLE 10 - CHANGES

10.1 General

- 10.1.1 The Town may make alterations to the Project within the general scope of the Contract without the consent of the Contractor or Surety at any time during the Work. The Contractor shall perform the Work as changed, as if originally specified. The alterations shall not invalidate the Contract in any way.
- 10.1.2 The Project Manager may, at any time, without notice to the Surety, by written notice to the Contractor, make any change in the Work to be performed within the general scope of the Contract, including but not limited to changes:
- In the Specifications, Drawings and designs;
 - In the method or manner of the performance of the Work;
 - In facilities, equipment, materials, services or site furnished by the Town; or
 - Directing acceleration in the performance of the Work.
- 10.1.3 Any written order from the Project Manager that, in the Contractor's opinion, warrants an extension of time or increased or decreased costs, shall be treated as a Change Order provided that, unless otherwise initiated by the Project Manager, the Contractor gives the Project Manager written notice within two (2) business days of the basis for the Contractor's position that a Change Order should be executed. If the Town and the Contractor do not agree to the

terms of a Change Order, the Project Manager may, at its discretion, authorize the Contractor to proceed with the Work with a reservation of the Contractor's rights. In such case, the Contractor shall maintain accurate records to substantiate its position.

10.1.4 The Contractor may not treat any order, statement or conduct of the Project Manager as a change under this Article nor become entitled to an equitable adjustment in the Contract Price or Contract Time, except as provided in this Article.

10.1.5 Claims for changes in the Contract Price or Contract Time shall not be considered after the Final Payment has been made.

10.2 Appropriation

10.2.1 Notwithstanding any other provision of the Contract, the issuance of any Change Order or other form of order or directive by the Town requiring additional compensable work to be performed which will cause the Contract Price to exceed the amount appropriated for the Work is prohibited unless the Contractor is given written assurance by the Town that lawful appropriations to cover the costs of the additional work have been made or unless the unless such work is covered under the remedy-granting provisions of the Contract.

10.3 Field Orders

10.3.1 The Project Manager may make changes in the details of the Project at any time by issuing a Field Order. The Contractor shall proceed with the performance of any changes in the Project ordered by the Project Manager. If the Contractor believes that such Field Order entitles it to a change in the Contract Price or the Contract Time, or both, it shall give the Project Manager written notice within two (2) business days after the receipt of the Field Order.

10.4 Change Orders

10.4.1 Changes in the Contract Price and Contract Time are authorized only by Change Orders. Any requests for extension of time due to conditions outside of the Contractor's control shall be made in writing to the Town within seven (7) calendar days of such condition.

10.4.2 Any difference in cost from Change Orders shall be added to or deducted from the amount of the Contract, as the case may be. Adjustments in the amounts to be paid to the Contractor on account of changed Work shall be determined by one of the following methods in the order listed:

- Unit prices submitted in the Bid Schedule;
- Negotiated unit prices; or
- Negotiated lump sum.

10.5 Extras and Force Account Work

10.5.1 The Contractor shall perform any extra work and furnish materials and equipment necessary or desirable for proper completion of the Contract if the Project Manager believes it necessary to order such additional work or materials or equipment. The Project Manager shall order such labor, material and equipment in writing before the extra work is started. The labor, material and equipment will be classed as "Extra Work." The Town will not pay for Extra Work unless the Town requires the Extra Work in writing. All claims for Extra Work shall be submitted to the Project Manager, supplemented by any data the Project Manager requires.

10.5.2 Extra Work shall ordinarily be paid for at a lump sum or unit price agreed upon in writing by the Project Manager and Contractor before the Extra Work is ordered. In the negotiation of lump sum or unit prices, the agreed estimated cost of the Extra Work plus an allowance for overhead and profit, not to exceed the allowances stated in Section 10.5.3, shall be used.

10.5.3 The allowance for overhead and profit shall include full compensation for superintendence, bonds and insurance premiums, office expense, and all other items of expense or cost not

included in the cost of labor, materials, or equipment provided under Sections 10.5.4, 10.5.5 and 10.5.6. The allowance for overhead and profit shall be fifteen percent (15%). The actual necessary cost for labor, materials, or equipment shall be computed according to Sections 10.5.4, 10.5.5 and 10.5.6.

Superintendence, bond and insurance premiums and other general expense shall not be included in the computation of actual necessary cost. When all or any part of the Extra Work is performed by a Subcontractor or specialty firm, the Contractor may add five percent (5%) of the Subcontractor's total cost for the Extra Work. The Contractor shall give the Project Manager daily report sheets covering the direct cost of labor and materials and charges for equipment. The daily report sheets shall provide names or identifications and classifications of workers and hours worked, as well as size, type and identification number of equipment and hours operated. Material charges shall be substantiated by valid copies of vendors' invoices. The Project Manager shall make any necessary adjustments and compile the costs of cost-plus Work. When these reports are agreed upon and signed by both parties, they become the basis of payment for the Extra Work performed.

- 10.5.4 **Labor:** The cost of labor used in performing the Extra Work by the Contractor, a Subcontractor, or other forces shall be the sum of the actual wages paid plus any employer payments to, or on behalf of, workers for fringe benefits including health and welfare, pension, vacation, and similar purposes; all payments imposed by state and federal laws including, but not limited to, workers' compensation insurance, and social security payments; and the amount paid for subsistence and travel required in accordance with the regular practice of the employer.
- 10.5.5 **Materials:** The cost of materials used in performing the extra Work, including transportation charges for delivery (exclusive of machinery rentals), shall be the cost to the purchaser, whether Contractor, Subcontractor or other forces, from the Supplier thereof, inclusive of sales or use taxes, if any, except if, in the opinion of the Project Manager, the cost of materials is excessive or the Contractor does not furnish satisfactory evidence of the cost of such material. If the Project Manager finds the cost excessive or the Contractor has not furnished evidence of the cost, then the cost shall be deemed to be the lowest current wholesale price for the quantity concerned delivered to the Site less cash or trade discounts.
- 10.5.6 **Equipment:** The Contractor shall be paid according to the rental rates agreed upon in writing before commencement of the Extra Work for any machinery or special equipment (other than small tools) authorized by the Project Manager. The Contractor may furnish cost data to assist the Project Manager in the establishment of the rental rate. The rental rates paid shall include the cost of fuel, oil, lubrication supplies, small tools, necessary attachments, repairs and maintenance of all kinds, depreciation, storage, insurance and all incidentals. Individual pieces of equipment or tools having a replacement value of \$100.00 or less, whether or not consumed by use, are considered small tools and no payment shall be made for such items. Operator wages shall be paid separately, as provided in Section 10.5.4.
- The rental time to be paid for equipment on the Work is the time the equipment is in productive operation on the extra Work being performed. Rental time shall not be allowed while equipment is inoperative due to breakdowns or storage on-site.
- 10.5.7 **Eliminating Items:** The Project Manager shall notify the Contractor in writing to eliminate any items contained in the proposal unnecessary for the proper completion of the Extra Work. The Contractor, by Change Order, shall be reimbursed for Extra Work completed and all costs incurred, including mobilization of materials and equipment, before the elimination of such items.

ARTICLE 11 - CONTRACT TIME

11.1 General

- 11.1.1 Time is of the essence in the performance of all Work contemplated in the Contract. Therefore,

the Work shall be commenced no later than ten (10) days from and including the date of Notice to Proceed and shall be fully completed in a satisfactory and acceptable manner within the time stated in the Agreement.

- 11.1.2 The capacity of the Contractor's construction force shall be sufficient to assure completion of the Project within the Contract Time. The Contractor shall use multiple crews if necessary to complete the Project within the Contract Time.

11.2 Delays

- 11.2.1 Delay claims fall into three categories: non-excusable, excusable or compensable. Any payment for delays or the granting of time extensions require an executed Change Order.

11.2.1.A **Non-excusable delay** is one caused by factors within the Contractor's reasonable control. The delay is the Contractor's fault and no additional time or additional compensation shall be allowed. A non-exclusive list of non-excusable delays are:

- Late submittal of Shop Drawings;
- Late procurement of materials or equipment;
- Insufficient personnel;
- Unqualified personnel;
- Inadequate coordination of Subcontractors or other contractors;
- Subcontractor delays;
- Late response to Town or Project Manager inquiries; or
- Construction not conforming to Contract requirements.

11.2.1.B **Excusable delay** is caused by factors beyond the Contractor's reasonable control, but is not the result of the Town's actions or failures to act. An excusable delay entitles the Contractor to an extension of time but no additional compensation for the cost of the delay.

11.2.1.C **Compensable delay** is one where the Town has failed to meet a Contract obligation. If the Project Manager considers a delay as compensable, the Town shall grant a time extension and pay the Contractor for the increased cost caused by the delay.

11.3 Failure to Complete Work on Time - Liquidated Damages

- 11.3.1 The Town may permit the Contractor to proceed if the Contractor fails to substantially complete the Work on or before the Substantial Completion Date. In such case, the Town shall deduct the sum specified in the Contract for liquidated damages for each day that the Work remains uncompleted. This sum shall not be a penalty.

- 11.3.2 Liquidated damages shall be in the following amount:

Contract Price	Liquidated Damages per Calendar Day
\$0 - \$499,999	\$800
\$500,000 - \$9,999,999	\$1,600
\$1,000,000 - \$1,999,999	\$2,200
\$2,000,000 - \$4,999,999	\$3,200
\$5,000,000 - \$14,999,999	\$5,400
\$15,000,000 and up	\$9,800

- 11.3.3 The parties agree that, under all of the circumstances, the daily basis and the amount set forth as liquidated damages is reasonable and equitable. The Town expends additional personnel effort in administering the Contract, or portions thereof, that are not completed on time, and

such efforts and the costs thereof are impossible to accurately compute. In addition, citizens of the Town may incur personal inconvenience and lose confidence in their government as a result of public projects, or parts thereof, not being timely completed. The impact and damages resulting from delays, serious in monetary as well as other terms, are impossible to measure.

- 11.3.4 It the Town permits the Contractor to continue and finish the Work, or any part thereof, after the time fixed for completion of the Work, such action shall not operate as a waiver on the part of the Town of liquidated damages or any of its rights under the Contract.

ARTICLE 12 - WARRANTY AND GUARANTEES

12.1 Warranty and Guarantees

- 12.1.1 The Contractor and its Surety are jointly and severally responsible for the condition of all completed Work and for maintenance and satisfactory operation of the Work for a period of two years following the Notice of Construction Acceptance or for two years after warranty work is fully satisfied, whichever is later. The Town shall submit a notice of warranty work that requires repair or replacement under the warranty to the Contractor in writing. The Contractor and Surety are jointly and severally responsible for the satisfactory repair or replacement of any Work, materials or equipment which are found defective during the warranty period, provided that the defect results directly or indirectly from faulty workmanship or negligence by the Contractor, from faulty manufacturing or from faulty erection or improper handling of materials or equipment furnished or installed by the Contractor. Neither the Contractor nor its Surety shall be liable for any defect resulting from the Town's negligence.

ARTICLE 13 - SAMPLES AND TESTING

13.1 Samples and Testing

- 13.1.1 All materials and equipment used in the Project shall be subject to sampling and testing according to generally accepted standards and as required in the Contract Documents. In the absence of direct references or Town requirements, the sampling and testing of materials shall be done according to the current specifications of the American Society for Testing and Materials or the American Water Works Association, as appropriate. The Contractor shall cooperate with the Project Manager in collecting and forwarding required samples.
- 13.1.2 The Contractor shall not incorporate any materials into the Project or cover any part of the Work until it has been inspected and approved according to the Contract Documents.
- 13.1.3 The Contractor shall furnish all samples without charge. The Contractor shall cooperate with the Project Manager in collecting, handling, storing and forwarding required samples, which shall include the furnishing of labor and equipment when necessary.

ARTICLE 14 - Access to Work

14.1 Access to Work

- 14.1.1 The Project Manager and authorized Town representatives shall have access to the Project and the Site at any time for purposes of inspection, sampling and testing. Access shall extend to authorized representatives of participating federal or state agencies and to other public authorities having jurisdiction established by law. The Contractor shall provide proper facilities for access to the Project.
- 14.1.2 Access to the Project shall include access wherever and whenever the Project is in manufacture, preparation or progress. It shall include access to payrolls, records of personnel, invoices of materials, terms and conditions of sale of materials and equipment to be incorporated in the Project, files, records, books, correspondence, instructions, Drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and any other relevant data and records relating to the Contract.

- 14.1.3 The Town may, at reasonable times, inspect the place of business or worksite of the Contractor or Subcontractor at any tier which is pertinent to the performance of the Contract.

ARTICLE 15 - DEFECTIVE WORK AND MATERIALS

15.1 Defective Work and Materials

- 15.1.1 Material and workmanship not conforming to the requirements of the Contract are deemed defective. Defective Work or material shall be removed immediately from the Site and replaced with acceptable Work and material at the Contractor's expense.
- 15.1.2 If the Contractor fails to replace rejected materials or Work within ten (10) days after receipt of written notice, the Town may replace or correct them and charge the cost to the Contractor and may, in addition thereto, at its discretion, terminate the Contract. The Town's failure to detect previously installed defective materials or Work shall not impair the Town's right to receive the completed Project free of defects and in a manner that meets all of the requirements of the Contract Documents.

ARTICLE 16 - PAYMENTS TO CONTRACTOR AND COMPLETION

16.1 General

- 16.1.1 Unless expressly provided otherwise in the Contract, the prices shown in the Bid Schedule include the cost of all labor, materials, equipment, tools, forms, services, utilities, royalties, fees, and any other thing or expense necessary to complete the Project. Items not shown on the Bid Schedule or the Drawings, but necessary to construct the Project, will be considered a part of the Project whether specified or not and no separate payment shall be made for those items.
- 16.1.2 Unless expressly provided otherwise in the Contract, the Contract Price includes all labor, materials, equipment, tools, forms, services, utilities, royalties, fees, and any other thing or expense necessary to complete the Project.

16.2 Determination of Amounts and Quantities

- 16.2.1 The Project Manager shall verify determinations of amounts and quantities of Work performed. The Project Manager shall have access to the records related to the Contract as set forth in Article 14.

