Town Council

Agenda

Wednesday, September 4, 2019
Town Hall, Council Chambers
450 So. Parish Avenue
7:00 PM

MISSION STATEMENT—“The mission of the government of the Town of Johnstown is to provide leadership based upon trust and integrity, commitment directed toward responsive service delivery, and vision for enhancing the quality of life in our community.

Members of the audience are invited to speak at the Council meeting. Public Comment (item No. 5) 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. If you wish to speak at the Town Council meeting, please fill out a sign-up sheet and present it to the Town Clerk.

1) CALL TO ORDER
   A) Pledge of Allegiance

2) ROLL CALL

3) AGENDA APPROVAL

4) RECOGNITIONS AND PROCLAMATIONS

5) PUBLIC COMMENT (three-minute limit per speaker)

The “Consent Agenda” is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to have an item discussed or if there is public comment on those ordinances marked with an *asterisk. The Council member may then move to have the subject item removed from the Consent Agenda for discussion separately.

6) CONSENT AGENDA
   A) Town Council Meeting Minutes – August 19, 2019
   B) Assignment of Non-Residential Real Property Lease Agreement – (Old Library Building)
   C) First Amendment to Non-Residential Real Property Lease Agreement – (Old Library Building)

7) TOWN MANAGER REPORT

8) TOWN ATTORNEY REPORT

9) OLD BUSINESS
   A) Continued Public Hearing – Final PUD Development Plan – Johnstown Village

10) NEW BUSINESS
    A) Johnstown Village Final Plat - Filing #1
        1) Resolution No. 2019-18– Approving the Final Plat for Johnstown Village Filing No. 1
        2) Subdivision Development and Improvement Agreement
        3) Water and Sewer Service Agreement
    B) Towns of Johnstown and Berthoud Growth Management Area Intergovernmental Agreement – First Amendment
    C) Second Amendment to the Intergovernmental Agreement between the Towns of Johnstown and Berthoud Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area

11) EXECUTIVE SESSION
    A. An executive session to receive legal advice from the Town attorney and special counsel pursuant to C.R.S. 24-6-402(4)(b) Regarding the Johnstown Plaza development
WORK SESSION

A. BHA Design Inc. – I-25 and Highway 60 Interchange

NOTICE OF ACCOMODATION
If you need special assistance to participate in the meeting, please contact the Town Clerk at (970) 587-4664. Notification at least 72 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to the meeting.
AGENDA DATE: September 4, 2019

ITEM NUMBER: 6A-C

SUBJECT: Consent Agenda

ACTION PROPOSED: Approve Consent Agenda

PRESENTED BY: Town Clerk

AGENDA ITEM DESCRIPTION: The following items are included on the Consent Agenda, which may be approved by a single motion approving the Consent Agenda:

A) Town Council Meeting Minutes – August 19, 2019
B) *Assignment of Non-Residential Real Property Lease Agreement – (Old Library Building)
C) **First Amendment to Non-Residential Real Property Lease Agreement – (Old Library Building)

*Assignment of Non-Residential Real Property Lease Agreement

The item presented for consideration would assign the existing lease with LifeBridge Christian Church to the Johnstown Milliken Christian Church, d/b/a Connections Christian Church. The lease is for the Town owned property located at 1011 Jay Ave. Pastor Steve McCarthy is still the lead pastor at the new church organization. This change is being requested because effective July 1, the Connections Christian Church became independent of the LifeBridge Church. A certificate of insurance, listing the Town as additionally insured has been provided for our records.

**First Amendment to Non-Residential Real Property Lease Agreement - (Old Library Building)

The item presented would renew the existing lease with new terms. Currently, the existing lease terms have expired and the old lease is operating on a month to month basis. The first amendment would establish a term of up to 5 years. For the first 3 years, the monthly rent will be $600.00 per month and for years 4 and 5 the rent will be $650.00 per month. The lease also includes a 120 day termination provision with no penalty except for paying rent during the 120 day notice period. The document was provided to Pastor McCarthy and he accepted the terms of the agreement during our discussion and the document being provided to the Church.

LEGAL ADVICE: The entire Consent Agenda may be approved by a motion of the Town Council approving the Consent Agenda, which automatically approves each and every item listed on the Consent Agenda. If a Council member wishes to have a specific discussion on an individual item included with the Consent Agenda, they may move to remove the item from the Consent Agenda for discussion.

FINANCIAL ADVICE: N/A

RECOMMENDED ACTION: Approve Consent Agenda

SUGGESTED MOTION:
For Approval: I move to approve the Consent Agenda.

For Denial:
Council Minutes
The Town Council of the Town of Johnstown met on Monday, August 19, 2019 at 7:00 p.m. in the Council Chambers at 450 S. Parish Avenue, Johnstown.

Mayor Lebsack led the Pledge of Allegiance.

Roll Call:
Those present were: Councilmembers Berg, Lemasters, Mellon, Molinar Jr., Tallent and Young

Also present: Avi Rocklin, Town Attorney, Matt LeCerf, Town Manager, Marco Carani, Public Works Director, Mitzi McCoy, Finance Director, Kim Meyers, Planning and Development Director and Brian Phillips, Police Chief

Agenda Approval

Councilmember Mellon made a motion seconded by Councilmember Lemasters to approve the Agenda as submitted. Motion carried with a unanimous vote.

Presentations: Mr. John Cutler, Cutler and Associates presented the Audit to the Town Council.

Consent Agenda

Councilmember Mellon made a motion seconded by Councilmember Berg to approve the Consent Agenda with the following items included for approval:

- August 5, 2019
- Payment of Bills
- July Financial Statements

Motion carried with a unanimous vote.

New Business

A. Public Hearing – Final Plat and Final PUD Development Plan – Johnstown Village Filing #1
The final plat and development plan finalize preliminary concepts and include site and landscape plans and full construction drawings for all public and private improvements. The development is proposed to be developed in 3 phases and provides for 263 single family lots, ranging in size from 4,906 SF to 15,617 SF. The subdivision also includes a playground and plaza area for residents along with a concrete multi-use trail.

Mayor Lebsack opened the Public Hearing at 7:17 p.m. The applicants, Michael Blumenthal, Bob Quinette and Harvey Deutsch were present to answer any questions Council had. Mr. Blumenthal provided an overview of the project. Having no public comments Mayor Lebsack closed the hearing at 8:01 p.m.

Councilmember Mellon made a motion seconded by Councilmember Lemasters to approve the Johnstown Village Filing 1 Final Plat, based upon the presented findings and analysis, and with the following Conditions: 1) Resolution of any outstanding comments and redlines from the Town Staff and Engineer on the plat, engineering reports and plans, and construction drawings.
2) Execution of the Development Agreement related to construction and maintenance of public and private improvements. 3) Execution of the Water and Sewer Service Agreement. 4) Dedicate raw water in the time and manner set forth in the Water and Sewer Agreement. 5) All outstanding balances owed to the Town to be paid in full. 6) Direct Staff to prepare a Resolution of approval for consideration on September 4, 2019. Motion carried with a unanimous vote.

Councilmember Mellon made a motion seconded by Councilmember Young to continue the Public Hearing for the Final Development Plan based upon recommendation of the Town Planner to September 4, 2019 at 7:00 p.m. Motion carried with a unanimous vote.

B. Agreement for Engineering Services between the Town of Johnstown and IMEG, Inc. – A contract for engineering services with IMEG was presented. The services to be provided will focus exclusively on the interceptor lines immediately north and south of Highway 60. IMEG will fully design, engineer, and bid the interceptor segment from Johnstown Farms to the Central WWTP. It will also include a full assessment and planning of the remaining interceptor segments in preparation for design. The assessment and planning will include ROW identification, Subgrade Utility Engineering, geotechnical, and surveying services. The cost of the engineering work is $1,240,000. Councilmember Lemasters made a motion seconded by Councilmember Tallent to approve the agreement with IMEG, Inc. as presented. Motion carried with a unanimous vote.

C. Johnstown Housing Authority Discussion: The Johnstown Housing Authority is seeking a loan from the Town in the amount of $500,000. The loan would be used to pay off the debt owed to USDA. The remaining balance would be used to replace the existing boilers and repave the parking lot at the building. No decision was made as council requested additional information: actual costs for the boilers and whether the town is able to loan funds to the Johnstown Housing Authority.

There being no further business to come before Council the meeting adjourned at 9:08 p.m.

Mayor

Town Clerk
Assignment of Lease Agreement
ASSIGNMENT OF NON-RESIDENTIAL REAL PROPERTY LEASE AGREEMENT
(Old Library Building)

THIS ASSIGNMENT OF NON-RESIDENTIAL REAL PROPERTY LEASE AGREEMENT (“Assignment”) is entered into this ___ day of __________, 2019 (“Effective Date”), by and among THE TOWN OF JOHNSTOWN, COLORADO, a Colorado home rule municipal corporation (“Landlord”), LIFEBRIDGE CHRISTIAN CHURCH, a Colorado non-profit corporation (“LifeBridge”) and JOHNSTOWN MILLIKEN CHRISTIAN CHURCH, d/b/a Connections Christian Church, a Colorado non-profit corporation (“Connections”).

WHEREAS, on or about January 18, 2012, Landlord and LifeBridge entered into a lease agreement for property located at Lot 16, Block 6, Callahan Heights Addition, Town of Johnstown, County of Weld, State of Colorado, known by street address as 1011 Jay Avenue, Johnstown, CO 80534 (“Lease”); and

WHEREAS, LifeBridge seeks to assign the Lease to Connections and Connections seeks to accept assignment of the Lease; and

WHEREAS, LifeBridge seeks Landlord’s consent to the assignment; and

WHEREAS, Landlord desires to consent to the 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. LifeBridge hereby assigns to Connections, and Connections hereby accepts assignment of, the Lease. Pursuant to Section 1 of Article XIX of the Lease, Landlord hereby consents to the assignment.

3. Binding Obligations. In accepting assignment of the Lease, Connections expressly agrees to be bound to, and comply with, the terms and conditions of the Lease. From the Effective Date, Connections agrees, and shall be, the Tenant, as that term is defined in the Lease.

4. Validity of Lease. Except as expressly modified herein and as modified by the First Amendment to Non-Residential Real Property Lease Agreement, being executed contemporaneously herewith by and between Landlord and Connections, the Lease shall remain in full force and effect.
DONE AND DATED this ___ day of _____________, 2019.

ATTEST:

By: ________________________
    Diana Seele, Town Clerk

By: ________________________
    Gary Lebsack, Mayor

TOWN OF JOHNSTOWN, COLORADO

LIFEBRIDGE CHRISTIAN CHURCH

By: ________________________
    Name:
    Title:

JOHNSTOWN MILLIKEN CHRISTIAN CHURCH

By: ________________________
    Name:
    Title:
First Amendment to Lease Agreement
FIRST AMENDMENT TO NON-RESIDENTIAL REAL PROPERTY LEASE AGREEMENT
(Old Library Building)

THIS FIRST AMENDMENT TO NON-RESIDENTIAL REAL PROPERTY LEASE AGREEMENT ("First Amendment to Lease") is entered into this ___ day of __________, 2019 ("Effective Date"), by and between THE TOWN OF JOHNSTOWN, COLORADO, a Colorado home rule municipal corporation ("Landlord"), and JOHNSTOWN MILLIKEN CHRISTIAN CHURCH, d/b/a Connections Christian Church, a Colorado non-profit corporation ("Tenant").

WHEREAS, on or about January 18, 2012, Landlord and Lifebridge Christian Church, a Colorado non-profit corporation ("LifeBridge"), entered into a lease agreement for property located at Lot 16, Block 6, Callahan Heights Addition, Town of Johnstown, County of Weld, State of Colorado, known by street address as 1011 Jay Avenue, Johnstown, CO 80534 ("Lease"); and

WHEREAS, with Landlord’s approval, LifeBridge assigned, and Tenant accepted assignment of, the Lease; and

WHEREAS, Landlord and Tenant seek to modify the term of the Lease and the rent and add an early termination provision; and

WHEREAS, to effectuate the foregoing, Landlord and Tenant desire to enter into this First Amendment to Lease.

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 First Amendment to Lease by this reference as if such recitals were set forth herein in full.

2. Lease Term. Section 1 of Article II of the Lease is hereby amended to provide that the term of the Lease shall terminate on August 31, 2024. Notwithstanding any other provision of the Lease, if either party desires to terminate the Lease during the term, such party shall provide one hundred and twenty (120) days advance written notice to the other. Rent shall be due and payable during the one hundred and twenty (120) day notice period.

3. Rent.

   a. Section 1 of Article IV of the Lease shall be amended to provide that the annual rent for the term of the Lease shall be Seven Thousand Two Hundred Dollars ($7,200.00) for the period commencing on September 1, 2019 and ending on August 31, 2022 and shall be Seven Thousand Eight Hundred Dollars ($7,800.00) for the period commencing on September 1, 2022 and ending on August 31, 2024.
b. Section 2 of Article IV shall be amended to provide that the annual rent shall be payable in monthly installments of Six Hundred Dollars ($600.00) for the period commencing on September 1, 2019 and ending on August 31, 2022 and Six Hundred and Fifty Dollars ($650.00) for the period commencing on September 1, 2022 and ending on August 31, 2024. Except as modified, the remaining provisions of Section 2 of Article IV shall remain in effect.

4. Validity of Lease. Except as expressly modified herein, the Lease shall remain in full force and effect.

DONE AND DATED this ___ day of _____________, 2019.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: ___________________________       By: ___________________________
   Diana Seele, Town Clerk               Gary Lebsack, Mayor

JOHNSTOWN MILLIKEN CHRISTIAN CHURCH

By: ___________________________
   Name:
   Title:
AGENDA ITEM 7

TOWN MANAGER REPORT
TO:    Honorable Mayor and Town Council Members
FROM:  Matt LeCerf, Town Manager
DATE:  September 4, 2019
CC:     Town Staff
        Local Media
SUBJECT:  Departmental 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):

- 09/09/2019 – Work Session (Budget)
- 09/16/2019 – Regular Town Council Meeting
- 09/23/2019 – Work Session (Budget)
- 09/30/2019 – Work Session (with Loveland)

Administration, Finance, & Planning
- **LCR 3 & Highway 34 Intersection Meeting** – Town Staff met with representatives from CDOT, City of Loveland, Hartford Homes, Inc., McWhinney Development, Galloway Engineering, Co., and a representative from the PUC. The discussion centered around the current intersection of the LCR 3 and Highway 34, alternatives including the reorientation of the roadway, and the difficulties of the future of this corridor which is expected to have substantial increase traffic counts. It was the opinion of CDOT and others at the meeting that while the proposed orientation we have seen maybe an option, it isn’t completely clear that it is the ideal alternative. Based on the impact caused by the development adjacent to Highway 34 in this area, CDOT believes more clarity and evaluation needs to be done on this corridor to ensure the optimal location of spacing and intersections into Highway 34.
- **Executive Assistant Interviews** – Executive Assistant interviews were conducted on Friday August 30, of this week. We hope to be able to select the preferred applicant for both today and as the organizational reports and structure change in the future.
- **BHA Design** – Staff met with BHA Design in preparation for the work session planned for the evening of September 4, to discuss expectations and the Council directed vision for the planned aesthetic improvements to the I-25 and Highway 60 interchange. We are excited for this opportunity to have the Council build the future of the interchange.

The Community That Cares
• Hilltop-Broadband – Staff met with Hilltop Broadband who desires to place internet communication equipment on our north water tower. Staff will begin discussions of this matter with Hilltop and explore how some of the services they offer may improve our system’s communications inclusive of SCADA (for water and wastewater systems) and public safety needs, provided it makes sense for all parties involved.

• Caselle Connect – We are working on implementing a dashboard system to provide better access to financial data for all department heads.

• Developer Deposits – All developer deposits and billings have been integrated into the AR system in Caselle. All projects are being reviewed and all completed projects are being closed out and any remaining deposits are being refunded.

• 2020 Budget – The initial proposed budget is in the final stages of preparation.

• New Planning Staff – New Planner II, Darryll Wolnik, starts at the Town today to better support citizens, businesses, developers, and town officials with all planning and development related inquiries.

• Comprehensive Plan – Planning & Zoning Commission held a work session on 8/28 to review the current plan and discuss topics and elements to ensure are incorporated into an upcoming RFP. The need for a code update, and particular areas of interest, was also discussed.

• I-25 & Parallel Arterial – Staff continues to coordinate with CDOT on alignment discussions and providing updated information related to existing and proposed developments, flood impacts, and other pertinent information for the planning and design of these corridors.

• Development – Staff continues to work with a wide variety of prospective, proposed, and ongoing development projects and design teams. We currently have 16 projects under active review ranging from single-lot development plans to a large 502-acre development.

Police Department

Training:

• Hate Crime Training - Sergeant Brown attended FBI Hate Crime Investigations in Denver. The training covered elements of a hate crime, behaviors that are constitutionally protected and effective hate crime investigations and prosecutions.

Public Works Department

Streets, Stormwater, & Parks

• Parks – Mowing is ongoing in all Town parks. Crews have been repairing irrigation main line at the lake park. The main line broke on the north side of the lake trail on the hill side. Crew were also able to adjust the sprinklers at the west side of the library. This line was turned off by the HOA and was starting to burn the grass. After some adjustments the grass is turning green again. The heat is creating extra watering times in order to keep our grounds green.

• Grading – Grading of all our gravel roads is done every 3 weeks. Approximately 12 miles of road way are completed.

• Crosswalks – Most of the crosswalks in the downtown area and around Town were painted. Thermoplastic material was also placed in Thompson Crossing and around
Parish Park. On a sour note our paint spraying machine was stolen from the job site at High Plains Blvd. and HWY 60. A police report has been filed.

- **Bridge work** – The bridge on WCR 15 and the Little Thompson has had some washout on the south west side. Crews went in and placed rock and dirt to stabilize the bank to prevent further erosion.
- **Streets** – The overlay project should be completed by the time the September 4th board meeting occurs. Asphalt specialties came in on August 23rd and started working on Jays, 4th St. and 7th Pl. Some soft spots were found on Jays and 4th approximately 250 CY of stabilizing material was added to stabilize these areas prior to paving.

**Water & Wastewater**

- **Water plant** – SCADA upgrades at plant is ongoing. New level sensors for our chemical storage tanks were replaced and are now readable through the software. The control panel was installed for the north water tank. Electrical service was run to the panel and we are waiting for the final telemetry satellite dish to be installed. This should be completed within the next couple weeks. After that a little fine tuning should be only thing that remains to have the tank on line.
- **Fire Hydrant** – Replacement of one of the 2 nozzle fire hydrants was completed at Idaho and N 1st. This is one of four that will be replaced this year.
- **Wastewater Low Point** – The fan press is running 24 hrs. a week at low point and is averaging 29 tons a week of sludge. The Aeration blower at low point went down due to bearing failures and a new blower has been installed. Currently there are two blowers that alternate running times at low point. The plant has a third blower that has been down and will be placed on line also.
- **Central Plant** – The wastewater line from the DAF unit that pumps wastewater to Pond #1 had plugged up. Staff ran a temporary line above ground while repairs of the underground line were repaired. The airline is scheduled to start its replacement on September 7th due to multiple leaks in the line itself limiting the amount of air being pushed to the baffles and the MBBR unit. Once the line is repaired, air flow will increase, and help with treatment. This repair should not take more than a couple days and the plant will remain on line during repairs.
AGENDA ITEM 9A

Continued Public Hearing
Final Development Plan

(Johnstown Village)
*CONTINUED PUBLIC HEARING PROCEDURE – Johnstown Village*

A. Final PUD Development Plan

1. **MOTION TO RE-OPEN PUBLIC HEARING CONCERNING THE JOHNSTOWN VILLAGE PUD FINAL DEVELOPMENT PLAN.**
   
   Once motion passes…..

2. Receive information from staff.

3. Receive information from applicant.

4. Receive information from public.
   a. Ask to hear from anyone who supports the Final PUD Development Plan.
   b. Ask to hear from anyone who opposes the Final PUD Development Plan.

5. Receive rebuttal from applicant. *(Discretionary and only if warranted at the time.)*

6. Additional questions from Council, if any. *(Council may ask questions at any time until the hearing is closed.)*

7. Close the public hearing. *(No more questions from Council)*

8. Discussion and deliberation among Council.

9. Make a decision and/or motion from Council.

**SUGGESTED MOTIONS**

Final Development Plan Approval: I move that we approve the Johnstown Village PUD Final Development Plan subject to the following condition(s):

   2) **OPTIONAL, if additional Council Conditions…**

Denial: I move that we deny approval of the Johnstown Village PUD Final Development Plan with the following findings:

   1) The proposed development does not substantially further the Comprehensive Plan.
   2) The proposed development negatively impacts the adjacent roadways and or neighborhoods in such a way as to render the proposal ill-suited for this site/configuration/intensity…
   3) *(OPTIONAL) … Other*
TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: September 4, 2019
ITEM NUMBER: 9A
SUBJECT: Johnstown Village PUD Final Development Plan

ACTIONS PROPOSED: Continue Public Hearing to Consider Johnstown Village PUD Final Development Plan

PRESENTED BY: Kim Meyer, Planning & Development Director

AGENDA ITEM DESCRIPTION:

Request: Approval of the Johnstown Village PUD Final Development Plan
Location: Southeast corner of Colorado Blvd (WCR 13) and south of S 1st Street (CO Hwy 60)
Acreage: 139.36 Acres
Land Use Designation: Low Density Residential; Village Center at Colorado Blvd & Hwy 60 and along northern boundary (~1 block deep)
Zoning: PUD-R and PUD-B

Applicant: Johnstown Village, LLC
Owner: Massey Farms, LLLP
Representatives: Atwell Inc. & Henry Design Group, Inc.

ADDENDUM:
This communication is intended to provide additional information and evidence to that provided for this item at the August 19, 2019, regular meeting of the Town Council.

Updates:
The outstanding conditions on the Final Development Plan, as determined on August 19, 2019, included the need to update portions of the plan, per Staff direction. The agenda item was continued to provide additional time to Planning Staff to review a newly-submitted document. Specific language related to design and architectural standards was reviewed and revised per Staff direction, minor housekeeping items have been addressed, and a sheet of architectural elevations has been added to better clarify the intent of the developer and home builder to provide high-quality housing to the Johnstown community. A final version of the FDP sheets is attached to the communication, as well as a text version of the language included on the plan sheets, for ease of review.

Recommended Findings:
1. The Final Development Plan is substantially consistent with the Johnstown Comprehensive Plan, the approved Massey 141 outline development plan, and the approved Johnstown Village Preliminary Development Plan.
2. The Final Development Plan has been reviewed by Town staff and ancillary reviewers and have been found to be in substantial compliance and conformance with Town standards, specifications, and codes.

LEGAL ADVICE: The Town Attorney has reviewed the proposed development plan.

FINANCIAL ADVICE: No impact anticipated.

RECOMMENDED ACTION: Consider Approval of Johnstown Village PUD Final Development Plan, as presented.

SUGGESTED MOTIONS:
Approval: I move that we approve the Johnstown Village PUD Final Development Plan based upon the evidence presented at the public hearing.
Denial: I move that we deny approval of the Johnstown Village PUD Final Development Plan with the following findings:

1) The proposed development does not substantially further the Comprehensive Plan…
2) The proposed development negatively impacts the adjacent roadways and or neighborhoods in such a way as to render the proposal ill-suited for this site/configuration/intensity…
3) Optional...other conditions

Reviewed:

___________________________
Town Manager
JOHNSTOWN VILLAGE
P.U.D. - FINAL DEVELOPMENT PLAN
LOCATED IN THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 4 N.
RANGE 4 W., 4TH OF THE SOUTHERN PRINCIPAL MERS, TOWN OF JOHNSTOWN, COUNTY OF WELD, STATE OF COLORADO

DEVELOPMENT STANDARDS

1. GENERAL

It is intended that the Village be a conceptually planned mixed-use neighborhood with single family detached homes, single family attached homes, and apartment buildings. The Village is intended to be a community of single-family homes and to offer a variety of housing opportunities for all income levels. The Village will provide a variety of uses and activities that will contribute to the quality of life for the residents and visitors of Johnstown Village.

2. ZONING

The Johnstown Village Affordable Housing Overlay District will be a mixed-use neighborhood with single-family detached homes, single-family attached homes, and apartment buildings. The Village is intended to be a community of single-family homes and to offer a variety of housing opportunities for all income levels. The Village will provide a variety of uses and activities that will contribute to the quality of life for the residents and visitors of Johnstown Village.

3. SERVICE AREAS

The Planning Area is the subject of this Final Development Plan. The Planning Area is located in the northwest quarter of Section 1, Township 4 North, Range 4 West, 4th of the Southern Principal Meridian, Town of Johnstown, County of Weld, State of Colorado.

4. DEPARTMENT

The Department of Planning and Community Development will be responsible for the administration of the Final Development Plan. The Department will ensure that the development is consistent with the goals and objectives of the Village.

5. DEPARTMENT

The Department of Planning and Community Development will be responsible for the administration of the Final Development Plan. The Department will ensure that the development is consistent with the goals and objectives of the Village.

6. DEPARTMENT

The Department of Planning and Community Development will be responsible for the administration of the Final Development Plan. The Department will ensure that the development is consistent with the goals and objectives of the Village.

7. DEPARTMENT

The Department of Planning and Community Development will be responsible for the administration of the Final Development Plan. The Department will ensure that the development is consistent with the goals and objectives of the Village.
JOHNSTOWN VILLAGE
P. U. D. - FINAL DEVELOPMENT PLAN
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 4 NORTH,
(RANGE 67 WEST OF THE 105TH PRINCIPAL MERIDIAN),
TOWN OF JOHNSTOWN, COUNTY OF WELD, STATE OF COLORADO

Conceptual elevations are shown for illustrative purposes only and may change over time. Models and elevations may differ, but will be approved by the Town of Johnstown providing they are in substantial conformance with the Development Standards.
AGENDA ITEM 9B

Public Hearing

(First Reading Ordinance 2019-164)

1. Open public hearing
2. Receive information from staff
3. Ask to hear from anyone who supports the ordinance
4. Ask to hear from anyone who opposes the ordinance
5. Close the public hearing
6. Ask for discussion
7. Make decision and/or motion from Council
   a. Need motion to approve or deny the ordinance.

(SUGGESTED MOTIONS):

For Approval:
I move that we adopt Ordinance No. 2019-164, approving the Johnstown Village PUD Final Development Plan.

Approval of Revised Ordinance:
I move that we adopt Ordinance 2019-164 approving Johnstown Village PUD Final Development Plan with the following revisions:

For Denial:
I move that we deny adoption of Ordinance 2019-164 for Johnstown Village PUD Final Development Plan with the following findings:
A. The Council did not approve the Johnstown Village PUD Final Development Plan, and therefore an ordinance is not required.
Ordinance 2019-164
TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2019-164

APPROVING P.U.D. FINAL DEVELOPMENT PLAN FOR
JOHNSTOWN VILLAGE LOCATED IN THE NORTHWEST
QUARTER OF SECTION 7, TOWNSHIP 4 NORTH, RANGE 67
WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF
JOHNSTOWN, COUNTY OF WELD, STATE OF COLORADO,
CONSISTING OF APPROXIMATELY 139.36 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, Johnstown Village, LLC, a Colorado limited liability company
(“Applicant”), submitted an application to the Town of Johnstown (“Town”), on behalf of the
owner of the property, Massey Farms, LLLP, a Colorado limited liability limited partnership, for
approval of a P.U.D. Final Development Plan for Johnstown Village, located in the Northwest
Quarter of Section 7, Township 4 North, Range 67 West of the 6th Principal Meridian, Town of
Johnstown, County of Weld, State of Colorado, consisting of approximately 139.36 acres; and

WHEREAS, on September 18, 2018, the Planning and Zoning Commission held a public
hearing and recommended approval of the P.U.D. Final Development Plan for Johnstown
Village with conditions, certain of which have been satisfied; and

WHEREAS, on August 19, 2019, the Town Council held a public hearing concerning
approval of the P.U.D. Final Development Plan for Johnstown Village, which public hearing was
continued to September 4, 2019; and

WHEREAS, after considering the Planning and Zoning Commission’s recommendation,
reviewing the file and conducting such public hearing, finds that:

1. The P.U.D. Final Development Plan for Johnstown Village satisfies the data
   requirements, design standards and required improvements contained in the Johnstown
   Municipal Code, including the subdivision regulations contained in Chapter 17; and

2. The P.U.D. Final Development Plan for Johnstown Village conforms substantially with
   the approved Preliminary Development Plan for Johnstown Village; and

WHEREAS, based on the foregoing, Town Council desires to approve the P.U.D. Final
Development Plan for Johnstown Village.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE
TOWN OF JOHNSTOWN, COLORADO, THAT:
Section 1. P.U.D. Final Development Plan Approval. The P.U.D. Final Development Plan for Johnstown Village, located in the Northwest Quarter of Section 7, Township 4 North, Range 67 West of the 6th Principal Meridian, Town of Johnstown, County of Weld, State of Colorado, consisting of approximately 139.36 acres, attached hereto as Exhibit A, is hereby approved.