16.3 Variations in Estimated Quantities

- 16.3.1 Where the quantity of a pay item in the Contract is an estimated quantity and where the actual quantity of such pay item varies more than twenty-five percent (25%) below the estimated quantity stated in the Contract, the Contractor shall, upon demand of the Town, make an equitable adjustment in the Contract Price. The Contract Price adjustment shall be based upon any decrease in costs due solely to the variation below seventy-five percent (75%) of the estimated quantity.

Where the quantity of a pay item in the Contract is an estimated quantity and the actual quantity of such pay item is more than twenty-five percent (25%) above the estimated quantity in the Contract, the Town may elect to terminate the Contract or issue a Change Order to adjust the Contract Price.

In no case will the price adjustment change the original Contract Price to an amount not appropriated and approved by Town Council.

16.4 Monthly Pay Request

- 16.4.1 The Contractor shall prepare monthly pay requests for all Work completed up to that time. The Project Manager shall approve the monthly pay requests before progress payments are made.

- 16.4.2 In making progress payments, the Town shall retain five percent (5%) of the calculated value of completed Work. The withheld percentage of the Contract Price of the Work shall be retained until the Contract is completed satisfactorily and finally accepted by the Town.
- 16.4.3 Monthly pay requests may include the value of acceptable materials required in the construction which have been delivered on the Site or to adjacent property for which acceptable provisions have been made for preservation and storage of the material, providing the Contractor submits with its monthly pay requests paid invoices for the material for which payment is being requested. Material paid for by the Town becomes the property of the Town and, in the event of the default on the part of the Contractor, the Town may use or cause to be used such materials in construction of the Work.
- 16.4.4 The Town may withhold, in addition to retained percentages from Contractor payments, such an amount or amounts as may be necessary to cover:
- 16.4.4.A Claims for labor or materials furnished the Contractor or Subcontractor(s) or reasonable evidence indicating probable filing of such claims;
- 16.4.4.B Failure of the Contractor to make proper payment to Subcontractors or for material or labor furnished by others;
- 16.4.4.C Costs arising from a reasonable doubt that the Contract can be completed for the balance of the Contract Price then unpaid, including, but not limited to, those arising from;
- Evidence of damage to another contractor or private property;
 - Uncorrected defective Work or guarantees that have not been met;
 - Failure of the Contractor to submit cost breakdowns, schedules, reports and other information required under the Contract;
 - Persistent failure to carry out the Work according to the Contract; or
 - Reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay.
- 16.4.5 The Town, at its discretion, may disburse and has the right to act as agent for the Contractor in disbursing funds withheld pursuant to this Section to the party or parties who are entitled to payment therefrom, but the Town assumes no obligation to make such disbursement. The Town shall render to the Contractor a proper accounting of all funds disbursed.

16.5 Town's Right to Accept Portion of the Project

- 16.5.1 The Town reserves the right to accept and make use of any completed portion of the Project without invalidating the Contract or obligating the Town to accept the remainder of the Project.

16.6 Substantial Completion

- 16.6.1 When the Contractor considers the Work ready for its intended use, the Contractor shall notify the Project Manager in writing that the Work is substantially complete (except for items specifically listed by Contractor as incomplete) and request that the Project Manager issue a Notice of Substantial Completion. Within a reasonable time, the Contractor, Project Manager and any other appropriate Town representatives shall make an inspection of the Work to determine the status of completion. If the Project Manager does not consider the Work substantially complete, the Project Manager shall notify the Contractor in writing giving the reasons for denial of the Notice of Substantial Completion. If the Project Manager considers the Work substantially complete, the Project Manager shall prepare and deliver to the Contractor a Notice of Substantial Completion which shall fix the date of final completion and construction acceptance. The Project Manager shall attach to the Notice of Substantial Completion a "punch list" of items to be completed or corrected before Final Payment.

16.7 Construction Acceptance

- 16.7.1 When the Work specified in the Contract is completed and the final cleanup has been performed, the Contractor shall notify the Project Manager that all Work under the Contract has been completed. Within a reasonable time, the Contractor, Project Manager and any other appropriate Town representatives shall make a final inspection of the Work. If the Project Manager finds that the Project has been completed according to the requirements set forth in the Contract, the Town, upon the recommendation of the Project Manager, shall issue a Notice of Construction Acceptance. Notices of Construction Acceptance issued orally or without proper Town authorization are void. The Town shall not make the Final Payment under the Contract before it issues the Notice of Construction Acceptance.
- 16.7.2 The two-year warranty required by the Contract shall commence on the date set in the Notice of Construction Acceptance for the Project or the date set in the Notice of Construction Acceptance for a designated portion of the Project, which warranty may be extended, if at all, as set forth in these General Conditions.

16.8 Claims Against the Contractor

- 16.8.1 As provided by law, persons, including Subcontractors, who have not been paid by the Contractor and who have provided materials, services and labor of any kind, or labor and material incidental to the completion of the Project, may file claims and the Town may withhold from the Contractor an amount sufficient to cover such claims.

16.9 Final Payment

- 16.9.1 The Town shall make Final Payment within sixty (60) days after issuance of the Notice of Construction Acceptance or at such later time as required by law.
- 16.9.2 After the Notice of Construction Acceptance is issued by the Town, the Town shall publish the Notice of Final Settlement at least twice, not less than ten (10) days before the date of Final Payment, or as otherwise required by law, in a newspaper of general circulation in the county where the Work was done. If no claims are filed before the expiration of ten (10) days from the date of the last publication of the Notice of Final Settlement, the Final Payment, including retainages, may be made.
- 16.9.3 If any Subcontractor or Supplier files a claim before the expiration of ten (10) days from the date of the last publication of the Notice of Final Settlement for work done or material furnished that has not been paid for by the Contractor, the Town shall withhold from Final Payment to the Contractor sufficient funds for payment of the claims. The funds shall not be withheld longer than ninety (90) days from the date of Final Payment unless a legal action is commenced within that time to enforce payment of the claims.
- 16.9.4 At the end of ninety (90) days, or any time before, if the person filing the claim acknowledges receipt of payment for the claim, or otherwise releases the claim in writing, the Town shall pay the Contractor the monies not subject to suit or *lis pendens* notices.
- 16.9.5 Monies that are the subject of a suit will be withheld until a judgment is rendered in the suit or, if permitted by law, deposited into the registry of the court.
- 16.9.6 Notwithstanding any other provision of the Contract, the Town may withhold funds if required to do so pursuant to the Colorado Public Works Act, Section 38-26-101, *et seq.*, C.R.S.

ARTICLE 17 - CONTRACT TERMINATION

17.1 Town's Right to Terminate Contract for Convenience

- 17.1.1 The Town shall, at any time, have the right to terminate the Contract for convenience upon written notice to the Contractor. The Contractor shall be entitled to the full amount of the approved estimate for the Work satisfactorily completed under the Contract up to the time of such termination, including the retained percentage. The Town shall reimburse the Contractor

for such expenditures as, in the judgment of the Project Manager, have not otherwise been paid together with the cost of moving to and from the Project.

17.2 Town's Right to Terminate Contract for Default

- 17.2.1 The Town shall have the right to terminate the Contract if the performance of the Work is unnecessarily or unreasonably delayed by the Contractor or if any of the provisions of the Contract are being violated by the Contractor or its Subcontractors. Upon receipt of written notice, the Contract shall terminate unless, in the opinion of the Project Manager, the Contractor corrects the violation within five (5) days after the notice is served or, if the violations are not able to be fully corrected within five (5) days, commences in due diligence to correct the violations and completes the corrections in a reasonable time. In the event of such termination, the Town shall immediately serve notice of the termination upon the Surety and provide the Surety with the right to take over and perform the Work called for in the Contract. If the Surety undertakes the Work, the Surety shall then be bound by all the provisions of the Contract. If the Surety does not commence performance of the Work within ten (10) days from the date of the written notice, the Town may take over the Project and, without prejudice to any other remedies, complete the Project. The Contractor and the Surety shall be liable to the Town for any and all excess costs incurred by the Town in completing the Work.

17.3 Contractor's Right to Terminate Contract

- 17.3.1 The Contractor may terminate the Contract if the Work is stopped for a period of three (3) months under order of any court or other public authority through no act or fault of the Contractor or of anyone employed by it.
- 17.3.2 The Contractor may suspend Work if the Town fails to make payments at the times provided in the Contract and the Contractor has provided the Town with written notice seven (7) days before suspension of the Work. The Contractor may terminate the Contract, at its option, if the Town continues to be in default thirty (30) days after the date of such written notice. Failure by the Town to make payments at the times provided is a bar to any claim by the Town against the Contractor for delay in completion of the Project if the Contractor suspended Work for that reason. Notwithstanding the foregoing, the Town shall have and retain the right to withhold funds for reasons set forth in the Contract and any such retention shall not be the basis of the Contractor's right to terminate the Contract.
- 17.3.3 If the Contractor terminates the Contract, the Contractor may recover the price of all Work done and materials provided up to the date of such termination.

ARTICLE 18 - Article 16--EQUAL OPPORTUNITY

18.1 During the performance of the Contract, the Contractor agrees as follows:

- 18.1.1 The Contractor shall not discriminate against any employee or applicant for employment because of race, color, age, disability, religion, sex, national origin, or as otherwise prohibited by law.
- 18.1.2 The Contractor shall endeavor to ensure that Subcontractors do not discriminate against any employee or applicant for employment because of race, color, age, disability, religion, sex, national origin, or as otherwise prohibited by law.

ARTICLE 19 - MISCELLANEOUS

- 19.1 Reservation of Right to Bar Persons from the Work and Site:** The Town reserves the right to bar any person, including employees of the Contractor and Subcontractors, from the Site. This shall not be treated as a request for the employee's termination but a request that the employee not be assigned to work on the Site. No increase in Contract Time or Contract Price shall be authorized by such action.

- 19.2 Illegal Aliens:** Pursuant to Section 8-17.5-101, et. seq., C.R.S., the Town may not enter into or renew a public contract for services with a contractor who knowingly employs or contracts with an illegal alien to perform work under the contract or who knowingly contracts with a subcontractor who knowingly employs or contracts with an illegal alien to perform work under the contract. In accordance with the mandatory provisions of Section 8-17.5-101, et. seq., C.R.S., the Contractor shall not knowingly employ or contract with an illegal alien to perform work under the Contract nor shall the Contractor enter into a contract with a subcontractor who fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

The Contractor shall verify or attempt to verify the employment eligibility of all employees who are newly hired to perform work under the Contract through participation in the E-Verify of the Department Program [as defined in Section 8-17.5-101(3.3), C.R.S.]. The Contractor shall not use the E-Verify Program or the Department Program to undertake pre-employment screening of job applicants while the Contract is being performed.

If Contractor obtains actual knowledge that a subcontractor performing work under the Contractor knowingly employs or contracts with an illegal alien, the Contractor shall:

- a. Notify the subcontractor and the Town within three (3) days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract if within three (3) days of receiving actual notice the subcontractor does not stop employing or contracting with the illegal alien, except the Contractor shall not terminate the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

The Contractor shall comply with any reasonable request by the Department of Labor and Employment ("Department") made in the course of an investigation that the Department is undertaking pursuant to Section 8-17.5-102(5), C.R.S.

If the Contractor violates the provisions of this paragraph, the Town may terminate the Contract for breach and the Contractor shall be liable for actual and consequential damages.

- 19.3 Financial Obligations of Town:** All financial obligations of the Town under the Contract are contingent upon appropriation, budgeting and availability of specific funds to discharge such obligations. The Contract shall be terminated effective January 1 of the first fiscal year for which funds are not appropriated. Nothing in the Contract shall be deemed a pledge of the Town's credit, or a payment guarantee by the Town to the Contractor.
- 19.4 Assignment:** The Contractor shall not assign the Contract, or any part thereof, without the written consent of the Town and the Surety, nor shall the Contractor assign any moneys due or to become due to the Contractor unless the Town approves such assignment in writing.
- 19.5 Amendments:** The parties shall only amend the Contract in writing with the proper official signatures and, if required elsewhere in this Contract, on the proper forms.
- 19.6 Waiver:** The Contractor understands and agrees that any waiver granted by the Town of any term or provision of the Contract shall not constitute a precedent. Neither the acceptance of the Work by the Town nor the payment of all or part of the Contract Price due the Contractor shall constitute a waiver by the Town of any claim the Town may have against the Contractor.
- 19.7 Mediation:** Any controversy or claim arising out of or relating to this Contract, or the breach thereof, which cannot be resolved by mutual agreement, shall be subject to mediation prior to the

commencement of a legal action.

- 19.8 Governing Law:** The Contract is governed and to be construed according to the laws of the State of Colorado. Venue and jurisdiction for any court action filed regarding the Contract shall be in the County of Weld, State of Colorado.
- 19.9 Binding Contract:** The Contract is binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.
- 19.10 Colorado Governmental Immunity Act:** The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this Contract, 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 amended, or otherwise available to the Town, its officers, or its employees.
- 19.11 Colorado Labor:** Pursuant to Title 8, Article 17, C.R.S., the Contractor agrees, except as otherwise waived by the Town, to employ Colorado labor to perform the Work to the extent of not less than eighty percent of each type or class of labor in the several classifications of skilled and common labor employed under the Contract. "Colorado labor" means any person who is a resident of the state of Colorado, at the time of employment, without discrimination as to race, color, creed, sex, sexual orientation, marital status, national origin, ancestry, age, or religion except when sex or age is a bona fide occupational qualification.
- 19.12 No Personal Liability:** In carrying out any of the provisions of the Contract or in exercising any power or authority thereby, there shall be no personal liability of the Town, its governing body, staff, consultants, officials, attorneys, representatives, agents, or employees.
- 19.13 Third Party Beneficiary:** None of the terms or conditions in the Contract shall give or allow any claim, benefit or right of action by any third person not a party to the Contract. Any person except the Town or the Contractor receiving services or benefits under the Contract shall be only an incidental beneficiary.
- 19.14 Costs and Attorney Fees:** If any judicial proceedings are brought against Contractor to enforce any of the provisions of the Contract, the Town, if the prevailing party, shall be entitled to recover the costs of such proceedings, including reasonable attorney's fees and reasonable expert witness fees.
- 19.15 No Presumption:** Each party acknowledges that it has carefully read and reviewed the terms of this Agreement. Each party acknowledges that the entry into and execution of this Agreement is of its own free and voluntary act and deed, without compulsion. Each party acknowledges that it has obtained, or has had the opportunity to obtain, the advice of legal counsel of its own choosing in connection with the negotiation and execution of this Agreement and with respect to all matters set forth herein. The parties agree that this Agreement reflects the joint drafting efforts of all parties and in the event of any dispute, disagreement or controversy arising from this agreement, the parties shall be considered joint authors and no provision shall be interpreted against any party because of authorship.
- 19.16 Headings:** The headings in these General Conditions are inserted only for the purpose of convenient reference and in no way define, limit or prescribe the scope or intent of the Contract or any part thereof.