Section 2. Effective Date. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Town 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 Home Rule Charter of the Town of Johnstown, Colorado. 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 __________________, 2019.

ATTEST:

By: ________________________________       By: ________________________________
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 __________________, 2019.

ATTEST:

By: ________________________________       By: ________________________________
Diana Seele, Town Clerk                Gary Lebsack, Mayor
AGENDA ITEM 10A

Johnstown Village Final Plat – Filing #1

1) Resolution 2019-18

2) Subdivision Development and Improvement Agreement

3) Water and Sewer Service Agreement
TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: September 4, 2019

ITEM NUMBER: 10A (1)

SUBJECT: Resolution 2019-18 – Approving the Final Plat for Johnstown Village Filing No. 1

ACTION PROPOSED: Consider Resolution 2019-18

PRESENTED BY: Town Attorney and Town Planner

AGENDA ITEM DESCRIPTION:

Johnstown Village, LLC (“Applicant”) submitted an application to the Town of Johnstown (“Town”), on behalf of the owner of the property, Massey Farms, LLLP, for approval of a Final Plat for Johnstown Village Filing No. 1 (“Final Plat”). On September 18, 2018, the Planning and Zoning Commission held a public hearing and recommended approval of the Final Plat with conditions. On August 19, 2019, the Town Council held a public hearing and approved the Final Plat, with the following conditions: (i) prior to commencing construction, the Applicant or a developer, as applicable, obtain Town Staff and Town Engineer approval of engineering reports and construction plans and drawings; (ii) the Applicant execute a development agreement with the Town, (iii) the Applicant execute a water and sewer service agreement and dedicate raw water per the agreement; and (iv) the Applicant pay all outstanding fees owed to the Town. The Applicant has since paid the outstanding fees. Resolution No. 2019-18 sets forth and memorializes Town Council’s approval.

LEGAL ADVICE: The Town Attorney drafted the resolution.

FINANCIAL ADVICE: N/A


SUGGESTED MOTION:

For Approval: I move to approve Resolution 2019-18, Approving the Final Plat for Johnstown Village Filing No. 1

For Denial: I move to deny Resolution 2019-18

Reviewed:

__________________________
Town Manager
Resolution
No. 2019-18
TOWN OF JOHNSTOWN, COLORADO
RESOLUTION NO. 2019-18

APPROVING THE FINAL PLAT FOR JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 4
NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF
JOHNSTOWN, COUNTY OF WELD, STATE OF COLORADO, CONSISTING
OF APPROXIMATELY 139.36 ACRES.

WHEREAS, Johnstown Village, LLC, a Colorado limited liability company
(“Applicant”), submitted an application to the Town of Johnstown (“Town”), on behalf of the
owner of the property, Massey Farms, LLLP, a Colorado limited liability limited partnership, for
approval of a Final Plat for Johnstown Village Filing No. 1, located in the Northwest Quarter of
Section 7, Township 4 North, Range 67 West of the 6th Principal Meridian, Town of Johnstown,
County of Weld, State of Colorado, consisting of approximately 139.36 acres; and

WHEREAS, on September 18, 2018, the Planning and Zoning Commission held a public
hearing and recommended approval of the Final Plat for Johnstown Village Filing No. 1 with
conditions, certain of which have been satisfied; and

WHEREAS, on August 19, 2019, the Town Council held a public hearing concerning
approval of the Final Plat for Johnstown Village Filing No. 1, and, after considering the Planning
and Zoning Commission’s recommendation, reviewing the file and conducting such hearing, finds
that:

1. The Final Plat for Johnstown Village Filing No. 1 satisfies the data requirements, design
   standards and required improvements contained in the Johnstown Municipal Code,
   including the subdivision regulations contained in Chapter 17; and

2. The Final Plat for Johnstown Village Filing No. 1 conforms substantially with the approved
   Preliminary Plat for Johnstown Village Filing No. 1; and

WHEREAS, based on the foregoing, Town Council desires to approve the Final Plat for
Johnstown Village Filing No. 1 with conditions.

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

Section 1. Final Plat Approval: The Final Plat for Johnstown Village Filing No. 1,
located in the Northwest Quarter of Section 7, Township 4 North, Range 67 West of the 6th
Principal Meridian, Town of Johnstown, County of Weld, State of Colorado, consisting of
approximately 139.36 acres, attached hereto as Exhibit A, is hereby approved subject to the
following conditions:
1. Prior to commencing construction, the Applicant or a developer, as applicable, shall obtain Town Staff and Town Engineer approval of engineering reports and construction plans and drawings;

2. The Applicant shall execute a Subdivision Development and Improvement Agreement with the Town;

3. The Applicant shall execute a Water and Sewer Service Agreement with the Town; and

4. The Applicant shall dedicate raw water for potable and non-potable purposes for the Final Plat for Johnstown Village Filing No. 1 in the form and in the time set forth in the Water and Sewer Service Agreement.

Section 2. Recording: The Town Clerk is hereby directed to obtain the appropriate signatures for the Final Plat for Johnstown Village Filing No. 1 and, once raw water is dedicated for Phase IA, as defined on the cover page, have the Final Plat for Johnstown Village Filing No. 1 properly recorded at the Office of the Weld County Clerk and Recorder.

PASSED, SIGNED, APPROVED, AND ADOPTED THIS ___ day of ____________, 2019.

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

By:_________________________                           By:________________________________
        Diana Seele, Town Clerk                                          Gary Lebsack, Mayor
AGENDA DATE: September 4, 2019

ITEM NUMBER: 10A (2 & 3)

SUBJECT: Consideration for the Subdivision Development and Improvement Agreement (DA) and the Water and Sewer Service Agreement for Johnstown Villages

ACTION PROPOSED: Approve the Subdivision Development and Improvement Agreement (DA) and the Water and Sewer Service Agreement for Johnstown Villages in two (2) separate motions

ATTACHMENTS: 1. Subdivision Development and Improvement Agreement (DA) for Johnstown Villages Filing No. 1
                2. Water and Sewer Service Agreement for Johnstown Villages Filing 1 (Phases 1A & 1B)

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration are two documents that will require two separate motions. While the two items are connected because they are associated with the same project, they are distinct elements.

With respect to the Subdivision Development and Improvement Agreement (DA) for Johnstown Villages Filing No. 1 (DA) the document presented outlines the obligations of the developer with respect to the planned public and private improvements within the subdivision. Special considerations related to this development are outlined and defined in Section B-3 which have been reviewed by Staff for administrative approval. Staff has requested an updated and accurate Exhibit C for this document which details the Schedule of Public Improvements. This information is necessary for any guarantee bond, surety, and/or warranty that is necessary for the project in its various stages in case of default.

The Water Sewer Service Agreement (WSSA) presented has been reviewed and approved through legal and administration for compliance. The agreement was also reviewed by the Town’s Water Engineer to ensure the appropriate water is dedicated for Phase 1A and 1B. Two significant notes to this water agreement. First, the initial water dedication is only for Phase 1A, not 1B. There are provisions in the agreement that will void the Phase 1B plat if water for this phase is not dedicated within a 3 year period. Secondly, it is also worth noting that no additional water for Tracts M, N, O, & P of land have been dedicated for the project and will need water to move forward in the development process.

LEGAL ADVICE: The agreement was drafted and approved by the Town Attorney.
FINANCIAL ADVICE:
Not Applicable

RECOMMENDED ACTION: Approve the Subdivision Development and Improvement Agreement (DA) and the Water and Sewer Service Agreement for Johnstown Villages in two (2) separate motions

SUGGESTED MOTIONS: FOR THE SUBDIVISION DEVELOPMENT AND IMPROVEMENT AGREEMENT

For Approval:
I move to approve the Subdivision Development and Improvement Agreement, Town of Johnstown (Johnstown Village, Filing No. 1) subject to the Town receiving an approved Exhibit C, Schedule of Public Improvements.

For Denial:
I move that we deny the Subdivision Development and Improvement Agreement, Town of Johnstown (Johnstown Village, Filing No. 1) as presented.

SUGGESTED MOTIONS: FOR THE WATER AND SEWER SERVICE AGREEMENT

For Approval:
I move to approve the Water and Sewer Service Agreement for Johnstown Village Filing No. 1 for Phases 1A and 1B only.

For Denial:
I move that we deny the Water and Sewer Service Agreement for Johnstown Village Filing No. 1 for Phases 1A and 1B only as presented.

Reviewed and Approved for Presentation:

__________________________
Town Manager
Subdivision Development
And Improvement Agreement
SUBDIVISION DEVELOPMENT AND IMPROVEMENT AGREEMENT
FOR
TOWN OF JOHNSTOWN
(JOHNSTOWN VILLAGE, FILING NO. 1)

This Subdivision Development and Improvement Agreement (“Agreement”), made and entered into by and between the Town of Johnstown, Colorado, a municipal corporation (the “Town”) and Johnstown Village, LLC, a Colorado limited liability company (the “Developer”).

WITNESSETH:

WHEREAS, Massey Farms, LLLP, a Colorado limited liability limited partnership, is the owner of a parcel of land situated in the Town of Johnstown, County of Weld, State of Colorado, the description of which is set forth on Exhibit A-1 attached hereto and incorporated herein by this reference (the “Property”); and

WHEREAS, the Developer is under contract to purchase the Property for development of single family detached homes to be known as Johnstown Village, Filing No. 1 (“Development”); and

WHEREAS, Developer has submitted a final plat depicting the Development, which final plat is attached hereto as Exhibit B-1 and incorporated herein by this reference (“Final Plat”); and

WHEREAS, the Developer intends to construct the Development in two phases, with Phase 1A of the Development set forth on Exhibit A-2 attached hereto and incorporated herein, and Phase 1B of the Development set forth on Exhibit A-3 attached hereto and incorporated herein; and

WHEREAS, the Developer may construct Phase 1A of the Development in two subphases as set forth on Exhibit A-4 attached hereto and incorporated herein; and

WHEREAS, the Town Council approved the Final Plat by passage of Resolution ________, containing terms and conditions of approval of the Final Plat, which Resolution is, or will be, attached hereto as Exhibit B-2 and incorporated herein by this reference (“Resolution”); and

WHEREAS, Developer understands and agrees that, as a further condition of approval of the Final Plat, Developer is required to construct certain subdivision improvements to the Property, that Developer is responsible for the costs and expenses of those subdivision improvements unless otherwise provided herein, and that the subdivision improvements contemplated herein are reasonable, necessary, appropriate, and directly benefit the Development; and

WHEREAS, Developer agrees to undertake and complete the Development in accordance with this Agreement, the Final Plat, the Resolution, the Town’s ordinances, resolutions and regulations and all other applicable laws and regulations.
NOW, THEREFORE, in consideration of the premises cited above and the mutual covenants and promises contained herein, the sufficiency of which is acknowledged, the Town and Developer agree as follows:

RE bâtALS AND PHASI NG OF DEVELOPMENT

0.1 Recitals. The Recitals are incorporated as if fully set forth herein.

0.2 Phasing of Development. The Town and Developer recognize and agree that Developer intends to construct the Development in two phases – Phase 1A and Phase 1B. This Agreement shall apply equally to each phase, and to both phases, of the Development and the terms used herein shall apply, as appropriate in the context, to the Subdivision Improvements for each phase, and for both phases, of the Development.

DEFINITIONS

For the purposes of this Agreement, the following words and terms shall be defined as follows:

1.1 “Approved Plans” shall mean: (1) with respect to the Public Improvements, the approved “Civil Engineering Construction Plans” related to the Development and on file with Town; and (2) with respect to the Private Improvements, the approved “the Site Development Plan” related to the Development and on file with Town.

1.2 “Developer” shall mean the owner(s) of the Property described in Exhibit A-1 and any heirs, successors, assigns or transferees of any of the Property described in Exhibit A-1.

1.3 “Civil Engineering Construction Plans” shall mean the approved engineering plans for construction, installation and improvement of the Public Improvements.

1.4 “Development” shall mean all the Property, property rights and Subdivision Improvements for Phase 1A and Phase 1B, set forth on the legal description in Exhibit A-1.

1.4.1 “Phase 1A” shall mean all the Property, property rights and Subdivision Improvements for the first phase of the Development, set forth on Exhibit A-2, and shall consist of 150 single-family detached homes.

1.4.2 “Phase 1B” shall mean all the Property, property rights and Subdivision Improvements for the second phase of the Development, set forth on Exhibit A-3, and shall consist of 113 single-family detached homes.

1.4.3 “Phase” shall mean Phase 1A or Phase 1B, as applicable.

1.5 “Dry Utilities” shall mean electricity, natural gas, cable and telephone, and shall include Phase 1A and Phase 1B of the Development.
1.6 **“Maintenance Guarantee”** shall mean a guarantee that the Subdivision Improvements constructed shall be free from defects and failures as more fully described in Paragraphs 5.2 and 5.4 below.

1.7 **“Private Improvements”** shall mean the Private Improvements – Phase 1A and the Private Improvements – Phase 1B, and shall refer, as the context requires, to each phase or subphase, and, to all phases, of the Development. Private Improvements do not include any improvements that will eventually be owned individually by purchasers of lots with homes completed thereon.

1.7.1 **“Private Improvements – Phase 1A”** shall mean the construction, installation and improvement of privately owned and maintained stormwater improvements, landscaping, irrigation structures, fencing, entry signs, street signs and posts if the same are enhanced above the Town standards, street lights that are not Xcel Energy’s standard lights, parks and open space, trails, postal service boxes, if required by the U.S. Postal Service, the Offsite Stormwater Line, as defined in Exhibit B-3, and school bus shelters, all as shall be shown on the Town-approved Site Development Plan for Phase 1A of the Development.

1.7.2 **“Private Improvements – Phase 1B”** shall mean the construction, installation and improvement of privately owned and maintained stormwater improvements, landscaping, irrigation structures, fencing, entry signs, street signs and posts if the same are enhanced above the Town standards, street lights that are not Xcel Energy’s standard lights, parks and open space, trails, postal service boxes, if required by the U.S. Postal Service, and school bus shelters, all as shall be shown on the Town-approved Site Development Plan for Phase 1B of the Development.

1.8 **“Public Improvements”** shall mean the Public Improvements – Phase 1A and the Public Improvements – Phase 1B, and shall refer, as the context requires, to each phase, and, to both phases, of the Development.

1.8.1 **“Public Improvements – Phase 1A”** shall mean the improvements that will be dedicated to the Town, except as otherwise provided herein, and include the construction, installation, improvement and dedication of the public thoroughfares and streets, street signs and posts if the same are not enhanced above the Town standards, street lights that are Xcel Energy’s standard lights, sanitary sewer facilities, water line facilities, drainage facilities in the public right of way, irrigation structures solely benefitting Town property, if any, and other public facilities and improvements to serve the Development, as shall be shown on the Town-approved Civil Engineering Construction Plans for Phase 1A of the Development, and shall also include the Lift Station Improvements, as defined and more fully described in and required by the provisions of Exhibit B-3.

1.8.2 **“Public Improvements – Phase 1B”** shall mean the improvements that will be dedicated to the Town and include the construction, installation, improvement and dedication of the public thoroughfares and streets, street signs and posts if the same are not enhanced above the Town standards, street lights that are Xcel Energy’s standard lights, sanitary sewer facilities, water line facilities, drainage facilities in the public right of way, irrigation structures, if any, that are not exclusively for the Development, and other public facilities and
improvements to serve the Development, as shall be shown on the Town-approved Civil Engineering Construction Plans for Phase 1B of the Development.

1.9 "Site Development Plan" shall mean the approved plans for the construction, installation and improvement of the Private Improvements.

1.10 "Subdivision Improvements" shall mean the Public Improvements, Private Improvements and Dry-Utilities.

1.11 "Subphase 1A1" shall mean that portion of the Property, property rights, and Subdivision Improvements included in Phase 1A that are included in subphase 1A1 set forth on Exhibit A-4, and shall consist of 72 single-family detached homes.

1.12 "Subphase 1A2" shall mean that portion of the Property, property rights, and Subdivision Improvements included in Phase 1A that are included in subphase 1A2 set forth on Exhibit A-4, and shall consist of 78 single-family detached homes.

1.13 "Subphase" shall mean Phase 1A1 or Phase 1A2, as applicable.

1.14 "Town" shall mean the Town of Johnstown, Colorado.

1.15 "Town Engineer" shall mean the professional engineer designated by the Town Manager to perform the obligations set forth in this Agreement.

1.16 "Town Manager" shall include the Town Manager and his authorized designees.

1.17 "Town Official" shall include the Town Manager, Town Attorney, Town Treasurer, Town Engineer, Town Planner, Town Public Works Director, and their authorized designees.

**SUBDIVISION IMPROVEMENTS**

2. **Public Improvements**

2.1 **Pre-Construction**

a. **Engineering Services:** Developer shall furnish, at its own expense, all engineering services in connection with construction, installation and improvement of the Public Improvements. Engineering services shall be performed by a professional engineer registered in the State of Colorado. Engineering services shall consist of, but not be limited to, survey, designs, plans and profiles, specifications, drawings, estimates, construction administration, and the furnishing of necessary documents in connection therewith, including but not limited to final engineering drawings, final sewer and water design plans and final drainage plans.

b. **Civil Engineering Construction Plans:** Prior to commencing construction of the Public Improvements, Developer shall submit the Civil Engineering Construction Plans to the Town Engineer for review. Construction of the Public Improvements shall not commence until the Town provides written notice of approval of the Civil Engineering Construction Plans.
Developer shall not thereafter modify the approved Civil Engineering Construction Plans without the written approval of the Town. The Town’s review and approval of the Civil Engineering Construction Plans shall not limit or affect Developer’s responsibility or liability for design, construction and installation of the Public Improvements, and Developer agrees to save and hold the Town harmless from any claims, fault or negligence attributable to such design, construction and installation, other than negligent designs which are required by the Town over Developer’s written objection.

c. **Rights-of-Way, Easements, Permits and Use Tax**: Prior to commencing construction of the Public Improvements, Developer shall acquire, at its own expense, good and sufficient rights-of-way or easements, clear of any encumbrances that would prevent the Town’s ability to access, construct, maintain, repair, replace, remove, enlarge, operate and/or inspect the Public Improvements which Developer is obligated to construct pursuant to this Agreement. Developer shall have no obligation to obtain any easements outside the boundaries of the Property for construction of sanitary sewer improvements. All such rights-of-way and easements shall be conveyed to the Town and the documents of conveyance shall be furnished to the Town Manager for recording. At the Town’s request, Developer shall provide at its sole expense a policy of title insurance insuring title in the Town, free and clear of all liens and encumbrances described above, for all land, property and easements dedicated or conveyed to the Town or for public use. In addition, Developer shall obtain all the requisite permits and licenses necessary for construction of the Public Improvements. Developer shall also pay all applicable use tax due and owing to the Town (subject to certain cost reimbursement agreements, if any).

2.2 **Construction of Public Improvements**: Upon satisfaction of the conditions set forth in Paragraph 2.1, Developer shall construct the Public Improvements at its own expense in accordance with this Agreement, the Final Plat, the Resolution, the Civil Engineering Construction Plans, the Town’s ordinances, resolutions and regulations and all other applicable laws and regulations. All Public Improvements shall be installed and constructed within the rights-of-way or easements dedicated to the Town. Unless otherwise approved by the Town in writing, all materials used for constructing the Public Improvements shall be new and shall meet Town design specifications and standards and materials, and both workmanship and materials shall be of good quality.

2.3 **Construction Schedule**: Developer shall construct the Public Improvements in accordance with the schedule of public improvements set forth on Exhibit C, attached hereto and incorporated herein by reference (“Schedule of Public Improvements”). Once construction begins, Developer shall, upon request, inform the Town Public Works Director of the progress of the work and a projection of when the Public Improvements will be completed as well as the cost of such Public Improvements.

2.4 **Testing and Inspection**: Developer shall employ, at its own expense, a qualified independent testing company, approved by the Town Engineer, to perform all testing of materials or construction that may be reasonably required by the Town. Developer shall furnish certified copies of test results to the Town Engineer. At all times during construction of the Public Improvements, the Town shall have the right, but not the duty, to inspect materials and workmanship, at Developer’s cost. All materials and work must conform to the Civil Engineering Construction Plans. Any material or work not conforming to the Civil Engineering Construction
Plans shall be promptly removed, repaired or replaced, at Developer’s expense and to the satisfaction of the Town Engineer and Town Public Works Director.

2.5 Completion of Construction: Developer shall complete construction of each Phase or Subphase of the Public Improvements no later than twenty four (24) months from the commencement of the construction of that Phase or Subphase, unless such completion date is extended for reasons beyond the reasonable control of Developer and Developer has notified the Town Public Works Director of such extension and obtained the Town Public Works Director’s consent, which shall not be unreasonably withheld.

2.6 Performance Guarantee: If Developer seeks, and the Town authorizes the issuance of, building permits prior to the completion of certain of the Subdivision Improvements within a Phase or Subphase, Developer shall furnish to the Town a cash escrow deposited with the Town or an irrevocable letter of credit in the form attached hereto as Exhibit D in which the Town is designated as the beneficiary (“Performance Guarantee”) in an amount equal to 110% of the cost of the then incomplete Subdivision Improvements within that Phase or Subphase, which cost shall be certified by Developer’s professional engineer, licensed in the State of Colorado and approved by the Town Engineer, to secure the completion of said incomplete Subdivision Improvements. The Performance Guarantee shall be released within thirty (30) days after Initial Acceptance of such incomplete Public Improvements or upon final approval of the Private Improvements within the applicable Phase or Subphase.

3. Private Improvements

3.1 Pre-Construction: Prior to commencing construction of the Private Improvements, Developer shall submit a Site Development Plan to the Town. The Site Development Plan shall contain the proposed Private Improvements for the Development, including a plan for stormwater improvements, an irrigation system, landscaping, fencing, entry-way signage, street signs and posts, street lighting, parks and open space, trails, and, to the extent required by the U.S. Postal Service, postal service boxes and school bus stop shelters. Landscaping and fencing shall be designed in accordance with the Town’s landscape guidelines. Construction of the Private Improvements shall not commence until the Town provides written notice of approval of the Site Development Plan. Developer shall not thereafter modify the approved Site Development Plan without the written approval of the Town. The Town’s review and approval of the Site Development Plan shall not limit or affect Developer’s responsibility or liability for design, construction and installation of the Private Improvements, and Developer agrees to save and hold the Town harmless from any claims, fault or negligence attributable to such design, construction and installation, other than negligent designs which are required by the Town over Developer’s written objection. In addition, Developer shall obtain all the requisite permits and licenses necessary for construction of the Private Improvements. Developer shall also pay all applicable use tax due and owing to the Town.

3.2 Construction of Private Improvements: Upon satisfaction of the conditions set forth in Paragraph 3.1, Developer shall construct the Private Improvements at its own expense in accordance with the terms of this Agreement, the Final Plat, the Resolution, the Site Development Plan, the Town’s ordinances, resolutions and regulations and all other applicable laws and regulations. All landscaping services shall be performed by a professional landscape architect or engineer. Unless otherwise approved by the Town in writing, all materials used for constructing
the Private Improvements shall be new and both workmanship and materials shall be of good quality.

3.3 **Inspection:** At all times during construction and installation of the Private Improvements, the Town shall have the right, but not the duty, to inspect materials and workmanship, at Developer’s cost. All materials and work must conform to the Site Development Plan. Any material or work not conforming to the Site Development Plan shall be promptly removed, repaired or replaced, at Developer’s expense and to the satisfaction of the Town.

3.4 **Completion of Private Improvements:** Unless otherwise agreed in writing by the Town Manager (or his/her designee), which agreement shall not be unreasonably withheld if circumstances warrant an extension, the Private Improvements within a Phase or Subphase shall be completed within a reasonable time after the date that the Public Improvements are completed (but no later than the date of issuance of the first certificate of occupancy for homes within the applicable Phase or Subphase, other than model homes), unless such completion date is extended for reasons beyond the reasonable control of Developer, or Developer has obtained the Town Manager’s written consent to an extension; provided, however, that all storm drainage improvements for the applicable Phase or Subphase shall be completed by the date of Initial Acceptance of the Public Improvements in the applicable Phase or Subphase. The Town may, in its discretion, allow Developer to defer completion of the landscaping services between December 1 and March 1 of any given year provided that sufficient surety in the form of a cash escrow deposited with the Town or an irrevocable letter of credit in the form attached hereto as Exhibit D in which the Town is designated as the beneficiary is provided to the Town.

3.5 **Replacement of Private Improvements:** As replacement of a Private Improvement is necessary and warranted over time, the Private Improvement shall be replaced by the Developer or, if the Developer has completed construction of the Development, by the entity which owns the applicable Private Improvement. The Town shall not be responsible for replacement of the Private Improvements.

4. **Dry-Utilities**

4.1 **Utilities:** Developer shall obtain all proper conveyances and arrangements for the installation and provision of the Dry Utilities to serve the Development. Developer shall provide proof of such conveyances and arrangements to the Town, which proof may be in the form of contracts for such services, no later than the date that the Public Improvements are completed.

4.2 **Easements:** All easements approved by the utility companies shall be submitted to the Town.

**ACCEPTANCE OF SUBDIVISION IMPROVEMENTS**

5.1 **Initial Acceptance:** Developer shall make written application to the Town Manager for initial acceptance of each Phase or Subphase of the Public Improvements (“Initial Acceptance”), and for final review of each Phase or Subphase of the Private Improvements, within thirty (30) days of the completion date of the applicable Subdivision Improvements, with the exception of the improvements for which the Town has authorized an extension of time to complete. With respect to the Public Improvements, the written application shall include one set
of reproducible “as built” drawings and an affidavit executed by Developer affirming that the Public Improvements for that Phase have been paid in full, certifying the final construction costs and including documentary evidence of the construction costs. If the Town Manager requests, Developer shall provide lien waivers, or other acceptable assurance, from all subcontractors, suppliers and materialmen who have furnished labor, material or services for the design, construction or installation of the Subdivision Improvements. The affidavit and lien waivers may be reviewed by the Town, but the Town assumes no responsibility or liability to or for anyone regarding the veracity of the information so provided.

After the receipt of the written application, the Town shall use reasonable efforts to promptly inspect the applicable Subdivision Improvements for each Phase or Subphase. If the Subdivision Improvements are satisfactory, Developer shall be entitled to Initial Acceptance of the Public Improvements for that Phase or Subphase upon receipt of the Maintenance Guarantee and written approval of the Private Improvements for that Phase or Subphase. If the Subdivision Improvements are not satisfactory, the Town shall prepare a detailed written description of all Subdivision Improvements which are not in compliance with the Approved Plans, subject to any changes that have been approved by the Town and any changes that have been required by the Town as a result of any unforeseen engineering design issues. Such report shall be delivered to Developer. After curing the defects, Developer shall make a renewed written application to the Town for re-inspection of the Subdivision Improvements, which written application shall contain the items set forth above. The Town shall thereafter use reasonable efforts to promptly re-inspect the Subdivision Improvements. If the Subdivision Improvements are satisfactory, Developer shall be entitled to Initial Acceptance of the Public Improvements upon receipt of the Maintenance Guarantee and written approval of the Private Improvements.

5.2 **Maintenance Guarantee.** Prior to Initial Acceptance of the Public Improvements for each Phase or Subphase, Developer shall provide the Town with a maintenance guarantee in the form of a cash escrow deposited with the Town or an irrevocable letter of credit in the form attached hereto as Exhibit D in which the Town is designated as the beneficiary (“Maintenance Guarantee”). The Maintenance Guarantee shall equal fifteen percent (15%) of the total cost of the Public Improvements for that Phase or Subphase. The Maintenance Guarantee shall warrant and guarantee all expenses and costs for maintenance, repairs and replacements of the Public Improvements for the Phase or Subphase until Final Acceptance. The Maintenance Guarantee shall be released within thirty (30) days after Final Acceptance of the Public Improvements for that Phase or Subphase.