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION

Bid Opening 7/1/2021 @ 2:00pm

Contractor	Bid	Bid Form	Bid Bond
DeFalco Construction Co.	\$ 2,345,331.83	X	X
Duran Excavating, Inc.	\$ 2,512,035.00	X	X
J-2 Contracting Co., Inc	\$ 2,681,882.00	X	X

BID FORM**2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION**

PROJECT IDENTIFICATION: Old Town Street and Drainage Rehabilitation – Town of Johnstown

CONTRACT IDENTIFICATION NUMBER:

THIS BID IS SUBMITTED TO:

Town of Johnstown, Colorado
 450 S. Parish Avenue
 Johnstown, Colorado 80534

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Contract Documents to perform and furnish all work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. BIDDER accepts all of the terms and conditions of the Instructions to Bidders. This Bid will remain subject to acceptance for forty-five (45) days after the day of Bid opening. BIDDER will sign and submit the Agreement and other documents required by the Bidding Requirements within three days after the date of OWNER's Notice of Award.
3. In submitting this Bid, BIDDER represents, as more fully set forth in the Agreement, that:

BIDDER has examined copies of all the Bidding Documents and of the following Addenda (receipt of all which is hereby acknowledged):

Date of issue	Number
JUNE 22, 2021	1
JUNE 24, 2021	2
JUNE 25, 2021	3

JUNE 29, 2021 4

- (a) BIDDER has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work. \BIDDER has studied carefully all reports and drawings of subsurface conditions and drawings of physical conditions of the extent of the technical data contained in such reports and drawings upon which BIDDER is entitled to rely.
- (b) BIDDER has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports or similar information or data in respect of said Underground Facilities are or will be required by BIDDER in order to

perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of Contract Documents.

- (c) BIDDER has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.
 - (d) BIDDER has given ENGINEER written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to BIDDER.
 - (e) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or a corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for themselves any advantage over any other Bidder or over OWNER; and
4. BIDDER will complete the work in accordance with the Contract Documents for the following price(s):

FOR ALL WORK, A LUMP SUM OF:

TWO MILLION THREE HUNDRED FORTY FIVE THOUSAND Dollars (use words)
THREE HUNDRED THIRTY ONE DOLLARS AND 83/100

(\$ 2,345,331 ⁸³) (numerals)

Contractor to submit Schedule of Values, in support of Lump Sum Price.

- 5. BIDDER agrees that that the Work will be substantially completed and ready for final payment on or before the dates or within the number of calendar days indicated in the Agreement.
- 6. BIDDER accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work on time.
- 7. The following documents are attached to and made a condition of this Bid:
 - a) Required Bid Bond
 - b) Bidder to provide a tabulation of Subcontractors, suppliers and other persons and organizations required to be identified in this Bid per the Instructions to Bidders.

SUBMITTED on July 1, 20 21.

If BIDDER is:

An Individual

By: _____
(SEAL)

(Individual's Name)

doing business as _____

Business address:

Phone No.: _____

A Partnership

By: _____
(SEAL)

(Firm Name)

(General Partner)

doing business as _____

Business address:

Phone No.: _____

A Corporation

By: DEFALCO CONSTRUCTION Co.
 (Corporation Name)

COLORADO
 (State of Incorporation)

By: Tony Defalco
 (Name of person authorized to sign)

PRESIDENT
 (Title)

(Corporate Seal)

Attest Ben Hanson
 (Secretary)

Business address:

P.O. BOX 820 LONGMONT CO. 80502

Phone No.: 303.651.1100

A Joint Venture

By: _____
 (Name)

 (Address)

By: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership and corporation that is a party to the joint venture should be in the manner indicated above.)

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION-
BID SCHEDULE - ADDENDUM 3

Contractor: DEFAUO CONSTRUCTION CO.DATE: 7/1/21

ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	200-00203	Removal of curb and gutter	2900	LF	5.68	\$ 16,472.00
2	201-00000	Clearing and Grubbing	1	LS	8113.74	\$ 8,113.74
3	202-00010	Removal of Tree	3	EA	2222.35	\$ 6,667.05
4	202-00019	Removal of existing storm inlet (Greeley)	2	EA	2141.68	\$ 4283.36
5	202-00021	Removal of existing Sanitary Manhole	3	EA	1748.29	\$ 5244.87
6	202-00035	Removal Pipe - 15" Storm Drain in Greeley.	320	LF	59.97	\$ 19,190.40
7	202-00035	Removal Pipe - 8" Sanitary Main in Alley	830	LF	77.06	\$ 63,959.80
8	202-00037	Removal of end section (Greeley)	1	EA	399.77	\$ 399.77
9	202-00212	Remove existing concrete	1388	SY	5.46	\$ 7578.48
10	202-00212	Removal of Concrete (Special) - Drain Pans & Greeley U-Gutter	41	SY	7.52	\$ 308.32
11	202-00240	Removal Asphalt Mat	7375	SY	3.98	\$ 29,352.50
12	202-00250	Removal of Pavement Marking	300	SF	3.08	\$ 724.60
13	202-01000	Removal or Relocation of Fence	50	LF	19.13	\$ 956.50
14	202-05002	Sawing Concrete (6")	363	LF	3.24	\$ 1176.12
15	202-05026	Sawing Asphalt Material	872	LF	1.72	\$ 1499.84
16	203-00000	Unclassified Excavation	2410	CY	15.25	\$ 36,752.50
17	208-00002	Erosion Log (Type 1) (12 Inch)	580	LF	7.57	\$ 4390.60
18	208-00035	Aggregate Bag	19	EA	93.03	\$ 1767.57
19	208-00045	Concrete Washout Structure	3	EA	1012.93	\$ 3038.79
20	208-00051	Storm Drain Inlet Protection (Type 1)	11	EA	54.57	\$ 600.27
21	208-00054	Storm Drain Inlet Protection (Type 3)	7	EA	71.07	\$ 497.49
22	208-00070	Vehicle Tracking Pad	7	EA	988.51	\$ 6919.57
23	208-00200	Erosion Control Management	1	LS	8741.04	\$ 8741.04
24	210-	Relocate Mailbox Cluster	1	EA	412.63	\$ 412.63
25	210-00810	Reset Ground Sign	13	EA	125.08	\$ 1626.04
26	210-01710	Reset Valve	10	EA	861.25	\$ 8612.50
27	210-04050	Adjust Valve Box	11	EA	466.30	\$ 5129.30
28	214-	Landscaping within Right-of-Way	12176	SF	3.31	\$ 40,302.56
	214-	Landscaping outside Right-of-Way	5530	SF		\$
29	214-	Private Gravity or Keystone Wall reconstruction	47	SF	46.06	\$ 2164.82
30	304-06000	Aggregate Base Course (Class 6) (6" depth)	7243	SY	9.81	\$ 71,053.83
31	403-00721	Hot Mix Asphalt (Patching)(Grading S)(75)(PG64-22) (2x - 3" lifts)	368	TONS	151.06	\$ 55,590.08
32	403-32741	Hot Mix Asphalt (Grading S)(75)(PG64-22)(3")	808	TONS	87.52	\$ 72,332.16
33	403-32771	Hot Mix Asphalt (Grading SX)(75)(PG76-28)(3")	808	TONS	96.23	\$ 77,753.84
	407-	Milling and Tack Coat for Tee Joints	220	SY		\$
34	412-00600	Concrete Paving (6" depth) - Private walk/driveway	313	SY	63.33	\$ 19,822.29
35	412-00800	Concrete Paving (8" depth)	1417	SY	80.72	\$ 114,380.24
	601-01000	Concrete Class B (Drain Pan)	6	CY		\$
36	601-01050	Concrete Class B (Wall) - 12" Landscape Wall	1	CY	2237.89	\$ 2237.89
37	603-	Sewer Service Connection	10	EA	659.43	\$ 6594.30
38	603-	Sewer Service Cleanout	10	EA	514.18	\$ 5141.80
39	603-	Sanitary Connection to Existing Manhole (8" Plastic Pipe)	1	EA	2424.35	\$ 2424.35
40	603-	Abandon and Cap existing Sanitary Service	6	EA	814.97	\$ 4889.82
41	603-01185	18 Inch Reinforced Concrete Pipe (Complete in Place) (Class II)	215	LF	130.87	\$ 28,137.05
42	603-01245	24 Inch Reinforced Concrete Pipe (Complete in Place) (Class II)	861	LF	131.67	\$ 113,367.87
43	603-01305	30 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	466	LF	213.84	\$ 99,649.44
44	603-01365	36 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	415	LF	244.42	\$ 101,434.30
45	603-01425	42 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	650	LF	217.54	\$ 141,401.00

46	603-02180	23x14 Inch Reinforced Concrete Pipe Elliptical (Class III)	89	LF	156.73	\$ 13,948.97
47	603-02245	30x19 Inch Reinforced Concrete Pipe Elliptical (Class III)	71	LF	195.71	\$ 13,895.41
48	603-50004	4" Sewer Service Pipe	100	LF	75.02	\$ 7502.00
49	603-83008	8" Sewer Pipe (PVC-SDR35)	840	LF	142.13	\$ 119,389.20
50	604-	Neenah Foundry R-3238 Manhole Grate	7	EA	867.68	\$ 6073.76
51	604-	Storm Connection to Existing Inlet (42" pipe)	1	EA	5063.37	\$ 5063.37
52	604-19105	Inlet Type R L 5 (5')	2	EA	4407.78	\$ 8815.56
53	604-19110	Inlet Type R L 5 (10')	3	EA	5457.56	\$ 16,372.68
54	604-19205	Inlet Type R L 10 (5')	3	EA	8209.66	\$ 24,628.98
55	604-19210	Inlet Type R L 10 (10')	2	EA	12,885.34	\$ 25,770.68
56	604-19305	Inlet Type R L 15 (5')	1	EA	10,935.32	\$ 10,935.32
57	604-19315	Inlet Type R L 15 (15')	1	EA	19,503.41	\$ 19,503.41
58	604-31005	Manhole Box Base (5 Foot) - 4' Diameter Storm Manhole	3	EA	4199.55	\$ 12,598.65
59	604-31005	Manhole Box Base (5 Foot) - 5' Diameter Storm Manhole	2	EA	5551.20	\$ 11,102.40
60	604-31010	Manhole Box Base (10 Foot) - 4' Diameter Storm Manhole	2	EA	4445.72	\$ 8891.44
61	604-31010	Manhole Box Base (10 Foot) - 5' Diameter Storm Manhole	5	EA	5403.50	\$ 27,017.50
62	604-31010	Manhole Box Base (10 Foot) - 4' Diameter Sanitary Manhole	4	EA	5816.65	\$ 23,266.60
63	604-31015	Manhole Box Base (15 Foot) - 5' Diameter Storm Manhole	2	EA	6289.69	\$ 12,579.38
64	604-31015	Manhole Box Base (15 Foot) - 6' Diameter Storm Manhole	1	EA	9822.10	\$ 9822.10
65	604-50200	Manhole Ring and Cover	8	EA	520.61	\$ 4164.88
66	608-00000	Concrete Sidewalk (6" depth)	1610	SY	57.39	\$ 92,397.90
67	608-00010	Concrete Curb Ramp	326	SY	125.03	\$ 40,759.78
68	608-00015	Detectable Warning Plate	410	SF	46.98	\$ 19,261.80
69	609-20010	Curb type 2 (Section B) - 6" Sidewalk Curb	36	LF	39.89	\$ 1,436.04
70	609-20010	Curb type 2 (Section B) - 8" Sidewalk Curb	40	LF	47.18	\$ 1887.20
71	609-21010	Curb and Gutter Type 2 Section (I-B), Johnstown Outfall	1581	LF	26.98	\$ 42,655.38
72	609-21020	Curb and Gutter Type 2 Section (II-B), Johnstown Standard Catch	1401	LF	29.16	\$ 40,853.16
73	609-24000	Gutter Type 2 (Special) - Estes V-Gutter - monolithic 8' width	596	LF	70.54	\$ 53,961.84
74	614-	Street Sign (Yield)	3	EA	464.05	\$ 1392.15
75	619-	Waterline Service Adjustment	7	EA	827.20	\$ 5790.40
76	619-	Water main lowering/raising	4	EA	8571.36	\$ 34,285.44
77	619-	Utility Encasement	2	EA	1570.82	\$ 3141.64
78	619-	Utility Insulation	3	EA	742.92	\$ 2028.76
79	620-00001	Field Office (Class 1)	1	EA	23,839.99	\$ 23,839.99
80	625-00000	Construction Survey	1	LS	37,708.50	\$ 37,708.50
81	626-00000	Mobilization	1	LS	77,659.18	\$ 77,659.18
82	627-30410	Preformed Thermoplastic Pavement Marking (Xwalk-Stop Line)	834	SF	14.27	\$ 11,901.18
83	630-	Construction Traffic Control	1	LS	91,698.62	\$ 91,698.62
84	AS-BUILTS	Record Drawing Survey	1	LS	2237.89	\$ 2237.89
85	F/A	F/A Minor Contract Revisions	1	LS	\$ 100,000.00	\$ 100,000.00
86	F/A EC	F/A Erosion Control	1	LS	\$ 25,000.00	\$ 25,000.00
87	F/A LA	F/A Landscaping - Private Property	1	LS	\$ 50,000.00	\$ 50,000.00
Total Bid						\$ 2,345,331.83

BID ALTERNATE 1 - Replace RCP with HDPE

ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
40A	603-	Storm Pipe, 18" HDPE	215	LF	131.16	\$ 28,199.40
41A	603-	Storm Pipe, 24" HDPE	861	LF	125.95	\$ 108,442.95
42A	603-	Storm Pipe, 30" HDPE	466	LF	196.56	\$ 91,596.96
43A	603-	Storm Pipe, 36" HDPE	415	LF	211.14	\$ 87,623.10
44A	603-	Storm Pipe, 42" HDPE	650	LF	197.83	\$ 128,589.50

BID ALTERNATE 2 - Replace ROW Seed w Rock Mulch

ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
27A	214-	1-1/2 Decorative River Rock Mulch w Weed Barrier	12176	SF	2.06	\$ 25,082.56

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,

DeFalco Construction Company as Principal, and

Employers Mutual Casualty Company Surety, are hereby

held and firmly bound unto the Town of Johnstown in the penal sum of _____

Five Percent of the Total Amount Bid (\$ 5%) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed this 14th day of June, 2021.