5.3 **Delivery of Initial Acceptance.** Upon satisfaction of the conditions set forth above in Paragraphs 5.1 and 5.2, the Town shall provide written notice of Initial Acceptance of the Public Improvements for the particular Phase or Subphase and written approval of the Private Improvements for such Phase or Subphase to Developer. The Town may issue written notice of Initial Acceptance of the Public Improvements for a particular Phase or Subphase and written approval of the Private Improvements for such Phase or Subphase prior to completion of certain of the less critical improvements, as determined and agreed-upon by the Town in its sole discretion. In which case, the Developer may be entitled to obtain building permits prior to completion of all of the Subdivision Improvements for that Phase or Subphase, assuming satisfaction of the remaining terms of this Agreement and based on conditions otherwise set forth herein.
5.4 **Maintenance, Repair and Replacement**: Until Final Acceptance of the Public Improvements for a particular Phase or Subphase, Developer shall promptly perform all maintenance and make all repairs and replacements of all defects or failures of the Public Improvements within that Phase or Subphase at Developer’s expense. If, within ten (10) days after Developer’s receipt of written notice from the Town requesting such maintenance, repairs or replacements, Developer shall not have undertaken with due diligence to make the same, the Town may make such maintenance, repairs or replacements at Developer’s expense and shall be entitled to draw upon the Maintenance Guarantee, either before undertaking to make such repairs or at any time thereafter or the Town may charge Developer for the costs thereof. In case of emergency, as determined by the Town, such written notice shall be deemed waived and the Town may proceed as it deems necessary at the expense of Developer or the issuers of the Maintenance Guarantee. Notwithstanding the foregoing, upon Initial Acceptance, the Town shall be responsible for routine maintenance of the Public Improvements (street sweeping, snow removal, etc.) and the Developer shall be responsible for all maintenance, repairs and replacement of the Private Improvements regardless of the alleged source of the requirement for maintenance, repairs or replacement.

5.5 **Final Acceptance**: Two (2) years after the Town’s Initial Acceptance of the Public Improvements for a Phase or Subphase, which time period may be extended in the Town’s discretion due to remedial or repair work to that Public Improvement that may be necessary in the first two (2) years by providing written notice to Developer, Developer shall make a written request to the Town Manager (or his/her designee) for a final inspection of the Public Improvements (“Final Acceptance”). If the Town Engineer determines that the Public Improvements are free of defects in materials and workmanship and have been repaired and maintained to the extent required, the Town Manager (or his/her designee) shall provide a written certification of completion and Final Acceptance. If the Town Engineer determines that the Public Improvements are not free of defects in materials and workmanship and have not been repaired and maintained to the extent required, the Town Manager (or his/her designee) shall issue a written notice of non-compliance specifying the defects. Developer shall take such action as is necessary to cure the noncompliance and, upon curing the same, provide a new written request to the Town Manager (or his/her designee) for a final inspection of the Public Improvements. Failure of the Developer to make a timely request for Final Acceptance shall not limit the Town’s rights hereunder nor shall it limit the Town’s right to utilize or operate the Public Improvements as the Town deems appropriate.

5.6 **Homeowners Association or Metropolitan District and Covenant Enforcement**: Prior to Final Acceptance and prior to the sale of lots or homes in the Development, Developer may establish a homeowners association for the Development. If Developer establishes a homeowners association, Developer shall provide the Town with proposed covenants, bylaws and articles of incorporation for the homeowners association, and upon written approval of the covenants, bylaws and articles of incorporation by the Town, the covenants shall be recorded with the appropriate County Clerk and Recorder and the homeowners association shall thereafter be deemed to be established. In the alternative to formation of a homeowners association, Developer may delegate covenant enforcement to one or more of the Johnstown Village Metropolitan District Nos. 1-5 (“District”). In that case, Developer shall provide the Town with the proposed covenants prior to recordation. Upon written approval of the covenants by the Town, the same shall be recorded with the appropriate County Clerk and Recorder.
5.7 Dedication and Maintenance of Subdivision Improvements: Upon Final Acceptance of Subdivision Improvements for each Phase: (1) the Public Improvements shall be owned, operated and maintained by the Town; (2) the Private Improvements shall be owned, operated and maintained, as appropriate by the Developer, the homeowner’s association or the Johnstown Village Metropolitan District Nos. 1-5, or one or more of them or other entity, as appropriate and permitted by law; and (3) the Dry-Utilities shall be owned, operated and maintained, as appropriate and otherwise authorized, by the Developer, the homeowner’s association, a metropolitan or special district or the appropriate public utility company.

WATER AND SEWER SERVICE

6.1 The Town and Developer shall enter into a Water and Sewer Service Agreement setting forth their agreement concerning water rights dedication, preliminary projections of water and sewer demand and a commitment by the Town for water and sewer service to the Development. The Water and Sewer Service Agreement, whenever executed, shall be incorporated into this Agreement and made a part hereof.

BUILDING PERMITS

7.1 The Town shall not issue building permits or install water meters for a Phase of the Development, as applicable, until: (1) the Final Plat has been recorded with the Weld County Clerk and Recorder; (2) Developer has paid all applicable use tax due and owing to the Town and all other fees required by the Town, including but not limited to water and tap fees, impact fees, storm drainage fees and cash-in-lieu payments due, if any, to Weld County School District RE-5J, for that Phase or Subphase; (3) unless a Performance Guarantee has been posted to Section 2.6, Developer has received written notice of Initial Acceptance of the Public Improvements for that Phase or Subphase and written notice of approval of the Private Improvements for that Phase or Subphase, with the exception of the improvements for which the Town has authorized an extension of time to complete; (4) meter and curb stop pass inspection; (5) the parties have entered into a Water and Sewer Service Agreement; (6) Developer has established a homeowners association or delegated covenant enforcement to one or more of the Johnstown Village Metropolitan Districts Nos. 1-5, as set forth in Paragraph 5.6 above; and (7) all terms of this Agreement have been faithfully kept by Developer.

7.2 Notwithstanding the foregoing, (1) the Town may, in its sole discretion, issue building permits prior to completion of certain of the less critical Subdivision Improvements, as determined by the Town in its sole discretion, on the condition that such improvements be completed prior to the issuance of certificates of occupancy; and (2) the Town shall issue building permits for up to four model homes in each Phase or Subphase prior to completion of the Subdivision Improvements for such Phase or Subphase as long as the Offsite Stormwater Line and Lift Station Improvements have been completed and initially accepted by the Town, and contracts for installation of all dry utility services to such model homes have been entered into and all weather surface provides access to such model homes have been completed.

7.3 If at any time the Town determines that Developer is not in compliance with this Agreement, the Final Plat, the Resolution or the Approved Plans, the Town may withhold the issuance of building permits.
OPERATION STANDARDS

8.1 The operation of construction equipment outside an enclosed structure shall be prohibited between the hours of 8:00 p.m. and, on weekdays, the hour of 7:00 a.m. or, on weekends and legal holidays, the hour of 8:00 a.m. The Town Manager may, upon written application, alter the hours of operation for good cause by providing written notice to Developer.

8.2 The operation of construction equipment for the purpose of grading or constructing either surface improvements or underground utilities, either public or private, shall be prohibited between the hours of 8:00 p.m. and 7:00 a.m. on weekdays and 4:00 p.m. and 8:00 a.m. on legal holidays and weekends. The Town Manager may, upon written application, alter the hours of operation for good cause by providing written notice to Developer.

8.3 Developer agrees to control all weeds growing within the Development. Developer further agrees to use the appropriate herbicide and undertake mowing of the property within the Development.

8.4 Developer shall, at all times, keep the public right-of-way within and adjacent to the Property free from accumulation of waste material, rubbish, dirt and mud caused by Developer’s operation. Developer shall remove such waste material, rubbish, dirt and mud no less than weekly and, at the completion of the work, shall promptly remove all debris waste materials, rubbish, dirt, mud, tools, construction equipment, machinery, building materials, trash containers, and portable toilets from the public right-of-way.

8.5 When the Town Engineer or Town Public Works Director provides written notice that erosion, by wind or water, is likely to be an issue, Developer shall install temporary or permanent erosion control into the Development at the earliest practicable time. By way of explanation and without limitation, said control may consist of seeding of approved grasses, temporary dikes, gabions or other similar devices.

8.6 In the event that Developer fails to perform the work specified in Paragraphs 8.3, 8.4 or 8.5 within a reasonable time period after receiving written notice from the Town, not to exceed ten (10) days for the work specified in Paragraphs 8.3 and 8.4, the Town may, in addition to other remedies, including those set forth in Paragraph 7.3, perform the work required and charge Developer for said cost. Developer shall pay the Town for all costs incurred by the Town in the performance of the above said service within ten (10) days of the Town submitting an invoice for said services. If Developer does not remit the costs, in addition to other remedies, the Town may draw on the Maintenance Guarantee.

8.7 Developer hereby ensures that Developer’s subcontractors shall cooperate with the Town’s construction inspectors in all manners, including, but not limited to, by ceasing operations when winds are of sufficient velocity to create blowing dust which the Town, in its discretion, determines is hazardous to the public health and welfare.

8.8 Developer shall take all steps necessary to prevent its construction activities from damaging adjacent properties.

DEVELOPMENT STANDARDS
9.1 Developer shall comply with the requirements contained in the Annexation Agreement related to the Property, except as specifically amended by this Agreement, and the Site Development Plan.

9.2 Except as otherwise provided in this Agreement, the Final Plat, the Resolution or Approved Plans, Developer shall comply with Johnstown’s municipal code, zoning ordinances, subdivision regulations, landscape guidelines and, if operative with respect to the Development, the approved design guidelines.

9.3 Intentionally Omitted.

9.4 All Final Plat and construction drawings shall be submitted in mylar, print, and digital form, which must conform to the Town’s format and content requirements.

9.5 Developer shall take all necessary steps to prevent its construction activities from harming water quality, water bodies and wetlands.

LIABILITY, INSURANCE AND COST REIMBURSEMENT

10.1 Indemnification: Developer hereby agrees to indemnify and hold the Town, Town Officials and Town employees and attorneys harmless from and against any and all suits, demands, actions, damages, liability, losses, claims, fees and expenses, including attorney’s fees, resulting or arising in any way from any breach or default of this Agreement or any negligent or willful acts or omissions of Developer, Developer’s employees, agents and subcontractors related to development of the Property, including, without limitation, negligence of such parties in the construction of the detention pond serving the Property, except to the extent caused by negligence or willful misconduct of the Town or its employees or contractors. Developer shall promptly investigate, handle, respond to, and provide defense for and defend against any such liability, claims or demands at the sole expense of Developer. Developer also agrees to bear all costs, expenses and attorney’s fees related thereto whether or not such liability, claims or demands are groundless, false or fraudulent.

10.2 Insurance: Until Final Acceptance of the Public Improvements, Developer shall, at a minimum, maintain liability insurance, including general liability insurance and all other necessary insurance, to provide the indemnity protection set forth in Paragraph 10.1 above. The liability insurance shall be in the minimum amount of One Million Dollars ($1,000,000.00) per occurrence, or such greater amounts as may be established by the Colorado Governmental Immunity Act, §§ 24-10-101 et seq., C.R.S., as may be amended. Whenever requested by the Town Manager, Developer agrees to promptly submit certificates of insurance to the evidencing sufficient amounts, types and duration of insurance. Developer shall not be relieved of any liability, claims, demands or other obligations assumed or set forth in this Development Agreement by reason of its failure to procure or maintain such insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations or types. In addition to the insurance specified above protecting the Town, Developer shall maintain, and shall include in its contacts with subcontractors a request to maintain, appropriate insurance with respect to construction of the Development, including but, not limited to, liability insurance and workers compensation insurance in the amount required by law.
10.3 **Intentionally Deleted.**

10.4 **Tax Liability:** Developer shall pay all outstanding real property taxes and tax liens on any property dedicated or conveyed to the Town prior to or at the time of such dedication or conveyance, and indemnify and hold harmless the Town from any tax liability incurred prior to the dedication or conveyance. Any use tax due for construction materials shall be paid prior to construction of any improvements on the Property.

10.5 **Cost Reimbursement to Town:** Developer shall reimburse the Town for professional consultants, including, but not limited to engineers, testing companies and attorneys, engaged by the Town to process and complete the Development.

10.6 **Colorado Governmental Immunity Act:** Nothing in this Agreement shall be construed to waive, limit or otherwise modify any governmental immunity that may be available by the law to the Town, Town Officials, employees, contractors, or agents, or any other person acting on behalf of the Town and, in particular, governmental immunity afforded pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101 et seq., C.R.S., as amended.

**DEFAULTS AND REMEDIES**

11.1 A default by Developer shall exist if Developer fails to fulfill or perform any material obligation contained in this Agreement, the Final Plat, the Resolution, or the Approved Plans, or Developer fails to comply with the Town’s ordinances, resolutions and regulations and all other applicable laws and regulations. In the event of a default, the Town shall deliver written notice to Developer of such default and Developer shall have ten (10) days from receipt of such notice to cure the default. If the default is not of a type that may be cured within such ten (10) day period, Developer may provide written notice to the Town within such period that it is actively and diligently pursuing such cure and Developer shall thereafter have a reasonable time to cure the default, provided that Developer is at all times within that extended period actively and diligently pursuing a cure. In case of emergency, as determined by the Town, such written notice shall be deemed waived and the Town may proceed as it deems necessary at the expense of Developer or the issuers of the Maintenance or, if issued, the Performance Guarantee.

11.2 If the default arises subsequent to Initial Acceptance and the default is not timely cured, the Town may draw on the Maintenance Guarantee. If the default relates to the improvement secured by the Performance Guarantee and the default is not timely cured, the Town may draw on the Performance Guarantee. In addition, and without limitation, if the default is not timely cured, the Town may withhold approval of any or all building permits, certificates of occupancy, water meters or tap hook-ups for any area within the Development. Notwithstanding these rights and remedies, the Town may pursue whatever additional remedies it may have against Developer or anyone, either at law, equity or pursuant to this Agreement. The Town’s remedies shall be cumulative.

11.3 Should Developer default in any obligation under this Agreement, the Town may, in its discretion, complete such Subdivision Improvements at Developer’s expense. The Town shall estimate the cost of such improvements and give notice to Developer to pay such cost estimate. The Town shall use such payment for said improvements and refund any money
collected in excess of the actual cost of said improvements. Should payment not be made within thirty (30) days of such notice, the Town may assess the amount of the cost estimate, plus ten percent (10%) to defray the cost of collection as provided by state law, to the Property and file a lien against the Property, such lien to have priority over all liens except general taxes and prior special assessments and to be placed upon the tax list for the current year to be collected in the same manner as taxes are collected. The Town may file such lien at any time after said thirty (30) days while Developer is in default of this Agreement.

**SPECIAL PROVISIONS**

12.1  The Additional Terms, Conditions or Provisions relating to this Development are set forth in **Exhibit B-3**, which is attached hereto, incorporated herein by this reference, and made a part of this Agreement.

12.2  As set forth in Paragraph 3.5 above, Developer, the homeowner’s association or metropolitan district, as appropriate, shall be responsible for replacement of decorative light fixtures and all other decorative amenities in the portions of the Development owned by the association or metropolitan district, as appropriate, when replacement is necessary and warranted over time.

**MISCELLANEOUS**

13.1  **No Waiver:** Delays in enforcement or the waiver of any one or more breaches of this Agreement by the Town shall not constitute a waiver of any of the remaining terms or obligations.

13.2  **Severability:** If any provisions or parts of this Agreement are judged to be unenforceable or invalid, to the extent practicable, such judgment shall not affect, impair or invalidate the remaining parts of this Agreement, the intention being that the various parts and provisions hereof are severable.

13.3  **Recording of Agreement:** A Notice of this Agreement substantially in the form as shown on **Exhibit E** is to be recorded with the approved Final Plat and shall be a covenant running with and against all the Property, property rights and improvements contained within the Development described in **Exhibit A-1** in order to put prospective owners, purchasers, successors, assigns, and others acquiring any interest in the property on notice as to the terms and obligations herein. No lots, tracts or parcels may be separately conveyed prior to recording such Notice and the Final Plat.

13.4  **Binding Effect:** Unless otherwise provided herein, this Agreement shall be binding upon Developer’s heirs, successors, assigns, transferees and any other person or entity acquiring or purchasing any interest in any of the Property described in the attached **Exhibit A-1**, with the exception of a bona fide residential home buyer of a completed owner-occupied home.

13.5  **Transfer or Assignments:** In the event of a sale or transfer of any portion of the Development, except to a bona fide residential home buyer of a completed owner-occupied home, the seller or transferor and the purchaser or transferee shall be jointly and severally liable for the
performance of each of the obligations contained in this Agreement unless, prior to the transfer or the sale, a written agreement satisfactory to the Town delineating and allocating the various rights and obligations for the Subdivision Improvements has been approved and executed by the Town Council.

13.6 **Title and Authority**: Developer expressly warrants and represents to the Town that it is the record owner of the Property and further represents and warrants that the undersigned has full power and authority to enter into this Agreement. Developer understands that the Town is relying on the representations and warranties contained herein in approving in entering into this Agreement.

13.7 **Notice**: All notices, consents, applications or other instruments provided for under this Agreement shall be deemed properly given and received: (1) when personally delivered and received, when sent by messenger service, or when forwarded by facsimile or email-delivery, but only upon confirmation of receipt of such facsimile or email; (2) on the next day after deposit for delivery with a nationally-recognized overnight courier service; or (3) three business days after deposit in the United States mail, by certified mail with return receipt requested, postage prepaid and addressed as follows:

**TO DEVELOPER:**

Johnstown Village, LLC
Attention: Managing Member
143 Monroe Street
Denver, CO 80206

**TO TOWN:**

Town of Johnstown
Attention: TOWN MANAGER
450 So. Parish
P. O. Box 609
Johnstown, CO 80534

Avi S. Rocklin, Esq.
Law Office of Avi S. Rocklin, LLC
1437 N. Denver Avenue, No. 330
Loveland, CO 80538
Facsimile: (970) 797-1806
Email: avi@rocklinlaw.com

13.8 **Costs and Attorney Fees.** If the Developer breaches this Agreement, the Developer shall pay the Town’s reasonable costs and expenses, including attorney’s fees, incurred in the enforcement of the terms, conditions and obligations of this Agreement. Nothing herein shall be construed to prevent or interfere with the Town’s rights and remedies specified elsewhere in the Agreement.

13.9 **Vested Right.** Due to the size and phasing of the Development, and the potential for adverse economic cycles and market conditions, the Final Plat shall have vested rights pursuant to §§ 24-68-101, *et seq.*, C.R.S. and Article XIII of Chapter 17 of the Municipal Code for a period of seven (7) years from the date of this Agreement, except that, if the raw water is not dedicated to the Town as required by the Water and Sewer Service Agreement executed by and between the Town and the Developer contemporaneously with the execution of this Agreement, then the Final Plat shall not have vested rights.
13.10 **Warranty of Developer:** Developer warrants that the Subdivision Improvements shall be installed in a good and workmanlike manner and in compliance with the Approved Plans, this Agreement, the Final Plat, the Resolution, the Town’s ordinances, resolutions and regulations and all other applicable laws and regulations and shall be substantially free of any defects in materials and workmanship.

13.11 **Governing Law and Venue.** This Agreement and the interpretation thereof shall be governed by the laws of the State of Colorado and Municipal Code of the Town of Johnstown. Venue for any claim, proceeding or action arising out of this Agreement shall be in Weld County, Colorado.

13.12 **No Presumption.** 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. 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.

13.13 **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties and supersedes all prior agreements or understandings. Any amendment to this Agreement must be in writing and signed by the parties.

13.14 **Compliance with the Law.** Developer shall comply with all federal, state and local laws and regulations in the performance of the obligations under this Agreement.

13.15 **No Third Party Beneficiaries.** Except pursuant to a transfer or assignment as set forth in Paragraph 13.5, no person or entity, including, without limitation, lenders, lot or home buyers and materialmen, laborers or others providing work, services or materials for the Subdivision Improvements, shall be a third party beneficiary of any rights or obligations under this Agreement.

13.16 **Force Majeure.** Neither party shall be liable for a failure to perform hereunder if such failure is the result of force majeure, which shall mean causes beyond the reasonable control of a party such as acts of God, labor strikes, war, terrorism, fire or action or inaction of government authorities.

13.17 **Headings.** The paragraph headings herein are for the convenience and reference of the parties and are not intended to define or limit the scope or intent of this Agreement.

**IN WITNESS WHEREOF,** and agreeing to be fully bound by the terms of this Agreement, the parties have set their hands below on this _____ day of ______________, 20____.
JOHNSTOWN VILLAGE LLC

By: Robert Quinette
   Name: Robert Quinette
   Title: Manager
   Date: 8/22/19

STATE OF COLORADO 
COUNTY OF Douglas 

In SUBSCRIBED AND SWORN to before me this 22 day of August, 2019, by Robert Quinette of Johnstown Village, LLC.

WITNESS my hand and official seal.

My commission expires: 9-12-2020

Notary Public

TOWN OF JOHNSTOWN, COLORADO
A Municipal Corporation

By:

Gary Lebsack, Mayor

ATTEST:

By:
Diana Seele, Town Clerk
**EXHIBITS**

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EXHIBIT A-1

LEGAL DESCRIPTION
(Property)

All of Johnstown Village Filing No. 1, except Tracts M, N, O, and P

Weld County, Colorado.
EXHIBIT A-2

LEGAL DESCRIPTION
(Phase 1A)

Lots 10-18, inclusive, Block 6,
Lots 1-23, inclusive, Block 7,
Lots 1-26, inclusive, Block 8,
Lots 1-18, inclusive, Block 9,
Lots 1-14, inclusive, Block 10,
Lots 1-8, inclusive, Block 11,
Lots 1-20, inclusive, Block 12,
Lots 1-14, inclusive, Block 13,
Lots 1-18, inclusive, Block 14,

Tracts A, B, C, D, E, I, J, K, and Q,
Johnstown Village Filing No.1,
County of Weld,
State of Colorado.
EXHIBIT A-3

LEGAL DESCRIPTION
(Phase 1B)

Lots 1-25, inclusive, Block 1,
Lots 1-26, inclusive, Block 2,
Lots 1-22, inclusive, Block 3,
Lots 1-18, inclusive, Block 4,
Lots 1-13, inclusive, Block 5,
Lots 1-9, inclusive, Block 6,

Tracts F, G, and H,
Johnstown Village Filing No.1
County of Weld,
State of Colorado.
EXHIBIT A-4

LEGAL DESCRIPTION
(Subphases of Phase 1A)

Subphase 1A1
Lots 1-4, inclusive, Block 7
Lots 1-26, inclusive, Block 8,
Lots 1-18, inclusive, Block 9,
Lots 1-14, inclusive, Block 10,
Lots 11-20, inclusive, Block 12,

Tracts A, B, E, I, K, and Q,
Johnstown Village Filing No.1,
County of Weld,
State of Colorado.

Subphase 1A2
Lots 10-18, inclusive, Block 6,
Lots 5-23, inclusive, Block 7,
Lots 1-8, inclusive, Block 11,
Lots 1-10, inclusive, Block 12,
Lots 1-14, inclusive, Block 13,
Lots 1-18, inclusive, Block 14,

Tracts C, D, and J
Johnstown Village Filing No.1,
County of Weld,
State of Colorado.
EXHIBIT B-1

FINAL PLAT

(SEE ATTACHED)
JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 9 NORTH, RANGE 87 WEST OF THE 6TH PRINCIPAL MERIDIAN,
COUNTY OF WELD, STATE OF COLORADO
JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 8 NORTH, RANGE 77 WEST OF THE 6TH PRINCIPAL MERIDIAN,
COUNTY OF WELD, STATE OF COLORADO
JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 1 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN,
COUNTY OF WELD, STATE OF COLORADO
JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 1 NORTH, RANGE 87 WEST OF THE 6TH PRINCIPAL MERIDIAN,
COUNTY OF WELD, STATE OF COLORADO

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| 50              | 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             |

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ATWELL
SIGNATURE
EXHIBIT

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JOHNSTOWN VILLAGE FILING NO. 1
LOCATED IN THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 4 NORTH, RANGE 67 WEST OF THE 8TH PRINCIPAL MERIDIAN,
COUNTY OF WELD, STATE OF COLORADO

ATWELL
EXHIBIT B-2

(RESOLUTION APPROVING FINAL PLAT)

(SEE ATTACHED)
EXHIBIT B-3

ADDITIONAL TERMS, CONDITIONS OR PROVISIONS

1. Concurrent with the execution of this Agreement, the Town and Developer are entering into a Water and Sewer Service Agreement (“WSSA”). The WSSA contemplates that the Developer shall use “Low Water Landscaping” for a designated portion of the Development. For purposes of the WSSA and for purposes of this Agreement, the term “Low Water Landscaping” means and consists of non-sodded planting areas with beds mulched with rock or organic or inorganic materials and shrubs, trees and ornamental species planted low density and irrigated by automated irrigation systems zoned separately from sod areas and equipped with a rain sensor shutoff. The application of Low Water Landscaping also includes xeriscape landscape principles and use of native shrubs and grasses in areas not immediately adjacent to programmed play structures.

The Developer recognizes and agrees that the obligation to use Low Water Landscaping for 1.27 acres of the Phase 1A common area irrigation and 3.07 acres of Phase 1B common area irrigation is a material term of the WSSA and is also a material term of this Agreement. The obligation to maintain the use of Low Water Landscaping shall continue during and subsequent to construction of the Development and shall be a covenant running with the land. If, at any time, the amount of common area irrigated with Low Water Landscaping falls below 1.27 acres for Phase 1A or 3.07 acres for Phase 1B, then additional raw water must be dedicated to the Town in the amount required by the Town pursuant to the Johnstown Municipal Code, as amended.

2. Developer agrees that Johnstown Village, Filing No. 1 is obligated to pay a portion of the cost of the installation of a traffic signal and related improvements at the intersection of State Highway 60 and Meadowlark Drive in the amount of $92,750.00. Developer shall pay $92,750.00 to the Town prior to the issuance any building permits for the Development.

3. In connection with the development of the Property, Developer is required to install an offsite stormwater line extending from the Property to an outfall into Little Thompson Creek (“Offsite Stormwater Line”). The estimated cost of the Offsite Stormwater Line is set forth on Exhibit C. The Offsite Stormwater Line shall be constructed in accordance with the Civil Engineering Construction Plans and shall be constructed as part of the Public Improvements – Subphase 1A1, except that the Offsite Stormwater Line shall not be dedicated to the Town. Except as provided in Section 2.6 if authorized by the Town and except with respect to the model homes, if at all, no building permits shall be issued for the Development until the Developer has constructed the Offsite Stormwater Line and obtained the Town’s Notice of Initial Acceptance.

Subsequent to completion of the construction of the Offsite Stormwater Line, Developer shall be entitled to seek reimbursement from offsite benefitted property owners. Developer shall provide the certified cost of the Offsite Stormwater Line to the Town for review and
approval. The Town may thereafter enter into a Reimbursement Agreement with Developer to require offsite benefitted property owners to pay a proportionate share of the cost of the Offsite Stormwater Line prior to connection thereto in form and substance acceptable to Developer and the Town. Developer expressly recognizes and agrees that, pursuant to the approved Service Plan for Johnstown Village Metropolitan District Nos. 1-5 (“Districts”), if the Districts, or any of them, impose a mill levy to recover the cost of the Offsite Stormwater Line, Developer shall be obligated to assign funds received from the offsite benefitted property owners to the District, or any of them.

4. In connection with the development of the Property, Developer shall be required to construct temporary improvements to the Clearview Lift Station by the addition of a wet well that will allow waste to be pumped to a holding location and disbursed into the wastewater system in a phased manner over an appropriate period of time (“Lift Station Improvements”). The estimated cost of the Lift Station Improvements is set forth on Exhibit C. The Lift Station Improvements shall be constructed as part of the Public Improvements – Subphase 1A1, and shall satisfy the wastewater needs of the Development, subject to Town review and approval. Absent written consent of the Town, the Lift Station Improvements shall not be used to satisfy the needs of any other property that is not the subject of this Agreement. No building permits shall be issued for the Development until the Town has, along with acceptance of the other Public Improvements, initially accepted the Lift Station Improvements.

5. Developer understands and agrees that the Town will be constructing regional improvements to the sewer system, including, but not limited to, the regional lift station located at or near the Johnstown Farms development (“Regional Improvements”). In addition to other fees imposed by the Town prior to the issuance a building permit, Developer shall be obligated to pay $9,500 for each single family home prior to the issuance of a building permit for such home for the Regional Improvements and a fee of not less than $9,500 for each building permit that may be issued for common improvements, such as a clubhouse, based on an approved single family equivalent (SFE) consumptive use standard.

6. Street names on the Final Plat shall be approved by the Town Planner.

7. Civil construction drawings shall be approved by the Town Engineer and a pre-construction meeting with the Town Public Works Department shall be conducted prior to commencement of construction of the Public Improvements.

8. Developer shall obtain final approval from the Colorado Department of Transportation (“CDOT”) of the final State Highway 60 frontage construction plans and obtain all necessary access permit(s) from CDOT, including for Meadowlark Drive.