The condition of the above obligations is such that whereas the Principal has submitted to the Town of Johnstown a certain bid, attached hereto and hereby made a part hereof, to enter into a contract in writing for the

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION

NOW THEREFORE,

- (A) If said bid shall be rejected, or in the alternate,
- (B) If said bid shall be accepted and the Principal shall execute and deliver a contract in the form of contract attached hereto (properly) completed in accordance with said bid and shall furnish a bond for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said bid,

then this obligation shall be void, otherwise, the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations by any extension of the time within which the Town may accept such bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunder set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

By: Tony DeFalco **PRESIDENT**
Principal DeFalco Construction Company

Employers Mutual Casualty Company

Surety

By: Jessica Jean Rini
Jessica Jean Rini, Attorney-in-Fact



P.O. Box 712 • Des Moines, Iowa 50306-0712

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT**KNOW ALL MEN BY THESE PRESENTS, that:**

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation

4. Illinois EMCASCO Insurance Company, an Iowa Corporation
5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint:

TODD BENGFOR, MARK SWEIGART, SARAH BROWN, Ashlea McCaughey, Donald E Appleby, Jessica Jean Rini

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute the Surety Bond:

Any and All Bonds

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

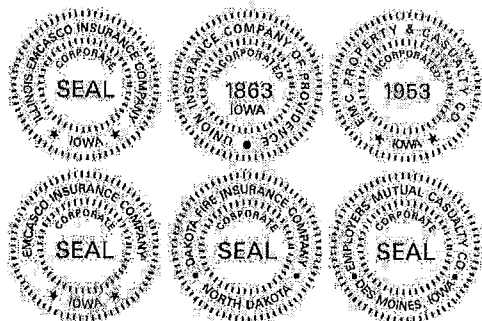
The authority hereby granted shall expire October 10th, 2022, unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at the first regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof; and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS THEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 30th day of March, 2020.



Scott R. Jean
 Scott R. Jean, President & CEO
 of Company 1; Chairman, President
 & CEO of Companies 2, 3, 4, 5 & 6

Todd Strother
 Todd Strother, Executive Vice President
 Chief Legal Officer & Secretary of
 Companies 1, 2, 3, 4, 5 & 6

On this 30th day of March, 2020 before me a Notary Public in and for the State of Iowa, personally appeared Scott R. Jean and Todd Strother, who, being by me duly sworn, did say that they are, and are known to me to be the CEO, Chairman, President, Executive Vice President, Chief Legal Officer and/or Secretary, respectively, of each of the Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Scott R. Jean and Todd Strother, as such officers, acknowledged the execution of said instrument to be their voluntary act and deed, and the voluntary act and deed of each of the Companies.

My Commission Expires October 10, 2022.



Kathy Loveridge
 Notary Public in and for the State of Iowa

CERTIFICATE

I, James D. Clough, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on 30th day of March, 2020, are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 14th day of June, 2021.

J D Clough
 Vice President.

BID FORM

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION

PROJECT IDENTIFICATION: Old Town Street and Drainage Rehabilitation – Town of Johnstown

CONTRACT IDENTIFICATION NUMBER:

THIS BID IS SUBMITTED TO:

Town of Johnstown, Colorado
 450 S. Parish Avenue
 Johnstown, Colorado 80534

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Contract Documents to perform and furnish all work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. BIDDER accepts all of the terms and conditions of the Instructions to Bidders. This Bid will remain subject to acceptance for forty-five (45) days after the day of Bid opening. BIDDER will sign and submit the Agreement and other documents required by the Bidding Requirements within three days after the date of OWNER's Notice of Award.
3. In submitting this Bid, BIDDER represents, as more fully set forth in the Agreement, that:

BIDDER has examined copies of all the Bidding Documents and of the following Addenda (receipt of all which is hereby acknowledged):

Date of issue	Number
6/22/21	# 1
6/24/21	# 2
6/25/21	# 3
6/29/21	# 4

- (a) BIDDER has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work. BIDDER has studied carefully all reports and drawings of subsurface conditions and drawings of physical conditions of the extent of the technical data contained in such reports and drawings upon which BIDDER is entitled to rely.
- (b) BIDDER has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports or similar information or data in respect of said Underground Facilities are or will be required by BIDDER in order to

perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of Contract Documents.

- (c) BIDDER has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.
 - (d) BIDDER has given ENGINEER written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to BIDDER.
 - (e) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or a corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for themselves any advantage over any other Bidder or over OWNER; and
4. BIDDER will complete the work in accordance with the Contract Documents for the following price(s):

FOR ALL WORK, A LUMP SUM OF:

Two million five hundred twelve thousand thirty five Dollars (use words)

(\$ 2,512,035⁰⁰) (numerals)

Contractor to submit Schedule of Values, in support of Lump Sum Price.

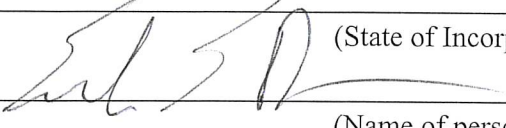
- 5. BIDDER agrees that that the Work will be substantially completed and ready for final payment on or before the dates or within the number of calendar days indicated in the Agreement.
- 6. BIDDER accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work on time.
- 7. The following documents are attached to and made a condition of this Bid:
 - a) Required Bid Bond
 - b) Bidder to provide a tabulation of Subcontractors, suppliers and other persons and organizations required to be identified in this Bid per the Instructions to Bidders.

SUBMITTED on July 1, 2021.

A Corporation

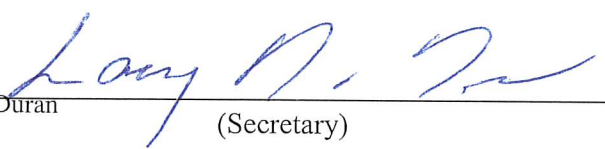
By: Duran Excavating, Inc.
 (Corporation Name)

Colorado
 (State of Incorporation)

By: 
 (Name of person authorized to sign)

Ernest E. Duran, President
 (Title)

(Corporate Seal)

Attest 
Larry Duran (Secretary)

Business address:

14332 CR 64

Greeley, CO 80631

Phone No.: 970-351-0192

A Joint Venture

By: _____
 (Name)

 (Address)

By: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership and corporation that is a party to the joint venture should be in the manner indicated above.)

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION-
BID SCHEDULE - ADDENDUM 3

Contractor: Duran Excavating Inc.

DATE: 7/1/21

ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	200-00203	Removal of curb and gutter	2900	LF	\$5.50	\$15,950.00
2	201-00000	Clearing and Grubbing	1	LS	\$4,015.00	\$4,015.00
3	202-00010	Removal of Tree	3	EA	\$1,350.00	\$4,050.00
4	202-00019	Removal of existing storm inlet (Greeley)	2	EA	\$570.00	\$1,140.00
5	202-00021	Removal of existing Sanitary Manhole	3	EA	\$926.00	\$2,778.00
6	202-00035	Removal Pipe - 15" Storm Drain in Greeley.	320	LF	\$43.00	\$13,760.00
7	202-00035	Removal Pipe - 8" Sanitary Main in Alley	830	LF	\$7.50	\$6,225.00
8	202-00037	Removal of end section (Greeley)	1	EA	\$259.00	\$259.00
9	202-00212	Remove existing concrete	1388	SY	\$7.00	\$9,716.00
10	202-00212	Removal of Concrete (Special) - Drain Pans & Greeley U-Gutter	41	SY	\$44.00	\$1,804.00
11	202-00240	Removal Asphalt Mat	7375	SY	\$7.00	\$51,625.00
12	202-00250	Removal of Pavement Marking	300	SF	\$9.00	\$2,700.00
13	202-01000	Removal or Relocation of Fence	50	LF	\$28.00	\$1,400.00
14	202-05002	Sawing Concrete (6")	363	LF	\$4.00	\$1,452.00
15	202-05026	Sawing Asphalt Material	872	LF	\$4.00	\$3,488.00
16	203-00000	Unclassified Excavation	2410	CY	\$26.00	\$62,660.00
17	208-00002	Erosion Log (Type 1) (12 Inch)	580	LF	\$4.00	\$2,320.00
18	208-00035	Aggregate Bag	19	EA	\$38.00	\$722.00
19	208-00045	Concrete Washout Structure	3	EA	\$1,219.00	\$3,657.00
20	208-00051	Storm Drain Inlet Protection (Type 1)	11	EA	\$108.00	\$1,188.00
21	208-00054	Storm Drain Inlet Protection (Type 3)	7	EA	\$197.00	\$1,379.00
22	208-00070	Vehicle Tracking Pad	7	EA	\$1,720.00	\$12,040.00
23	208-00200	Erosion Control Management	1	LS	\$5,000.00	\$5,000.00
24	210-	Relocate Mailbox Cluster	1	EA	\$1,500.00	\$1,500.00
25	210-00810	Reset Ground Sign	13	EA	\$132.00	\$1,716.00
26	210-01710	Reset Valve	10	EA	\$994.00	\$9,940.00
27	210-04050	Adjust Valve Box	11	EA	\$416.00	\$4,576.00
28	214-	Landscaping within Right-of-Way	12176	SF	\$2.50	\$30,440.00
	214-	Landscaping outside Right-of-Way	5530	SF	\$	\$
29	214-	Private Gravity or Keystone Wall reconstruction	47	SF	\$67.00	\$3,149.00
30	304-06000	Aggregate Base Course (Class 6) (6" depth)	7243	SY	\$11.00	\$79,673.00
31	403-00721	Hot Mix Asphalt (Patching)(Grading S)(75)(PG64-22) (2x - 3" lifts)	368	TONS	\$153.00	\$56,304.00
32	403-32741	Hot Mix Asphalt (Grading S)(75)(PG64-22)(3")	808	TONS	\$90.00	\$72,720.00
33	403-32771	Hot Mix Asphalt (Grading SX)(75)(PG76-28)(3")	808	TONS	\$97.00	\$78,376.00
	407-	Milling and Tack Coat for Tee Joints	220	SY	\$	\$
34	412-00600	Concrete Paving (6" depth) - Private walk/driveway	313	SY	\$69.00	\$21,597.00
35	412-00800	Concrete Paving (8" depth)	1417	SY	\$87.00	\$123,279.00
	601-01000	Concrete Class B (Drain Pan)	.6	CY	\$	\$
36	601-01050	Concrete Class B (Wall) - 12" Landscape Wall	1	CY	\$3,014.00	\$3,014.00
37	603-	Sewer Service Connection	10	EA	\$1,421.00	\$14,210.00
38	603-	Sewer Service Cleanout	10	EA	\$171.00	\$1,710.00
39	603-	Sanitary Connection to Existing Manhole (8" Plastic Pipe)	1	EA	\$1,271.00	\$1,271.00
40	603-	Abandon and Cap existing Sanitary Service	6	EA	\$401.00	\$2,406.00
41	603-01185	18 Inch Reinforced Concrete Pipe (Complete in Place) (Class II)	215	LF	\$122.00	\$26,230.00
42	603-01245	24 Inch Reinforced Concrete Pipe (Complete in Place) (Class II)	861	LF	\$177.00	\$152,397.00
43	603-01305	30 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	466	LF	\$223.00	\$103,918.00
44	603-01365	36 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	415	LF	\$280.00	\$116,200.00
45	603-01425	42 Inch Reinforced Concrete Pipe (Complete in Place) (Class III)	650	LF	\$311.00	\$202,150.00
46	603-02180	23x14 Inch Reinforced Concrete Pipe Elliptical (Class III)	89	LF	\$200.00	\$17,800.00
47	603-02245	30x19 Inch Reinforced Concrete Pipe Elliptical (Class III)	71	LF	\$421.00	\$29,891.00
48	603-50004	4" Sewer Service Pipe	100	LF	\$62.00	\$6,200.00
49	603-83008	8" Sewer Pipe (PVC-SDR35)	840	LF	\$109.00	\$91,560.00
50	604-	Neeenah Foundry R-3238 Manhole Grate	7	EA	\$642.00	\$4,494.00
51	604-	Storm Connection to Existing Inlet (42" pipe)	1	EA	\$3,883.00	\$3,883.00
52	604-19105	Inlet Type R L 5 (5')	2	EA	\$6,140.00	\$12,280.00
53	604-19110	Inlet Type R L 5 (10')	3	EA	\$6,516.00	\$19,548.00
54	604-19205	Inlet Type R L 10 (5')	3	EA	\$7,853.00	\$23,559.00
55	604-19210	Inlet Type R L 10 (10')	2	EA	\$12,004.00	\$24,008.00
56	604-19305	Inlet Type R L 15 (5')	1	EA	\$11,301.00	\$11,301.00
57	604-19315	Inlet Type R L 15 (15')	1	EA	\$17,217.00	\$17,217.00
58	604-31005	Manhole Box Base (5 Foot) - 4' Diameter Storm Manhole	3	EA	\$5,744.00	\$17,232.00
59	604-31005	Manhole Box Base (5 Foot) - 5' Diameter Storm Manhole	2	EA	\$6,910.00	\$13,820.00

60	604-31010	Manhole Box Base (10 Foot) - 4' Diameter Storm Manhole	2	EA	\$5,628.00	\$11,256.00
61	604-31010	Manhole Box Base (10 Foot) - 5' Diameter Storm Manhole	5	EA	\$7,487.00	\$37,435.00
62	604-31010	Manhole Box Base (10 Foot) - 4' Diameter Sanitary Manhole	4	EA	\$5,801.00	\$23,204.00
63	604-31015	Manhole Box Base (15 Foot) - 5' Diameter Storm Manhole	2	EA	\$7,119.00	\$14,238.00
64	604-31015	Manhole Box Base (15 Foot) - 6' Diameter Storm Manhole	1	EA	\$10,056.00	\$10,056.00
65	604-50200	Manhole Ring and Cover	8	EA	\$435.00	\$3,480.00
66	608-00000	Concrete Sidewalk (6" depth)	1610	SY	\$58.00	\$93,380.00
67	608-00010	Concrete Curb Ramp	326	SY	\$139.00	\$45,314.00
68	608-00015	Detectable Warning Plate	410	SF	\$44.00	\$18,040.00
69	609-20010	Curb type 2 (Section B) - 6" Sidewalk Curb	36	LF	\$33.00	\$1,188.00
70	609-20010	Curb type 2 (Section B) - 8" Sidewalk Curb	40	LF	\$36.00	\$1,440.00
71	609-21010	Curb and Gutter Type 2 Section (I-B), Johnstown Outfall	1581	LF	\$24.00	\$37,944.00
72	609-21020	Curb and Gutter Type 2 Section (II-B), Johnstown Standard Catch	1401	LF	\$26.00	\$36,426.00
73	609-24000	Gutter Type 2 (Special) - Estes V-Gutter - monolithic 8' width	596	LF	\$77.00	\$45,892.00
74	614-	Street Sign (Yield)	3	EA	\$165.00	\$495.00
75	619-	Waterline Service Adjustment	7	EA	\$1,000.00	\$7,000.00
76	619-	Water main lowering/raising	4	EA	\$4,817.00	\$19,268.00
77	619-	Utility Encasement	2	EA	\$1,000.00	\$2,000.00
78	619-	Utility Insulation	3	EA	\$726.00	\$2,178.00
79	620-00001	Field Office (Class 1)	1	EA	\$23,500.00	\$23,500.00
80	625-00000	Construction Survey	1	LS	\$43,450.00	\$43,450.00
81	626-00000	Mobilization	1	LS	\$155,705.00	\$155,705.00
82	627-30410	Preformed Thermoplastic Pavement Marking (Xwalk-Stop Line)	834	SF	\$22.00	\$18,348.00
83	630-	Construction Traffic Control	1	LS	\$75,130.00	\$75,130.00
84	AS-BUILTS	Record Drawing Survey	1	LS	\$1,771.00	\$1,771.00
85	F/A	F/A Minor Contract Revisions	1	LS	\$ 100,000.00	\$ 100,000.00
86	F/A EC	F/A Erosion Control	1	LS	\$ 25,000.00	\$ 25,000.00
87	F/A LA	F/A Landscaping - Private Property	1	LS	\$ 50,000.00	\$ 50,000.00
Total Bid						\$2,512,035.00
BID ALTERNATE 1 - Replace RCP with HDPE						
ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
40A	603-	Storm Pipe, 18" HDPE	215	LF	\$125.00	\$26,875.00
41A	603-	Storm Pipe, 24" HDPE	861	LF	\$176.00	\$151,536.00
42A	603-	Storm Pipe, 30" HDPE	466	LF	\$227.00	\$105,782.00
43A	603-	Storm Pipe, 36" HDPE	415	LF	\$272.00	\$112,880.00
44A	603-	Storm Pipe, 42" HDPE	650	LF	\$290.00	\$188,500.00
BID ALTERNATE 2 - Replace ROW Seed w Rock Mulch						
ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
27A	214-	1-1/2 Decorative River Rock Mulch w Weed Barrier	12176	SF	\$2.25	\$27,396.00

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,

Duran Excavating, Inc as Principal, and
Western Surety Company Surety, are hereby

held and firmly bound unto the Town of Johnstown in the penal sum of Five percent

(5%) of total bid amount (\$ ---) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed this 22 day of June, 2021.

The condition of the above obligations is such that whereas the Principal has submitted to the Town of Johnstown a certain bid, attached hereto and hereby made a part hereof, to enter into a contract in writing for the

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION

NOW THEREFORE,

- (A) If said bid shall be rejected, or in the alternate,
- (B) If said bid shall be accepted and the Principal shall execute and deliver a contract in the form of contract attached hereto (properly) completed in accordance with said bid and shall furnish a bond for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said bid,

then this obligation shall be void, otherwise, the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations by any extension of the time within which the Town may accept such bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunder set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

By: [Signature]
Ernest Duran, President
 Principal

Western Surety Company

Surety
 By: [Signature]
Michael J. Schmitt - Attorney-in-fact



Western Surety Company

Item #13.

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Michael J Schmitt, Jennifer Lee Hunter, Individually

of Greeley, CO, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 7th day of February, 2020.



WESTERN SURETY COMPANY

Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 7th day of February, 2020, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021



J. Mohr, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 22th day of June, 2021.



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Form F4280-7-2012

Go to www.cnasurety.com > Owner / Oblgee Services > Validate Bond Coverage, if you want to verify bond authenticity.

Authorizing By-Law**ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY**

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.



Digital Seal Authority and Enforceability

This communication is being provided on behalf of all CNA Surety companies, including **Western Surety Company, Continental Casualty Company, The Continental Insurance Company, American Casualty Company of Reading, Pennsylvania, and National Fire Insurance Company of Hartford** (collectively and individually referred to as “CNA Surety”).

The use of an electronic image of the corporate seal of any CNA Surety company (the “Digital Seal”) and the attachment of the Digital Seal to any surety bond issued by a CNA Surety company is authorized. Each CNA Surety company acknowledges and agrees that the Digital Seal may be affixed to any CNA Surety bond and relied upon to the same extent as if a raised corporate seal were physically attached to the bond.

Delivery of a digital copy of this Digital Seal Authority and Enforceability notice, executed electronically, to an Oblige or Oblige’s representative shall constitute effective execution and delivery of this notice and shall have the same legal effect as delivery of a tangible original of the notice with my original “wet” signature.

In Witness Whereof, this has been executed by the Vice President and Surety General Counsel for each of the CNA Surety companies.

Dated this 31st day of March, 2020.

Rosemary Quinn

Vice President and Surety General Counsel on behalf of



Western Surety Company



The Continental Insurance Company



Continental Casualty Company



National Fire Insurance Company of Hartford



American Casualty Company of Reading, Pennsylvania

BID FORM**2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION**

PROJECT IDENTIFICATION: Old Town Street and Drainage Rehabilitation – Town of Johnstown

CONTRACT IDENTIFICATION NUMBER:

THIS BID IS SUBMITTED TO:

Town of Johnstown, Colorado
450 S. Parish Avenue
Johnstown, Colorado 80534

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Contract Documents to perform and furnish all work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. BIDDER accepts all of the terms and conditions of the Instructions to Bidders. This Bid will remain subject to acceptance for forty-five (45) days after the day of Bid opening. BIDDER will sign and submit the Agreement and other documents required by the Bidding Requirements within three days after the date of OWNER's Notice of Award.
3. In submitting this Bid, BIDDER represents, as more fully set forth in the Agreement, that:

BIDDER has examined copies of all the Bidding Documents and of the following Addenda (receipt of all which is hereby acknowledged):

Date of issue	Number
6/22/2021	1
6/24/2021	2
6/25/2001	3
6/29/2001	4

- (a) BIDDER has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work. \BIDDER has studied carefully all reports and drawings of subsurface conditions and drawings of physical conditions of the extent of the technical data contained in such reports and drawings upon which BIDDER is entitled to rely.
- (b) BIDDER has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports or similar information or data in respect of said Underground Facilities are or will be required by BIDDER in order to

perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of Contract Documents.

- (c) BIDDER has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.
 - (d) BIDDER has given ENGINEER written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to BIDDER.
 - (e) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or a corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for themselves any advantage over any other Bidder or over OWNER; and
4. BIDDER will complete the work in accordance with the Contract Documents for the following price(s):

FOR ALL WORK, A LUMP SUM OF:

Two Million Six Hundred Eighty One Thousand Eight Hundred Eighty Two Dollars and Zero Cents Dollars (use words)

(\$ 2,681,882.00) (numerals)

Contractor to submit Schedule of Values, in support of Lump Sum Price.

- 5. BIDDER agrees that that the Work will be substantially completed and ready for final payment on or before the dates or within the number of calendar days indicated in the Agreement.
- 6. BIDDER accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work on time.
- 7. The following documents are attached to and made a condition of this Bid:
 - a) Required Bid Bond
 - b) Bidder to provide a tabulation of Subcontractors, suppliers and other persons and organizations required to be identified in this Bid per the Instructions to Bidders.

SUBMITTED on July 1, 2021.

A CorporationBy: J-2 Contracting Co., Inc

(Corporation Name)

Colorado

(State of Incorporation)

By: Chance Brown

(Name of person authorized to sign)

Vice President

(Title)

(Corporate Seal)

Attest Can G. Shuman

(Secretary)

Business address:

105 Coronado Ct. Unit A-101 Fort Collins, CO 80525Phone No.: 970-392-0694A Joint Venture

By: _____

(Name)

(Address)

By: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership and corporation that is a party to the joint venture should be in the manner indicated above.)

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,

J-2 Contracting Co., Inc. as Principal, and

North American Specialty Insurance Company Surety, are hereby

held and firmly bound unto the Town of Johnstown in the penal sum of _____

Five Percent (5%) of Total Bid Amount (\$-----) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed this 24th day of June, 2021.

The condition of the above obligations is such that whereas the Principal has submitted to the Town of Johnstown a certain bid, attached hereto and hereby made a part hereof, to enter into a contract in writing for the

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION

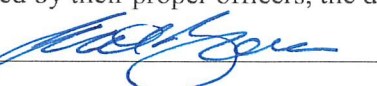
NOW THEREFORE,

- (A) If said bid shall be rejected, or in the alternate,
- (B) If said bid shall be accepted and the Principal shall execute and deliver a contract in the form of contract attached hereto (properly) completed in accordance with said bid and shall furnish a bond for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said bid,

then this obligation shall be void, otherwise, the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations by any extension of the time within which the Town may accept such bid; and said Surety does hereby waive notice of any such extension.

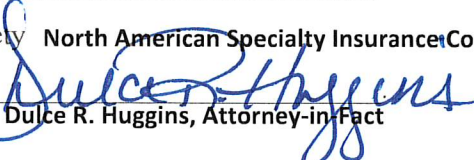
IN WITNESS WHEREOF, the Principal and the Surety have hereunder set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

By: 

Principal

J-2 Contracting Co., Inc.

Surety North American Specialty Insurance Company

By: 
Dulce R. Huggins, Attorney-in-Fact

SWISS RE CORPORATE SOLUTIONS

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY
WESTPORT INSURANCE CORPORATION

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Kansas City, Missouri and Washington International Insurance Company a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Kansas City, Missouri, and Westport Insurance Corporation, organized under the laws of the State of Missouri, and having its principal office in the City of Kansas City, Missouri does hereby make, constitute and appoint:

RUSSELL D. LEAR, ROYAL R. LOVELL, KELLY T. URWILLER, STEVEN J. BLOHM, DULCE R. HUGGINS,
KEVIN BAIRD, and SHAROLYN MAE NOLDE LOPEZ JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on March 24, 2000 and Westport Insurance Corporation by written consent of its Executive Committee dated July 18, 2011.

"RESOLVED, that any two of the President, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature]
Steven P. Anderson, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company
& Senior Vice President of Westport Insurance Corporation

By [Signature]
Mike A. Ito, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company
& Senior Vice President of Westport Insurance Corporation



IN WITNESS WHEREOF, North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 1st day of APRIL, 20 21.

North American Specialty Insurance Company
Washington International Insurance Company
Westport Insurance Corporation

State of Illinois
County of Cook ss:

On this 1st day of APRIL, 20 21, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of

Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Senior Vice President of Westport Insurance Corporation and Michael A. Ito Senior Vice President of Washington International Insurance Company and Senior Vice President

of North American Specialty Insurance Company and Senior Vice President of Westport Insurance Corporation, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature]
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Vice President and Assistant Secretary of North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 24th day of June, 20 21.

2021 TOWN OF JOHNSTOWN OLD TOWN STREET AND DRAINAGE REHABILITATION -
BID SCHEDULE - ADDENDUM 3

Contractor: J-2 Contracting Co.