9. The Town understands that the Developer intends to sell the Property, or a portion thereof, to Melody Homes, Inc., a home builder, or to an entity related to Melody Homes, Inc., shortly after the execution of this Agreement. As part of the sale of the Property to Melody
Homes, Inc. (or to an entity related to Melody Homes, Inc.), and without limiting the fact that this Agreement anyway runs with the land and applies to subsequent purchasers and developers, Developer shall obtain a written assignment of this Agreement and provide such written assignment to the Town within five (5) days of the consummation of the sale. The Town hereby consents to the assignment of this Agreement to Melody Homes, Inc.

10. This Agreement will be effective upon Developer’s acquisition of fee title to the Property. If the Developer does not acquire fee title to the Property within sixty (60) days of approval of the Final Plat and provide notice to the Town, then this Agreement will terminate.

11. Developer shall have three years from the date of approval of the Final Plat to dedicate Water Stock to the Town, as contemplated in the WSSA, for Phase 1B. If Developer has not dedicated all of the required Water Stock for Phase 1B, which includes eight (8) shares of the Consolidated Home Supply Ditch and Reservoir Company, then this Agreement shall terminate as to Phase 1B and Developer shall not be entitled to obtain building permits for any portion of Phase 1B.
EXHIBIT C

SCHEDULE OF PUBLIC IMPROVEMENTS
(ATTACHED)
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 Johnstown Village, Filing No. 1, dated this day __________ of _________________, 20____, between the Town of Johnstown and Johnstown Village, LLC, a Colorado limited liability company.

You are hereby authorized to draw on sight 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
EXHIBIT E

NOTICE

Please take notice that on the ___ day of ________________, 20__, the Town Council of the Town of Johnstown approved the final plat for the development known as Johnstown Village, Filing No. 1, which development was submitted and processed in accordance with the Town of Johnstown’s Municipal Code. In conjunction therewith, the Town Council also approved a Development Agreement dated ________________, 20__, between the Town Johnstown and the Developer, pursuant to and under which certain rights and obligations of the Developer will pass on to subsequent owners, heirs, assigns and transferees of the below-described property. The Development Agreement is on file and may be reviewed in the office of the Town Clerk of the Town of Johnstown. The subject property for which such Development Agreement applies is described as follows:

LEGAL DESCRIPTION ATTACHED

DATED this _______ day of ________________, 20__.

_____________________________________________
Town Clerk

_____________________________________________
Town Manager
Water and Sewer Service Agreement
WATER AND SEWER SERVICE AGREEMENT

THIS WATER AND SEWER SERVICE AGREEMENT ("Agreement") is made and entered into this ___ day of ____________, 2019, by and between JOHNSTOWN VILLAGE, LLC, a Colorado limited liability company ("Developer"), and THE TOWN OF JOHNSTOWN, a Colorado municipal corporation ("Town"), collectively sometimes referred to as "the Parties."

RECITALS:

WHEREAS, Massey Farms, LLLP, a Colorado limited liability limited partnership, owns an interest in land comprised of approximately 141 acres within the Northwest ¼ of Section 7, Township 4 North, Range 67 West of the 6th P.M., which was annexed to the Town in 2006 by Ordinance Number 2006-773 ("Massey Farms"); and

WHEREAS, the Developer is under contract to purchase a portion of Massey Farms’ property, which portion is the single family detached portion of Johnstown Village, Filing No. 1, and which portion is more particularly described on the attached Exhibit A ("Subject Property"); and

WHEREAS, within sixty (60) days of the execution of this Agreement, Developer intends to close on the purchase of the Subject Property; and

WHEREAS, subsequent to the purchase, the Developer intends to develop the Subject Property; and

WHEREAS, the Developer anticipates that the Subject Property will be developed in two phases; and

WHEREAS, the first phase of the development of the Subject Property will include 150 single-family detached homes and 11.05 acres of irrigated landscaping for residential yards and common areas, including 6.80 acres of residential landscaping and 4.25 acres of common area irrigation comprised of 2.98 acres of sod and 1.27 acres of Low Water Landscaping, as defined below ("Phase 1A"); and

WHEREAS, the second phase of the development of the Subject Property will include 113 single-family detached homes and 14.54 acres of irrigated landscaping for residential yards and common areas, including 6.46 acres of residential landscaping and 8.08 acres of common area irrigation comprised of 5.01 acres of sod and 3.07 acres of Low Water Landscaping, as defined below ("Phase 1B"); and

WHEREAS, the phasing plan for the Subject Property, depicting Phase 1A and Phase 1B, is attached hereto as Exhibit B; and

WHEREAS, based on an engineering analysis submitted to, and approved by, the Town’s Water Engineer, a dedication of nineteen (19) shares of Consolidated Home Supply Ditch and Reservoir Company ("Home Supply") will be required to satisfy the water needs of the single
WHEREAS, Massey Farms owns shares of Home Supply stock, including Stock Certificate Number 6854, representing fifteen (15) shares of stock, and Stock Certificate Number 6853, representing ten (10) shares of stock (collectively, “Massey Water Stock”); and

WHEREAS, the Massey Water Stock was previously changed and decreed by the Water Court in Case No. 98CW410 to include municipal and other uses; and

WHEREAS, simultaneously with the purchase of the Subject Property, the Developer intends to: (1) purchase eleven (11) shares of the Massey Water Stock for Phase 1A and simultaneously dedicate those eleven (11) shares to the Town and (2) enter into an escrow agreement with Massey Farms to have eight (8) shares of the Massey Water Stock set aside for subsequent purchase and dedication to the Town for Phase 1B; and

WHEREAS, the Developer and the Town desire to set forth their agreement concerning water rights dedication, preliminary projections of water demand and a commitment by the Town for water service for the Subject Property, which commitment is contingent on the dedication of sufficient water to satisfy the water needs of the development of the single family detached portion of Johnstown Village, Filing No. 1.

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. **Recitals.** The Recitals above are incorporated as if fully set forth herein.

2. **Low Water Landscaping.** For purposes of this Agreement, the term “Low Water Landscaping” shall mean and consist of non-sodded planting areas with beds mulched with rock or organic or inorganic materials and shrubs, trees and ornamental species planted low density and irrigated by automated irrigation systems zoned separately from sod areas and equipped with a rain sensor shutoff. The application of Low Water Landscaping also includes xeriscape landscape principles and use of native shrubs and grasses in areas not immediately adjacent to programmed play structures. The Developer recognizes and agrees that the obligation to use Low Water Landscaping for 1.27 acres of the Phase 1A common area irrigation and 3.07 acres of Phase 1B common area irrigation is a material term of this Agreement. Subsequent to development, the obligation to maintain the use of Low Water Landscaping shall continue and shall be a covenant running with the land. If, at any time, the amount of common area irrigated with Low Water Landscaping falls below 1.27 acres for Phase 1A or 3.07 acres for Phase 1B, then additional raw water must be dedicated to the Town.

3. **Water Demand Studies.** In compliance with the Town Water Rights Dedication Ordinance, Chapter 13, Sections 13-61 through 13-72, inclusive, of the Johnstown Municipal Code, as amended (“Ordinance”), Developer submitted to the Town a preliminary Water Demand Analysis dated May 8, 2018. The water demand worksheet was revised and separated into two
phases, dated May 17, 2018. The water demand worksheet was again revised for Phase 1B of the Subject Property on August 28, 2018 and subsequently revised for Phase 1A and Phase 1B of the Subject Property on November 6, 2018. The water demand worksheet was again revised for Phase 1A and Phase 1B of the Subject Property on June 11, 2019. 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 July 9, 2019, referring to Phase 1A as Phase 1 and Phase 1B as Phase 2, is hereby accepted by the Town. The analysis provided by Developer addresses the projected water and sewer demands for the Subject Property as follows:

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4. **Water Rights Dedication.** As a condition of this Agreement, Developer shall dedicate shares of the Massey Water Stock to the Town as follows:

   A. **Phase 1A.** At or prior to the closing of the Developer’s purchase of the Subject Property from Massey Farms, Developer shall dedicate to the Town, or have dedicated on its behalf, eleven (11) shares of Home Supply from the Massey Water Stock, representing 88 acre-feet of raw water;

   B. **Phase 1B.** Within three (3) years of the execution of this Agreement, or within three (3) days of Johnstown Village, LLC’s sale of the real property associated with Phase 1B, or any portion thereof, whichever is earlier, and, in all circumstances, prior to obtaining a building permit for any property in Phase 1B, Developer shall dedicate to the Town, or have dedicated on its behalf, eight (8) shares of Home Supply from the Massey Water Stock, representing 64 acre-feet of raw water; and

   C. **Failure to Dedicate.** If the Massey Water Stock is not dedicated to the Town as set forth above, this Agreement shall be void as to both Phases or, if water is dedicated for Phase 1A, but not for Phase 1B, then void as to Phase 1B only.

5. **Surplus dedication credit.** Assuming that nineteen (19) shares of the Massey Water Stock are dedicated to the Town as set forth in Paragraph 4, the dedication will result in raw
water credits in excess of the water demand projected for the Subject Property, providing the Developer with a surplus dedication credit of approximately 5.56 acre-feet. The credit is calculated as follows:

| Credit for 19 Home Supply shares:       | 152.00 acre-feet |
| LESS: Estimated demand:                 | 146.44 acre-feet |
| **Net current surplus credit:**         | **5.56 acre-feet** |

Upon notice and written approval of the Town and payment of the appropriate Water Court Transfer Fee, said credit may be utilized by Developer to offset increased demands, if any, which are not currently projected for the Subject Property or to acquire additional water service, subject to approval by the Town in subsequent agreement(s), in accordance with the requirements of the then applicable Town’s Ordinance.

6. **Commitment to serve.** Subject to Developer’s performance of all the covenants contained herein and payment of all required fees, including but not limited to the dedication of raw water as set forth in Paragraph 4, the Town commits to provide to the Subject Property up to 86.79 acre-feet per year of water supply for residential in-building use, and the corresponding sewer service, and 59.65 acre-feet per year of water supply for residential and common area irrigation use.

7. **Future review of water usage and dedication requirements.** In accordance with Section 13-68(h) of the Ordinance, the Town reserves the right to review actual water usage at the Subject Property at a point in time after water usage has been established to confirm the adequacy of the water demand projections made by Developer, and to require additional water rights dedication and/or cash-in-lieu payments based on actual water usage. The additional water rights shall be dedicated from, and/or cash-in-lieu payments made by, Johnstown Village Metropolitan District Nos. 1-5, or one or more of those metropolitan districts, unless Johnstown Village Metropolitan District Nos. 1-5 have, or the district providing covenant enforcement has dissolved, in which case the homeowners association shall dedicate the water.

8. **Payment of Water Court Transfer fees.**

   A. **Phase 1A.** Upon dedication of the Massey Water Stock for Phase 1A, Developer must pay to the Town the sum of Twenty-Two Thousand Eight Hundred dollars ($22,800.00) as payment of the Water Court Transfer Fees required by the Ordinance, based upon 152 SFE.

   B. **Phase 1B.** Upon dedication of the Massey Water Stock for Phase 1B, Developer must pay to the Town the sum of Twenty-One Thousand One Hundred and Fifty dollars ($21,150.00) as payment of the Water Court Transfer Fees required by the Ordinance, based upon 141 SFE.

   C. **Scope of Payments.** The Water Court Transfer Fee payments referenced above are only for the required dedication of 146.44 acre-feet per year of estimated water demand and estimated consumptive use of 55.04 acre-feet per year for the Subject Property.
A Water Court Transfer Fee has not been assessed against any of the surplus dedication credit of 5.56 acre-feet referenced in Paragraph 5 above. If the actual demand for the Subject Property increases, additional Water Court Transfer Fees will be required. Further, in accordance with the Ordinance, additional Water Court Transfer 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 a downward adjustment in demand for the Subject Property is agreed to in the future, the Water Court Transfer Fee will also be adjusted/credited proportionately. Conversely, if an upward adjustment in demand is warranted based on actual water usage as described in Paragraph 7, above, the Water Court Transfer Fee will also be increased proportionately.

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

**TO DEVELOPER:**

Johnstown Village, LLC  
Attn: Managing Member  
143 Monroe Street  
Denver, CO 80206

**TO THE TOWN:**

Town of Johnstown  
Attn: 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 Parties in the manner provided above.

10. **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, unless otherwise agreed, is not more than 60 miles from the Subject Property, the costs of which shall be shared equally by both Parties. If mediation is not successful after ninety (90) days, either Party may then commence
an action in a court of competent jurisdiction in Weld County, Colorado, and shall be entitled to such remedies as are provided by law, including the Town’s ordinances.

11. **Sale of Property Prior to Development.** The parties recognize and agree that Developer may sell the Subject Property, or a portion of the Subject Property, to Melody Homes, Inc., a Delaware corporation, a home builder, or to an entity related to Melody Homes, Inc., for development of the Subject Property. Prior to such sale, the Developer shall provide written notice to the Town of the sale and shall have executed, and promptly provide to the Town, within five (5) business days of the consummation of the sale, a written assignment of this Agreement from the Developer to the purchaser for the portion of the Property sold.

12. **Successors and assigns.** Except as provided in Paragraph 11 above, this Agreement shall not be assigned without the prior written consent of the Town, which shall not be unreasonably withheld.

13. **Run with the land.** The benefits and burdens of this Agreement shall respectively inure to and be binding upon the successors and assigns of the Parties hereto.

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

15. **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.

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

17. **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.

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

19. **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.

20. **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.
21. **Recordation.** This Agreement may be recorded by the Town at Developer’s expense in the office of the Clerk and Recorder of Weld 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.

22. **Conditions Precedent.**

The obligations herein are conditioned on the following:

a. The Town receiving the dedication of the Massey Water Stock as set forth in Paragraph 4, in the form of share certificates re-issued by the Consolidated Home Supply Ditch and Reservoir Company designating the Town of Johnstown as the shareholder of the shares;

b. The Town’s receipt of payment of the Water Court Transfer Fee applicable under the Ordinance as set forth in Paragraph 8; and

c. The Developer’s acquisition of fee title to the Subject Property within sixty (60) days of the date of this Agreement.

If the foregoing conditions are not satisfied, this Agreement will terminate and become null and void as to both Parties’ obligations. Developer has the burden of notifying the Town that the conditions are satisfied.

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

*(Signatures follow on separate pages)*
JOHNSTOWN VILLAGE LLC

By: Robert Quinette
    Robert Quinette, Manager

STATE OF COLORADO
COUNTY OF Douglas

SUBSCRIBED AND SWORN to before me this 02 day of August, 2019 by
Robert J. Quinette as the Manager of Johnstown Village LLC a Colorado limited liability company.

Witness my hand and official seal.