DATE: 7/1/2021

ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	200-00203	Removal Of Curb And Gutter	2,900	LF	\$ 3.75	\$ 10,875.00
2	201-00000	Clearing And Grubbing	1	LS	\$ 9,000.00	\$ 9,000.00
3	202-00010	Removal Of Tree	3	EA	\$ 1,000.00	\$ 3,000.00
4	202-00019	Removal Of Existing Storm Inlet (Greeley)	2	EA	\$ 1,200.00	\$ 2,400.00
5	202-00021	Removal Of Existing Sanitary Manhole	3	EA	\$ 1,900.00	\$ 5,700.00
6	202-00035	Removal Of Pipe - 15" Storm Drain In Greeley	320	LF	\$ 35.00	\$ 11,200.00
7	202-00035	Removal Of Pipe 8" Sanitary Main In Alley	830	LF	\$ 40.00	\$ 33,200.00
8	202-00037	Removal Of FES (Greeley)	1	EA	\$ 725.00	\$ 725.00
9	202-00212	Remove Existing Concrete	1,388	SY	\$ 8.50	\$ 11,798.00
10	202-00212	Removal Of Concrete (Special) Drain Pains & Greeley U-Gutter	41	SY	\$ 24.25	\$ 994.25
11	202-00240	Removal Of Asphalt Mat	7,375	SY	\$ 6.25	\$ 46,093.75
12	202-00250	Removal Of Pavement Marking	300	SF	\$ 3.50	\$ 1,050.00
13	202-01000	Removal Or Relocation Of Fence	50	LF	\$ 120.00	\$ 6,000.00
14	202-05002	Sawing Concrete (6")	363	LF	\$ 4.00	\$ 1,452.00
15	202-05026	Sawing Asphalt Material	872	LF	\$ 2.00	\$ 1,744.00
16	203-00000	Unclassified Excavation	2,410	CY	\$ 18.00	\$ 43,380.00
17	208-00002	Erosion Log (Type 1) (12 Inch)	580	LF	\$ 4.00	\$ 2,320.00
18	208-00035	Aggregate Bag	19	EA	\$ 325.00	\$ 6,175.00
19	208-00045	Concrete Washout Structure	3	EA	\$ 1,700.00	\$ 5,100.00
20	208-00051	Storm Drain Inlet Protection (Type 1)	11	EA	\$ 200.00	\$ 2,200.00
21	208-00054	Storm Drain Inlet Protection (Type 3)	7	EA	\$ 250.00	\$ 1,750.00
22	208-00070	Vehicle Tracking Pad	7	EA	\$ 1,500.00	\$ 10,500.00
23	208-00200	Erosion Control Management	1	LS	\$ 15,000.00	\$ 15,000.00
24	210-	Relocate Mailbox Cluster	1	EA	\$ 750.00	\$ 750.00
25	210-00810	Reset Ground Sign	13	EA	\$ 300.00	\$ 3,900.00
26	210-01710	Reset Valve	10	EA	\$ 900.00	\$ 9,000.00
27	210-04050	Adjust Valve Box	11	EA	\$ 550.00	\$ 6,050.00
28	214-	Landscaping Within ROW	12,176	SF	\$ 1.50	\$ 18,264.00
	214-	Landscaping outside ROW	5,530	\$Y		\$
29	214-	Private Gravity Or Keystone Wall Reconstruction	47	SF	\$ 41.00	\$ 1,927.00
30	304-06000	Aggregate Base Course (Class 6)(6" Depth)	7,243	SY	\$ 12.00	\$ 86,916.00
31	403-00721	Hot Mix Asphalt (Patching) (Grading S)(75)(PG64-22)(2x -3" Lifts)	368	TONS	\$ 153.00	\$ 56,304.00
32	403-32741	Hot Mix Asphalt (Grading S)(75)(PG64-22)(3")	808	TONS	\$ 90.00	\$ 72,720.00
33	403-32771	Hot Mix Asphalt (Grading SX)(75)(PG-76-28)(3")	808	TONS	\$ 97.00	\$ 78,376.00
	407-	Milling and Tack Coat for Tee Joints	220	\$Y		\$
34	412-00600	Concrete Paving (6" Depth) - Private Walk/Driveway	313	SY	\$ 65.00	\$ 20,345.00
35	412-00800	Concrete Paving (8" Depth)	1,417	SY	\$ 78.00	\$ 110,526.00
	601-01000	Concrete Class B (Drain Pan)	6	CY		\$
36	601-01050	Concrete Class B (Wall) - 12" Landscape Wall	1	CY	\$ 2,500.00	\$ 2,500.00
37	603-	Sewer Service Connection	10	EA	\$ 2,000.00	\$ 20,000.00
38	603-	Sewer Service Cleanout	10	EA	\$ 750.00	\$ 7,500.00
39	603-	Sanitary Connection To Existing Manhole (8" Plastic Pipe)	1	EA	\$ 11,000.00	\$ 11,000.00
40	603-	Abandon And Cap Existing Sanitary Service	6	EA	\$ 3,000.00	\$ 18,000.00
41	603-01185	18" RCP (CIP)(Class 2)	215	LF	\$ 130.00	\$ 27,950.00
42	603-01245	24" RCP (CIP)(Class 2)	861	LF	\$ 150.00	\$ 129,150.00
43	603-01305	30" RCP (CIP)(Class 3)	466	LF	\$ 190.00	\$ 88,540.00
44	603-01365	36" RCP (CIP)(Class 3)	415	LF	\$ 240.00	\$ 99,600.00
45	603-01425	42" RCP (CIP)(Class 3)	650	LF	\$ 300.00	\$ 195,000.00

46	603-02180	23"x14" ERCP (Class 3)	89	LF	\$	160.00	\$	14,240.00
47	603-02245	30"x19" ERCP (Class 3)	71	LF	\$	170.00	\$	12,070.00
48	603-50004	4" Plastic Pipe - Sewer Service Pipe	100	LF	\$	300.00	\$	30,000.00
49	603-83008	8" Plastic Pipe Sewer (PVC-SDR35)	840	LF	\$	160.00	\$	134,400.00
50	604-	Neenah Foundry R-3238 Manhole Grate	7	EA	\$	325.00	\$	2,275.00
51	604-	Storm Connection To Existing Inlet (42" Pipe)	1	EA	\$	6,500.00	\$	6,500.00
52	604-19105	Inlet Type R L 5 (5')	2	EA	\$	7,200.00	\$	14,400.00
53	604-19110	Inlet Type R L 5 (10')	3	EA	\$	7,800.00	\$	23,400.00
54	604-19205	Inlet Type R L10 (5')	3	EA	\$	9,000.00	\$	27,000.00
55	604-19210	Inlet Type R L 10 (10')	2	EA	\$	13,500.00	\$	27,000.00
56	604-19305	Inlet Type R L 15 (5')	1	EA	\$	14,000.00	\$	14,000.00
57	604-19315	Inlet Type R L 15 (15')	1	EA	\$	25,000.00	\$	25,000.00
58	604-31005	Manhole Box Base (5 Foot) - 4' Dia. Storm Manhole	3	EA	\$	5,000.00	\$	15,000.00
59	604-31005	Manhole Box Base (5 Foot) - 5' Dia. Storm Manhole	2	EA	\$	6,750.00	\$	13,500.00
60	604-31010	Manhole Box Base (10 Foot) - 4' Dia. Storm Manhole	2	EA	\$	6,000.00	\$	12,000.00
61	604-31010	Manhole Box Base (10 Foot) - 5' Dia. Storm Manhole	5	EA	\$	10,000.00	\$	50,000.00
62	604-31010	Manhole Box Base (10 Foot) - 4' Dia. Sanitary Manhole	4	EA	\$	11,000.00	\$	44,000.00
63	604-31015	Manhole Box Base (15 Foot) - 5' Dia. Storm Manhole	2	EA	\$	15,750.00	\$	31,500.00
64	604-31015	Manhole Box Base (15 Foot) - 6' Dia. Storm Manhole	1	EA	\$	16,000.00	\$	16,000.00
65	604-50200	Manhole Ring And Cover	8	EA	\$	250.00	\$	2,000.00
66	608-00000	Concrete Sidewalk (6" Depth)	1,610	SY	\$	60.00	\$	96,600.00
67	608-00010	Concrete Curb Ramp	326	SY	\$	135.00	\$	44,010.00
68	608-00015	Detectable Warning Plate	410	SF	\$	50.00	\$	20,500.00
69	609-20010	Curb Type 2 (Section B) - 6" Sidewalk Curb	36	LF	\$	40.00	\$	1,440.00
70	609-20010	Curb Type 2 (Section B) 8" Sidewalk Curb	40	LF	\$	42.00	\$	1,680.00
71	609-21010	Curb And Gutter Type 2 Section (I-B), Johnstown Outfall	1,581	LF	\$	28.00	\$	44,268.00
72	609-21020	Curb And Gutter Tye 2 Section (II-B), Johnstown Standard Catch	1,401	LF	\$	30.00	\$	42,030.00
73	609-2400	Gutter Type 2 (Special) - Estes V-Gutter Monolithic 8' Width	596	LF	\$	100.00	\$	59,600.00
74	614-	Street Sign (Yield)	3	EA	\$	250.00	\$	750.00
75	619-	Waterline Service Adjustment	7	EA	\$	4,500.00	\$	31,500.00
76	619-	Water Main Lowering/Raising	4	EA	\$	14,000.00	\$	56,000.00
77	619-	Utility Encasement	2	EA	\$	4,000.00	\$	8,000.00
78	619-	Utility Insulation	3	EA	\$	1,800.00	\$	5,400.00
79	620-00001	Field Office (Class 1)	1	EA	\$	25,000.00	\$	25,000.00
80	625-00000	Construction Survey	1	LS	\$	30,000.00	\$	30,000.00
81	626-00000	Mobilization	1	LS	\$	150,000.00	\$	150,000.00
82	627-30410	Preformed Thermoplastic Marking (Xwalk-Stop Bar)	834	SF	\$	16.00	\$	13,344.00
83	630-	Construction Traffic Control	1	LS	\$	60,000.00	\$	60,000.00
84	AS-BUILTS	Record Drawing Survey	1	LS	\$	6,500.00	\$	6,500.00
85	F/A	F/A Minor Contract Revisions	1	LS	\$	100,000.00	\$	100,000.00
86	F/A	F/A Erosion Control	1	LS	\$	25,000.00	\$	25,000.00
87	F/A	F/A Landscaping - (Private Property)	1	LS	\$	50,000.00	\$	50,000.00
Total Bid							\$	2,681,882.00

BID ALTERNATE 1 - Replace RCP with HDPE						
ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
40A	603-	Storm Pipe 18" HDPE	215	LF	\$ 140.00	\$ 30,100.00
41A	603-	Storm Pipe 24" HDPE	861	LF	\$ 160.00	\$ 137,760.00
42A	603-	Storm Pipe 30" HDPE	466	LF	\$ 200.00	\$ 93,200.00
43A	603-	Storm Pipe 36" HDPE	415	LF	\$ 250.00	\$ 103,750.00
44A	603-	Storm Pipe 42" HDPE	650	LF	\$ 310.00	\$ 201,500.00
BID ALTERNATE 2 - Replace ROW Seed w Rock Mulch						
ITEM NO.	CDOT NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
27A	214-	1-1/2" Decorative River Rock Mulch W Weed Barrier	12,176	SF	\$ 1.75	\$ 21,308.00



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: July 19, 2021
SUBJECT: Revenues – Water Fund and Sewer Fund
ACTION PROPOSED: Amend 2021 Budgeted Revenues
ATTACHMENTS: Resolution 2021-22
PRESENTED BY: Mitzi McCoy

AGENDA ITEM DESCRIPTION:

Enclosed for review and consideration is Resolution 2021-22 which amends the Water Fund and Sewer Fund revenues for the 2021 Fiscal Year.

The Town of Johnstown adopts an annual budget that begins in January and can be amended through-out the year as necessary. In December 2021 the Town Council approved Resolution 2020-38, Adopting a Consolidated Town Fee Schedule. That fee schedule included water and sewer rate increases that were not accounted for in the 2021 Budget document. Consequently, revenues in those accounts are higher than what was reflected in the 2021 Budget.

In addition to the rate changes, rapid growth within the Town and decreasing interest revenues have materially impacted other revenue line items also. The recommended changes are as follows:

Water Fund – Increase of \$6,221,921:

Account	2021 Adopted Budget	2021 Amended Budget	Increase/(Decrease)
Sales of Potable Water	2,884,500	3,608,000	723,500
Water Tap Fee	965,550	1,300,000	334,450
Raw Water Development Fee	816,294	1,123,765	307,471
Hydrant/Bulk Water Sales	18,000	385,000	367,000
Water Lease	1,500	11,650	10,150
Water Share Fees	0	2,400	2,400
Water Meter Fee	15,000	92,450	77,450
Capital/Developer Contributions	0	4,488,000	4,488,000
Interest Income	95,000	6,500	(88,500)

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

Sewer Fund – \$2,912,380:

Account	2021 Adopted Budget	2021 Amended Budget	Increase/(Decrease)
Grant	0	1,900,000	1,900,000
Sewer – Regional Impact Fee	400,000	650,000	250,000
Sewer Charges	2,123,500	2,660,000	536,500
Sewer Tap Fees	792,000	1,007,880	215,880
Interest	7,200	1,000	(6,200)
Miscellaneous	2,000	18,200	16,200

Grant revenues are generally one-time revenues and are project specific. The grant revenues in the sewer fund represent the American Recovery Plan funds that can be used for uses that are aligned with the EPA Clean Water Revolving Fund and/or Drinking Water State Revolving Fund eligible projects.

LEGAL ADVICE: The resolution was reviewed and approved by our Town Attorney.

FINANCIAL ADVICE:

The recommended adjustments will increase the accuracy of financial information and improve the usability of that information.

RECOMMENDED ACTION: Adopt the resolution as presented.

SUGGESTED MOTIONS:

For Approval

I move to approve Resolution 2021-22, Amending Revenues for the Fiscal Year 2021 Budget.

For Denial

I move to deny Resolution 2021-22, Amending Revenues for the Fiscal Year 2021 Budget.

Reviewed and Approved for Presentation,



Town Manager

RESOLUTION 2021-22

**A RESOLUTION OF THE TOWN OF JOHNSTOWN, COLORADO,
AMENDING REVENUES FOR THE FISCAL YEAR 2021 BUDGET**

WHEREAS, on December 14, 2020, the Town Council adopted, by Resolution No. 2020-39, the Fiscal Year 2021 Budget (“2021 Budget”); and

WHEREAS, new utility rates were implemented on January 1, 2021, providing receipts into the Water Fund and the Sewer Fund; and

WHEREAS, revenues have been evaluated and could be adjusted in the Water Fund and the Sewer Fund to increase clarity of information and improve the quality of usefulness of such information in the decision making process; and

WHEREAS, the Town is receiving a grant in the amount of \$1,900,000 from the Federal Government; and

WHEREAS, the Town Council agrees to modify revenues in the Water Fund and the Sewer Fund for the 2021 Budget, ensuring the budget will be in balance and that authorized budgeted revenues are amended, as required by law.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE
TOWN OF JOHNSTOWN, COLORADO:**

Section 1. Sewer Fund:

Whereas, the Town Council of the Town of Johnstown determines that the Fiscal Year 2021 Sewer Fund revenues are hereby increased from \$57,774,700 to \$60,687,080 to reflect the increase in revenues from user charges and fees and a one-time federal grant of \$1,900,000.

Section 2. Water Fund:

Whereas, the Town Council of the Town of Johnstown determines that the Fiscal Year 2021 Water Fund revenues are hereby increased from \$10,245,844 to \$16,467,765, to reflect the increase in revenues from user charges and fees.

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 4. Certification. The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

ADOPTED THIS 19th DAY OF JULY, 2021.