Notary Public

My Commission Expires: 9-12-2020

TOWN OF JOHNSTOWN COLORADO,
a municipal corporation

By: ____________________________
    Gary Lebsack, Mayor

ATTEST:

By: ____________________________
    Diana Seele, Town Clerk
ACKNOWLEDGED, APPROVED AND AGREED TO:

JOHNSTOWN VILLAGE METROPOLITAN
DISTRICT NOS. 1-5

By: Robert Quinette
President

Attest:

Secretary: Harley E. Deutsch
EXHIBIT A
Subject Property

All of Johnstown Village Filing No. 1, except Tracts M, N, O, and P
Weld County, Colorado.
AGENDA ITEM 10B

First Amendment to the
Growth Management Area
Intergovernmental Agreement

(Towns of Berthoud and Johnstown)
AGENDA DATE: September 4, 2019

ITEM NUMBER: 10B

SUBJECT: Towns of Johnstown and Berthoud Growth Management Area (GMA) Intergovernmental Agreement

ACTION PROPOSED: Approve the 1st Amendment to the GMA, IGA as Presented

ATTACHMENTS: 1st Amendment to the GMA, IGA

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

The Towns of Johnstown and Berthoud have a Growth Management Area, Intergovernmental Agreement in place. The purpose of this IGA is to identify and outline the future growth areas of the respective Towns. This helps to ensure controlled growth, as well as establish uniform and contiguous boundaries for delivery of services by the respective municipalities. A condition of the IGA is that any changes of the GMA boundaries must be approved by the governing bodies of each municipality.

Town Staff has been engaged with a property owner interested in annexing into our community. A portion of the owners property resides outside of both Johnstown’s and Berthoud’s GMA, but is contiguous to the Town’s GMA boundary. Based on the interest of the property owner to annex into Johnstown, the Town reached out to Berthoud, about a potential amendment to the GMA-IGA that would allow for Johnstown to amend its GMA boundary and annex this property. Accordingly, presented for your consideration is the 1st Amendment to the IGA for your consideration. Berthoud approved this IGA on August 27, 2019 at their regular board meeting which Staff attended to answer any questions.

The IGA provides two primary changes to the IGA currently in place. First, the amendment provides for Berthoud to annex without approval by Johnstown, property to both the west and south. Similarly, Johnstown can annex without Berthoud’s approval when annexing property to both the east and north. This change was made due to the fact that any annexations in these directions by the respective municipality would not bring the GMA boundaries closer together. The second change in this agreement is the inclusion of the property in the southwest corner of the Town’s GMA expansion map shown in a magenta perimeter. This is the property that will be included into the Town’s GMA and is approximately 80 acres. Approval of this amendment would allow us to begin the annexation process of the entire property.

LEGAL ADVICE:
The agreement was drafted and approved by the Town Attorney.

FINANCIAL ADVICE:
Not Applicable
RECOMMENDED ACTION: Staff recommends approval of the 1st Amendment to the IGA as presented.

SUGGESTED MOTIONS:

For Approval:
I move to approve the First Amendment to the Intergovernmental Agreement by and between the Town of Johnstown and the Town of Berthoud Concerning the Town of Johnstown’s Growth Management Area.

For Denial:
I move that we deny the First Amendment to the Intergovernmental Agreement by and between the Town of Johnstown and the Town of Berthoud Concerning the Town of Johnstown’s Growth Management Area.

Reviewed and Approved for Presentation:

_____________________________________
Town Manager
First Amendment to IGA
FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
by and between the Town of Johnstown and the Town of Berthoud
Concerning the Town of Johnstown’s Growth Management Area

THIS FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT ("First Amendment") is made and entered into this ___ day of August, 2019, by and between THE TOWN OF JOHNSTOWN, a home rule municipality and political subdivision of the State of Colorado ("Johnstown"), and THE TOWN OF BERTHOUD, a statutory town and political subdivision of the State of Colorado ("Berthoud"). Johnstown and Berthoud may be referred to collectively as the “parties.”

RECITALS

WHEREAS, on or about August 19, 2014, Johnstown and Berthoud entered into an intergovernmental agreement ("IGA") concerning, among other matters, the commitment to planned and orderly growth in the respective communities, the extension of urban services and facilities and the promotion of economic viability; and

WHEREAS, pursuant to the IGA, Johnstown agreed that a parcel of property known as the Hart Farms on the southwest corner of U.S. Interstate 25 and State Highway 56, which property was within Johnstown’s municipal boundaries, but also within Berthoud’s GMA, would be permitted to disconnect from Johnstown in order to annex into Berthoud; and

WHEREAS, in the IGA, the parties recognized that both municipalities have Growth Management Areas ("GMAs"), areas into which urban development and annexation may occur in the future, and agreed that, in the spirit of cooperation, they would confer and seek the other’s consent prior to modification of their respective GMAs; and

WHEREAS, based on the request of the owner of property located in the general vicinity of Weld County Road 13 between Weld County Roads 42 and 44 to annex their property into Johnstown, Johnstown seeks to modify its GMA as set forth on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, Berthoud desires to consent to the modification to Johnstown’s GMA; and

WHEREAS, the parties further recognize and agree that, despite the terms of the IGA, Berthoud should not be required to obtain Johnstown’s consent to expand its GMA to the west or south of its current municipal boundaries and Johnstown should not be required to obtain Berthoud’s consent to expand its GMA to the east or north of its current municipal boundaries, and thus desire to amend the IGA to reflect that agreement; and

WHEREAS, pursuant to their constitutional and statutory authority as well as other
powers inherently granted to statutory and home rule municipalities by the State of Colorado, the parties desire to enter into this First Amendment to effectuate the foregoing.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and obligations expressed herein, it is hereby agreed by and between Johnstown and Berthoud as follows:

1. **Recitals.** The parties hereby acknowledge that the recitals set forth above are true and correct, and those recitals are incorporated into the body of this First Amendment.

2. **Consent to Modification to Johnstown’s Growth Management Area.** Pursuant to Paragraph 6 of the IGA, Berthoud hereby consents to a modification to Johnstown’s Growth Management Area as set forth on Exhibit A, subject to the requisite approval by Johnstown’s governing body.

3. **Amendment to Paragraph 6 of the IGA.** The parties agree that Paragraph 6 of the IGA shall be amended to add Subsection (f), which shall read as follows:

   (f) Notwithstanding the foregoing, the parties are not required to obtain the consent of the other party if:

   (i) Berthoud desires to expand its GMA to the west or south of Berthoud’s municipal boundaries; or

   (ii) Johnstown desires to expand its GMA to the east or north of Johnstown’s municipal boundaries.

4. **Validity of IGA.** Except as expressly modified herein, the provisions of the IGA shall remain in full force and effect.

   [Remainder of page intentionally left blank.]
IN WITNESS WHEREOF, the above parties hereto have caused this Agreement to be executed the day and year first above written.

TOWN OF JOHNSTOWN, COLORADO

By: ____________________________________
    Gary Lebsack, Mayor

ATTEST:

______________________________
Diana Seele, Town Clerk

TOWN OF BERTHOUD, COLORADO

By: ____________________________________
    _______, Mayor

ATTEST:

______________________________
_______, Town Clerk
EXHIBIT A

JOHNSTOWN’S APPROVED GROWTH MANAGEMENT AREA
AGENDA ITEM 10C

Intergovernmental Agreement
Berthoud Wastewater 208 Service Plan
Second Amendment
AGENDA DATE: September 4, 2019

ITEM NUMBER: 10C

SUBJECT: Second Amendment to the Intergovernmental Agreement Between the Towns of Johnstown and Berthoud Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area.

ACTION PROPOSED: Approve the 2nd Amendment to the 208 Service Area IGA as Presented

ATTACHMENTS: Second Amendment to the Intergovernmental Agreement Between the Town of Johnstown and Town of Berthoud Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area.

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

The Towns of Johnstown and Berthoud have an Intergovernmental Agreement (IGA) in place that provides for the Town of Berthoud to have a 208 service area for wastewater services. A 208 Service Area is the boundary that defines the service territory for a wastewater treatment facility. Berthoud has a Regional Wastewater Treatment Plant (WWTP) that has a defined boundary and has been approved by the Norther Front Range Water Quality Planning Association (NFRWQPA). The NFRWQPA is the entity delegated authority to approve and provide all 208 boundaries in Northern Colorado.

The IGA that the Town has with Berthoud provides the ability for Johnstown to connect to the Berthoud Regional WWTP and defines applicable fees and capacity issues among other items at the facility. This agreement was approved at the time that Johnstown had the Love’s Truck Plaza annexed into our community, hence the need for the IGA to be served by the Berthoud facility. Today, the Love’s property no longer is in the Town of Johnstown because by agreement with Berthoud, we disconnected it. Furthermore, no property in the Town limits currently, or in our Growth Management Area (GMA) are in the Berthoud Regional WWTP 208 Boundary.

Town Staff has been engaged with a property owner interested in annexing into our community and while only ½ mile from Berthoud’s Regional WWTP, it exists outside of Berthoud’s 208 Boundary. Based on the interest of the property owner to annex into Johnstown, the Town reached out to Berthoud, about a potential amendment to Berthoud’s 208 Boundary that would allow for Johnstown to connect this property when it develops to the Berthoud Regional WWTP. This was a more cost effective option versus building a sanitary sewer line several miles to connect to our Central WWTP. Accordingly, presented for your consideration is the 2nd Amendment to the IGA for your consideration. Berthoud approved this IGA on August 27, 2019 at their regular board meeting which Staff attended to answer any questions.
The IGA amendment provides for the inclusion property into Berthoud 208 Boundary which is clearly described on the enclosed map, and shown with a magenta perimeter. This property would be included into the 208 Boundary and represents approximately 400 acres. As part of this approval, the Johnstown would be responsible for costs associated with the 208 Boundary expansion application and Berthoud would be the formal applicant when presented to the NFRWQPA. Approval of this amendment would signal for us to begin the work on this application.

LEGAL ADVICE:
The agreement was drafted and approved by the Town Attorney.

FINANCIAL ADVICE:
Not Applicable

RECOMMENDED ACTION: Staff recommends approval of the 2nd Amendment to the IGA as presented.

SUGGESTED MOTIONS:

For Approval:
I move to approve the Second Amendment to the Intergovernmental Agreement Between the Town of Johnstown and Town of Berthoud Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area.

For Denial:
I move that we deny the Second Amendment to the Intergovernmental Agreement Between the Town of Johnstown and Town of Berthoud Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area.

Reviewed and Approved for Presentation:

__________________________
Town Manager
Second Amendment to IGA
SECOND AMENDMENT TO INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF JOHNSTOWN AND THE TOWN OF BERTHOUD CONCERNING WASTEWATER TREATMENT FACILITY AND SERVICE WITHIN BERTHOUD’S 208 SERVICE AREA

This SECOND AMENDMENT to Intergovernmental Agreement (“Second Amendment”), is made and entered into this ___ day of August, 2019, by and between THE TOWN OF JOHNSTOWN, a home rule municipality and political subdivision of the State of Colorado (“Johnstown”), and THE TOWN OF BERTHOUD, a statutory town and political subdivision of the State of Colorado (“Berthoud”).

RECITALS

WHEREAS, on July 28, 2005, the Town of Johnstown (“Johnstown”) and the Town of Berthoud (“Berthoud”) entered into an Intergovernmental Agreement Concerning Wastewater Treatment Facility and Service within Berthoud’s 208 Service Area (the “2005 IGA”); and

WHEREAS, the 2005 IGA addresses the provision of wastewater services from Berthoud’s Regional Wastewater Treatment Facility (“Regional Facility”) to property within Johnstown based on the service area designated by the North Front Range Water Quality Planning Association (“NFRWQPA”), which is shown on Exhibit A to the 2005 IGA (“Service Area”); and

WHEREAS, the 2005 IGA provides that the Service Area may be expanded to ensure continued regional wastewater treatment; and

WHEREAS, the owner of property located in the general vicinity of Weld County Road 13 between Weld County Roads 42 and 44, whose property is not in the Service Area, seeks to annex the property into Johnstown and desires to obtain wastewater services from the Regional Facility; and

WHEREAS, Johnstown seeks to modify the Service Area to include the aforementioned property as shown on Exhibit A, which is attached hereto and incorporated herein by reference; and

WHEREAS, Berthoud desires to accommodate Johnstown’s request to expand the Service Area; and

WHEREAS, on or about October 14, 2014, the parties entered into a First Amendment to the 2005 IGA (“First Amendment”), extending the term of the 2005 IGA in perpetuity; and
WHEREAS, the parties seek to enter into this Second Amendment to the 2005 IGA to address modification of the Service Area; and

WHEREAS, this Second Amendment is entered into by Johnstown and Berthoud pursuant to constitutional and statutory authority as well as other powers inherently granted to statutory and home rule municipalities by the State of Colorado.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and obligations expressed herein, it is hereby agreed by and between Johnstown and Berthoud as follows:

1. **Recitals.** The parties hereby acknowledge that the recitals set forth above are true and correct, and those recitals are incorporated into the body of this Second Amendment.

2. **Expansion of the Service Area.** Paragraph 1(f) of the 2005 IGA provides that the Service Area “may be modified to ensure continued regional wastewater treatment capacity of the plant when modification is approved by the NFRWQPA and the State of Colorado.” The parties agree to cooperate and act in good faith to obtain the approval of the NFRWQPA and the State of Colorado to modify the Service Area as shown on Exhibit A. Johnstown agrees to pay the costs associated with the modification of the Service Area. Johnstown further agrees, to the maximum extent that it is able, to undertake the process to achieve the expansion of the Service Area. Notwithstanding Johnstown’s willingness to assist, Berthoud recognizes and agrees that it may be required to take affirmative action to accomplish the expansion of the Service Area, and agrees to do so.

3. **Service to Johnstown Residents.** Johnstown recognizes, agrees and reaffirms that, as set forth in the 2005 IGA, a Johnstown resident that connects to the Regional Facility will be required to pay the tap/system investment fees lawfully imposed by Berthoud.

4. **Validity of 2005 IGA.** Except as expressly modified herein, the provisions of the 2005 IGA and the First Amendment shall remain in full force and effect.

[Remainder of page intentionally left blank.]
IN WITNESS WHEREOF, the above parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST: 

TOWN OF JOHNSTOWN, COLORADO

By: ___________________________________

Gary Lebsack, Mayor

ATTEST: 

Diana Seele, Town Clerk

TOWN OF BERTHOUD, COLORADO

By: ___________________________________

__________, Mayor

ATTEST: 

__________, Town Clerk