TOWN OF JOHNSTOWN

BY: _____
Gary Lebsack, Mayor

ATTEST:

Diana Seele, Town Clerk



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE:	July 19, 2021
SUBJECT:	Application for Fractional Water Share Sale
ACTION PROPOSED:	Consider Approval of the Application Requesting Sale Fractional Water Share
ATTACHMENTS:	1. Resolution 2020-42 Creating Town of Johnstown Water Bank 2. Factional Water Share Application Applicant: Kelly Bloom 5 S Raymond Ave 3. Conditional Use Document for 5 S Raymond Ave
PRESENTED BY:	Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration is a Fractional Water Share Application Request for the property located at 5 S Raymond Avenue currently owed by Kelly Bloom. This property is also known as parcel number 105905400012. The applicant is requesting for their property a fractional water share for the purposes of connecting to water and sewer on the property. This property used to be primarily a grain silo, but is being converted into a single-family residence and the property was provided with a conditional use for a single-family residence by the Johnstown Planning and Zoning Commission on May 23, 2018. The property, as outlined in the application, consists of a single-family unit and does not have any anticipated green space or landscaping upon the property for irrigation purposes.

Section 13-155 of the Johnstown Municipal Code provides guidance on the dedication for a single-family resident. The code section is as follow:

Sec. 13-116. - Water dedication rate.

- (a) A single-family equivalent without a separate non-potable irrigation system shall require the dedication of 0.50 acre-feet of water per residence for a landscaped lot consisting of less than or equal to 3,000 square feet. The 0.50 acre-feet per residence consists of 0.33 acre-feet of water for in-home consumptive use and 0.17 acre-feet of water for irrigation. This shall be the basis for a single-family equivalent (SFE).

Due to the fact that there will be no irrigation on this property, Town Staff is recommending only 0.33 acre-feet needing to be purchased for this property. Given the small volume of water and inability to

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purchase this volume on the market, Staff is recommending the market rate for a half-acre foot (0.5 AF) of water to be set at \$35,000. The recommended sale price for 0.33 acre feet of water is \$23,100.00. Also included in this purchase of 0.33 acre-feet is a \$150 water court transfer fee as required by Town Code. The total recommended final price for this water is \$23,250.00.

Council approved Resolution No. 2020-42 which established a water bank for the Town of Johnstown specifically for these purposes and currently includes 16-acre feet of water available for purchase for this single-family equivalent in random instances or economic development incentives approved by Council.

LEGAL ADVICE:

Not Applicable.

FINANCIAL ADVICE:

Fee paid for this water volume would be deposited in the water fund.

RECOMMENDED ACTION: Approve the Sale of Water as Presented for 5 S. Raymond Avenue.

SUGGESTED MOTIONS:

For Approval

I move to approve the Application of Fractional Water Sale to be attached to 5 S Raymond Avenue parcel number 105905400012 consisting of 0.33-acre feet of water in the amount of \$23,250.00.

For Denial

I move we deny the Application of Fractional Water Sale to be attached to 5 S Raymond Avenue parcel number 105905400012 consisting of 0.33-acre feet of water in the amount of \$23,250.00.

Reviewed and Approved for Presentation,



Town Manager

**TOWN OF JOHNSTOWN, COLORADO
RESOLUTION NO. 2020-42**

CREATING TOWN OF JOHNSTOWN WATER BANK

WHEREAS, the Town of Johnstown, Colorado (“Town”) is a Colorado home rule municipality, duly organized and existing under the laws of the State of Colorado and the Town’s Home Rule Charter; and

WHEREAS, the Town Council is vested with authority to administer the affairs of the Town; and

WHEREAS, pursuant to the Johnstown Municipal Code, persons who seek an extension of water service or a change in land use that requires an increased demand for Town water service are required to dedicate a sufficient amount of acceptable raw water to the Town to satisfy the anticipated water needs of the proposed project; and

WHEREAS, the Town Council recognizes the challenges of obtaining raw water, particularly when the amount of raw water that a person is required to dedicate is relatively small, such as, for illustrative purposes only, one single family equivalent or less; and

WHEREAS, the Town Council desires to create a water bank to assist persons who are required to dedicate a relatively small amount of raw water to the Town and allow such persons to pay cash-in-lieu of the required raw water dedication; and

WHEREAS, the Town Council hereby finds that adoption of an economic development incentive policy is in the best interest of the Town and the citizens of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT:

1. The Town Council hereby creates a water bank, to be known as the Town of Johnstown Water Bank. The Town Council hereby directs that the following water owned by the Town shall be deposited into the Town of Johnstown Water Bank: 16 acre-feet of raw water from the Consolidated Home Supply Ditch & Reservoir Company.

2. The Town of Johnstown Water Bank shall be available to persons who are required to dedicate a relatively small amount of raw water to the Town. “Persons” shall be deemed to include associations, corporations, firms, partnerships and bodies politic and corporate as well as individuals.

3. Persons authorized to use the raw water held in the Town of Johnstown Water Bank shall pay cash-in-lieu of the required raw water dedication in an amount that is at least equal to the fair market value of the water as of the date of actual cash-in-lieu payment.

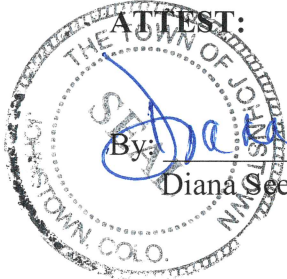
4. The Town Council shall retain discretion to administer the Town of Johnstown Water Bank, which discretion shall include, among other aspects of the administration,

determining whether a person is entitled to purchase raw water from the Town of Johnstown Water Bank and, if so, the amount of the cash-in-lieu payment.

5. The Town Manager, or his designee, is hereby directed to create an application wherein a person may apply to use the water in the Town of Johnstown Water Bank.

PASSED, SIGNED, APPROVED, AND ADOPTED this 21st day of December, 2020.

ATTEST:



By: _____

Diana Seele, Town Clerk

TOWN OF JOHNSTOWN, COLORADO

By: _____

Gary Lebsack, Mayor



Town of Johnstown

Fractional Water Share Application

APPLICANT NAME: Kelly Bloom

ADDRESS: PO Box 154 CITY Johnstown STATE CO ZIP 80534

EMAIL ADDRESS: vertikel@hotmail.com PHONE: 307-262-6139

Site Requesting Water

OWNER: Kelly Bloom

PROPERTY ADDRESS: 5 South Raymond Ave CITY Johnstown STATE CO ZIP 80534

PARCEL: 105905400012 COUNTY: ☐ LARIMER ☒ WELD

JUSTIFICATION DESCRIPTION FOR REQUEST: This landmark property, which is in Old Town Johnstown, has been a part of the community since 1905.

My property footprint is 4320 sf with 2132 sf being silo/garage/house. The remaining 2188 sf is truck route, asphalt and gravel. There is no useable yard for green space so there isn't a

need for irrigation. The approved building permit is for a single bedroom home. The impact for water usage would be comparable to a single bedroom apartment.

Although the property is considered multi-use, it will be my home and not for commercial use. For these reasons, I am asking for your consideration for a fractional water share.

K Bloom
APPLICANT SIGNATURE

7-12-2021
DATE

*Please attach completed Water Demand Worksheet with this application .

TOWN USE ONLY

RECOMMENDATION: ☒ APPROVE ☐ DENY

RECOMMENDED WATER AMOUNT: 0.33 AF

RECOMMENDED PRICE: \$23,100 + \$150.00 WATER COURT TRANSFER FEE

Matt Szeg
TOWN MANAGER SIGNATURE

7/13/21
DATE

TOWN COUNCIL FINAL DETERMINATION: ☐ APPROVE ☐ DENY

DEDICATION AMOUNT: _____

FINAL COST: _____ DATE: _____

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Town of Johnstown

Annual Water Demand Worksheet

Project Name: 5 SOUTH RAYMOND AVE

Site Address or Parcel #s: 105905400012

Applicant/Project Owner: BELLY BLOOM

Email: VERTIKEL@hotmail.com Phone: 307-262-6139

Consultant /Representative: _____

Email: _____ Phone: _____

Submitted: [Signature] 7-12-2021
Signature Date

Project Summary

Detailed Description of Proposed Land Use:

I AM CONVERTING A PREVIOUS COMMERCIAL PROPERTY INTO A HOME. NO WATER OR SEWER HOOKUPS PRIOR TO ME BUYING THE PROPERTY.

Commercial/Industrial – Type of business, expected number of employees. Provide records for comparable projects.

Overall Site Summary

Total Lot Size:	<u>4320</u> SF	(<u>.099</u> Ac)
Building Coverage	<u>2132</u> SF	<u>49</u> % of Total Lot Size
Walks, Drives, Parking	<u>2188</u> SF	<u>51</u> %
Landscaped Areas – Irrigated	<u>Ø</u> SF	_____ %
Landscaped Areas – Right-of-way	<u>Ø</u> SF	_____ %
Landscaped Areas – Non-Irrigated	<u>Ø</u> SF	_____ %

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Irrigation Demand**I. All Uses - General L.S. areas (parks, common area, greenbelts, entry features, right of way, etc.)**

a. Spray-irrigated Area - i.e., Sod/Seed		$\div 43,560 =$	Acres
	SF		$\times 2.5 \text{ AF/Ac} =$
b. Spray-irrigation Demand			AF
c. *Drip-irrigated Area - i.e., mulched beds		$\div 43,560 =$	Acres
	SF		$\times 1.5 \text{ AF/Ac} =$
d. *Drip-irrigated Demand			AF
e. *Xeriscape-irrigated Area		$\div 43,560 =$	Acres
	SF		$\times 1.0 \text{ AF/Ac} =$
f. *Xeric-irrigated Demand			AF
I. Irrigation Demand (b + d + f)			AF

*Some non-potable systems are not able to accommodate a demand difference and require all landscape areas at a 2.5 AF/ac rate. If non-potable water is used, check with individual system administrator.

II. Residential - Single Family Detached (a-c) & Single Family Attached/Townhome/Multifamily (d-f)

a. Total # SFD Lots	Lots	---	---	---
b. Ave Irrigated SF/Lot	SF/Lot	Total SF	$\div 43,560 =$	Acres
				$\times 2.5 \text{ ac-ft/ac}$
c. Irrigation Demand				AF
d. Total # SFA/TH/MF Units	Units			
e. Ave Irrigated SF/Unit	SF/Unit	Total SF	$\div 43,560 =$	Acres
				$\times 2.5 \text{ ac-ft/ac}$
f. Irrigation Demand				AF
II. Irrigation Demand (c + f)				AF

III. TOTAL Irrigation Demand: I + II = 0 AF

IV. Indoor Use

Land Use	# Units / Lots / SF	Municipal Code Rates	Annual Requirement (AF)
☒ Single Family Detached	/ Lots	$\times 0.33 \text{ AF/Lot}$	.33 AF
☐ Single Family Attached / TH / Multifamily	Units	$\times 0.29 \text{ AF/Unit}$	AF
☐ General Commercial	SF	$\times 0.10 \text{ GPD/SF} \times 0.00112 =$	AF
☐ General Office	SF	$\times 0.16 \text{ GPD/SF} \times 0.00112 =$	AF
☐ Light Industrial / Flex	SF	$\times 0.06 \text{ GPD/SF} \times 0.00112 =$	AF
☐ Other (describe*):	SF	*Attach detailed explanation of proposed AF calculation	AF
Total Indoor Use (a + b + c + d + e + f)		---	.33 AF

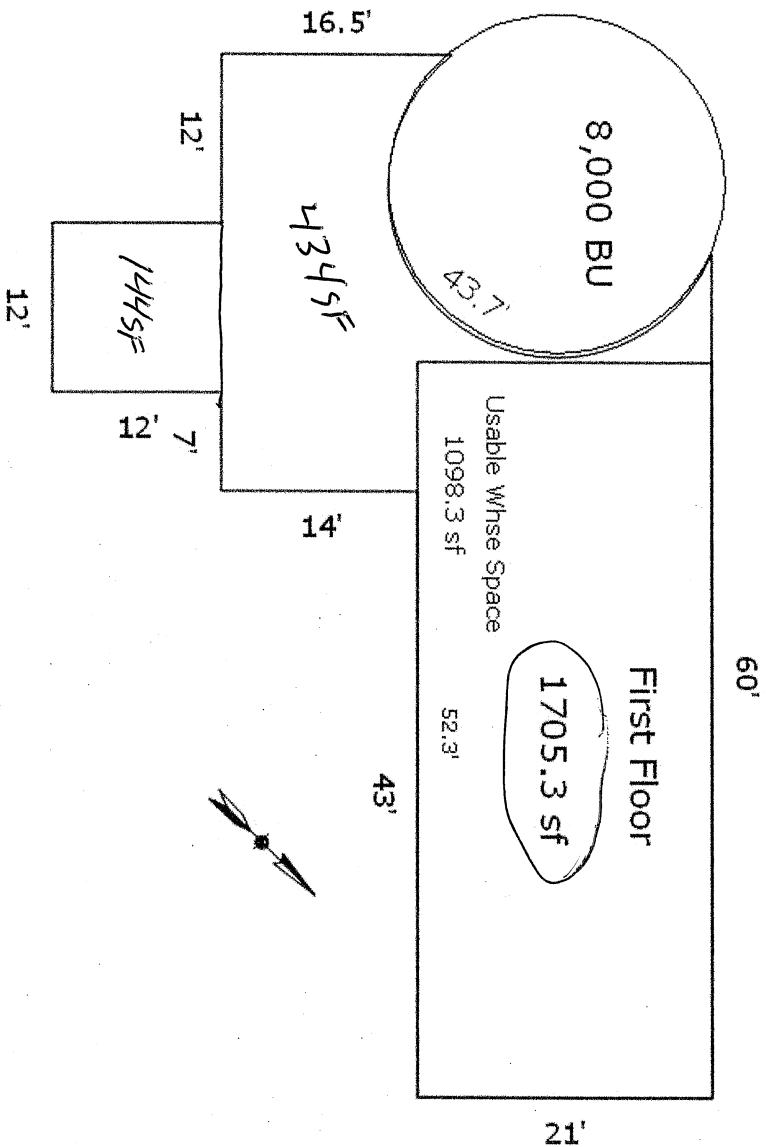
ANNUAL WATER USE

	Demand	Factor	Consumptive Use
Total Irrigation Use (from III.)	0 AF	$\times 0.85 =$	0 AF
Total Indoor Use (from IV.)	.33 AF	$\times 0.05 =$	.0165 AF
TOTAL Annual Water Use	AF	---	.0165 AF

Item #15.

Account: R4512186

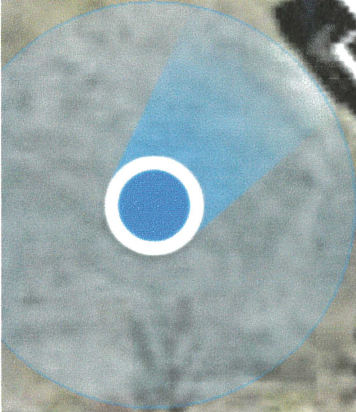
Building 1 – Page 1



Sketch by Apex Medina™

Raymond Ave

Raymond Ave



AGENDA MEMORANDUM

TO: Johnstown Planning and Zoning Commission
FROM: John Franklin, Town Planner
DATE: For May 23, 2018
SUBJECT: Conditional Use for Single Family Dwelling in CB District –
5 S. Raymond Ave.

PROPERTY DATA:

Applicant: Kelly Bloom

Owner(s): Same

Location: 5 South Raymond Ave.

Property Size: 4,320sf

Current Zoning/Land Use(s): CB Central Business/vacant building

Surrounding Zoning/Land Uses:

North: CB/ Great Western Railroad spur, Residential

South: CB/ Residential, Commercial

East: CB/ Raymond Avenue, Residential

West: SF-1/Great western Railroad spur, Residential

Comprehensive Plan Designation: Commercial

Summary of Request:

General Description: The applicant has requested approval to remodel the former Spreng elevator to include a single family dwelling.

Prior actions: The property is part of the Original Johnstown Plat as submitted by Harvey J. Parish and approved in 1902. The elevator was constructed in 1905. The Spreng family operated the elevator until the early 1980s. The building has not been in use for more than 12 months.

Potential Impacts:

Site Conditions: The site is flat and almost fully covered by structure.

Architecture: The appearance of the proposed use will not be significantly altered.

Offstreet parking: Available.

Traffic: Residential

Stormwater Management: The proposed use should have no additional effect on storm runoff conditions.

Attachments: Application materials, photos.

Municipal Code Review Provisions:

ARTICLE VII

Conditional Use Grants

Sec. 16-101. Intent.

The conditional use classification is intended to provide for the inclusion within a district of uses of such unique nature or character, or uses which are so dependent upon specific contemporary conditions, that predetermination of permissibility by right, or the detailing within the ordinance of specific standards, requirements or conditions necessary or appropriate to such permissibility are not practical; but which may be permitted in the district where listed subject to conditions and requirements as hereinafter specified. (Prior code Appx. B, § 7.01)

Sec. 16-102. Approval of conditional use grants.

Uses listed as conditional uses may be permitted upon petition to the Planning Commission for a conditional use grant and subject to approval of the Commission. The Planning Commission shall base its determination on general considerations as to the effect of such permit on the health, safety, welfare and economic prosperity and specifically on the effect of such use upon the immediate neighborhood in which it would be located, including the considerations listed in Section 16-105 below. (Prior code Appx. B, § 7.02)

Sec. 16-103. Application to existing uses.

A use which existed lawfully on a lot at the time the lot was placed in a district where such use would be permitted only upon approval of a conditional use grant shall automatically be granted conditional use status. In such cases, the grant of conditional use status shall be based upon the existing conditions at that time and any expansion or change in use shall require changing of the conditional use grant. Petition may be made at any time for expansion or other change of the conditional use grant, and such petition shall not prejudice the existing grant as herein authorized. (Prior code Appx. B, § 7.03)

Sec. 16-104. Termination of conditional uses.

Where a permitted conditional use does not continue in conformity with the conditions of the original approval, or where a use is no longer compatible with the surrounding area, the conditional grant may be terminated by the Board of Trustees upon referral to the Planning Commission and public hearing thereon. Such use shall thereafter be classified as a legal non-conforming use; except that where the action is due to failure to comply with the conditions of the conditional grant, the Board of Trustees may require complete termination of the use. (Prior code Appx. B, § 7.04)

Sec. 16-105. Standards and requirements.

(a) Approval of a conditional use grant shall be based on an evaluation of such factors as the following: the character and quality of the area in which the use will be located;

the physical appearance of the use, including suitability of architectural and landscaping treatment; appropriate location of the building or buildings on the lot; adequate provision of parking, loading and circulation facilities; potential effect of the use upon off-site vehicular and pedestrian traffic circulation, with particular reference to potential traffic congestion; potential effect of the use on storm drainage in the area; adequacy of planting screens where necessary; provision of operational controls where necessary to avoid hazardous conditions or eliminate potential air or water pollutants or other noxious influences; and the general compatibility of the proposed use with the area in which it is to be located.

(b) Conformity with regulations. Except as may be specifically otherwise provided, any conditional use shall conform to the lot size, building location, building size, open space and height limitation regulations of the district in which it is located.

(c) Accessory uses. Uses and structures accessory to a principal conditional use shall be subject to appropriate regulations in the same manner as herein set forth for the principal conditional use. (Prior code Appx. B, § 7.05)

Sec. 16-106. Procedure.

*(a) Filing. A petition for a conditional use grant shall be submitted in writing and filed with the Town Clerk, who shall promptly refer such petition of the Planning Commission. **Such petition shall be accompanied by building, site and operational plans as provided in Section 16-145(c) and by such other data and information as necessary for proper evaluation of the request.***

(b) Hearing. The Planning Commission shall conduct a study and investigation on the petition and shall give public notice and hold a public hearing thereon as provided in Section 16-48.

(c) Determination. Following public hearing, the Planning Commission shall make a determination and set forth its decision in writing, indicating conditions of approval, or if the petition is disapproved, indicating the reason therefore.

*(d) Recording. **When a conditional use grant is approved, such approval shall be appropriately noted on building permits and certificates of zoning compliance.** Indication of such grant shall also be made on the Official Zoning District Map by appropriate symbol. (Prior code Appx. B, § 7.06)*

Crucial Referral Responses: As to the land use, there are no crucial referrals which require agreements or other attention.

Applicant Response: The applicant had worked with staff to submit information as requested.

Technical Analysis: The proposed use is expected to not generate unusual parking demand or traffic. The appearance and scale of the existing elevator will remain. There is no water and sanitary sewer service to the property.

Staff Recommendation: Based upon the above, Staff recommends approval of the Conditional Use, with the following conditions:

- 1) The property must have water and sewer service, extended at owner's expense, prior to occupancy;
- 2) The building must be in compliance with Town construction and fire code prior to occupancy.

Planning Commission Action:

1. If the Commission desires to approve:

"I move that the Commission approve the Conditional Use for Single Family Dwelling in CB District – 5 S. Raymond Ave."

Or,

2. If the Commission desires to recommend approval with conditions:

"I move that the Commission approve the Conditional Use for Single Family Dwelling in CB District – 5 S. Raymond Ave. with the following condition(s):

a. _____

b. _____

etc. "

Or,

3. If the Commission desires to recommend denial:

"I move that the Commission deny the Conditional Use for Single Family Dwelling in CB District – 5 S. Raymond Ave. for the following reasons:

a. _____

b. _____

etc. "

Town of

Johnstown

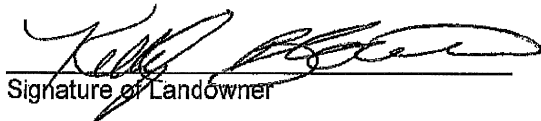
450 S. Parish Ave. Johnstown, CO 80534
Ph: 970-587-4664 Fax: 970-587-0141

COMMUNITY DEVELOPMENT APPLICATION

Date: 18 APRIL 2018Project Name: 5 SOUTH RAYMOND AVEApplication is for: ☐ Annexation ☐ Zoning ☐ Subdivision ☐ USR ☒ Cond. Use ☐ OtherLandowner: KELLY BLOOMAddress: 5 SOUTH RAYMOND AVE, JOHNSTOWN CO 80534PO BOX 154Telephone: 307-262-6139Authorized Applicant/Representative: KELLY BLOOMAddress: 5 SOUTH RAYMOND AVE, JOHNSTOWN CO 80534PO BOX 154Telephone: 307-262-6139; Fax Number: _____; E-Mail: vertikel@hotmail.com

Landowner Authorization:

The undersigned affirms ownership of the property pertaining to this application, and hereby applies to the Town of Johnstown, Colorado for the above indicated development review process, and authorizes the individual or company stated as "authorized representative" to represent me/us in all aspects of said process.



Signature of Landowner



Signature of Landowner

STATE OF COLORADO)

COUNTY OF Weld)

)ss

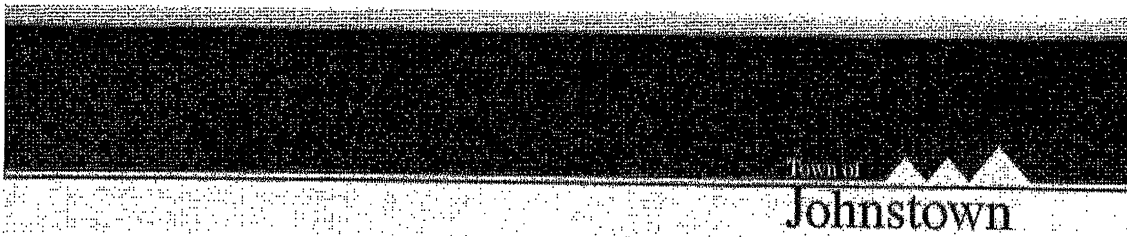
The foregoing application was subscribed and sworn to before me this 18th day of April, A.D., 2018, by Kelly Bloom.

Witness my hand and official seal.

My commission expires: March 31, 2020


Notary Public

LISA LOPEZ
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164012395
MY COMMISSION EXPIRES MARCH 31, 2020



May 7, 2018

Kelly Bloom
12670 County Road 25 1/2
Fort Lupton, CO 80621-9628

Re: 5 S. Raymond Ave. (Former Spreng Elevator)

Kelly,

The review and referral step is completed and comments are as follows:

1. You have been in contact with Building Official Jonathan Gesick relative to converting the property for residential use.
2. According to our Water/Wastewater Department the property does not have a water and sanitary sewer tap, and is a significant distance from water and sewer mains. Please contact Marty Jones, Water/Wastewater Superintendent (970) 534-0244 to discuss.
3. I have attached Front Range Fire Authority comments related to the Conditional Use application. You may contact Chief Drage directly.
4. The immediate neighborhood, aside from the railroad spur, remains residential – the proposed residential use would not be in conflict.

I have tentatively scheduled the Planning and Zoning Commission hearing for Wednesday, May 23 at 7:00 pm in the Council Chambers at Town Hall. Please plan to give a brief description of your request and answer questions.

Please post the hearing sign this week.

Sincerely,

John Franklin, Town Planner
Attachment

Copy to:
Building Department
Water/wastewater Department
Front Range Fire Authority

**SUMMARY MINUTES
PLANNING & ZONING COMMISSION
WEDNESDAY, MAY 23, 2018
COUNCIL CHAMBERS
450 S. PARISH AVE.**

- 1. CALL TO ORDER:** *Chair Dowling called the meeting to order at 7:00 pm.*
- 2. ROLL CALL:** *Present were Commissioners Eady, Montez, Dowling and Geisendorfer
Absent was Commissioner Storms.*
- 3. PUBLIC COMMENTS REGARDING ITEMS NOT ON THE AGENDA:** *None*
- 4. PUBLIC HEARINGS:**

A. Site Development Plan – Highpoint Holdings, LLC at I-25 Gateway Center:

Chair Dowling opened the public hearing at 7:05 pm. Town Planner Franklin introduced the item and presented the staff recommendation. The Highpoint Electric owner, Jerry Cardinal, presented the request and answered questions.

Commissioner Questions:

The proposed building is unpainted? (The building walls are proposed as galvanized, with a copper-color metal roof, and applied stone wainscot.

What is the small parcel to the north? (It is apparently owned by a telephone company and is a junction box)

Public Comment:

None.

Chair Dowling closed the hearing at 7:11pm and asked for discussion and a motion.

Motion by Commissioner Eady, seconded by Commissioner Geisendorfer to approve the Site Development Plan for Highpoint Holdings, LLC at I-25 gateway Center.

Unanimous.

B. Conditional Use to Allow a Single Family Dwelling at 5. South Raymond Ave.:

Chair Dowling opened the hearing at 7:14 pm. Town Planner Franklin introduced the item and presented the staff recommendation. The Owner, Kelly Bloom presented the request and answered questions.

Commissioner questions:

What about the railroad's comment concerning setbacks? (The railroad does not have authority to require a setback on private property.

What will be the entrance? (Do not know yet)

Silo improvements? (The silo is filled with grain bins – the owner will paint the exterior)

What about Raymond Ave. right of way? (The Town has no plans to widen or improve the old roadway, so should not be an issue)

Public Comment:

- *Wesley Haas, 25 South Raymond - supports the proposal as the owner will fix up the property and it won't just sit vacant.*
- *Ed Spreng, 903 N. 1st St. - the property was constructed as a flour mill in 1910 and ceased operation in 2005. Raymond Avenue was the wagon short-cut following the railroad besides Parish Avenue to reach the mill.*

Chair Dowling closed the hearing at 7:40 pm and asked for discussion and a motion. Motion by Commissioner Kingsolver, seconded by Commissioner Montez to approve the Conditional Use to Allow a Single Family Dwelling at 5. South Raymond Ave., with the following condition(s):

- 1) The property must have water and sewer service, extended at owner's expense, prior to occupancy;
- 2) The building must be in compliance with Town construction and fire code prior to occupancy.

Unanimous.

5. NEW BUSINESS:

A. Approval of Minutes of May 9, 2018: Motion to approve by Commissioner Montez, seconded by Commissioner Kingsolver. Unanimous.

B. County Referrals: None

6. STAFF REPORT: Town Planner Franklin reported on the following items:

A. Recent Town Council Actions

B. Applications in Review

C. Project and Program Updates: Commissioner vacancy; no June 13 meeting.

7. COMMISSIONERS' ITEMS: None.

8. ADJOURN: Chair Dowling adjourned the meeting at 8:00 pm.

Respectfully submitted by John Franklin, Town Planner, as Secretary to the Planning and Zoning Commission.