



Remote Meeting Instructions for the November 18, 2020, Water & Sewer Board Meeting:

In order to comply with all health orders and State guidelines to stop the spread of the COVID-19 Coronavirus, **no physical location, including the City Council Chambers, will be set up for viewing or participating in this Water & Sewer Board meeting.**

You can view this Meeting by following the instructions below to watch the YouTube live stream. By utilizing this option to view the meeting, you will not be able to provide live input during the meeting. To provide live input, see the "In real time" instructions near the bottom of this page.

- From your laptop or computer, click the following link or enter it manually into your Web Browser: (<https://www.youtube.com/user/CityofGreeley>)
- Clicking the link above will take you to the City of Greeley's YouTube Channel.
- Once there, you will be able to view the meeting!

Citizen input and public comment for items appearing on this agenda as public hearings/quasi-judicial are valuable and welcome!

Anyone interested in participating and sharing public comments have a few of options:

Via email? – Submit to Ettie.arnold@greeleygov.com

All comments submitted this way will be read into the record at the appropriate points during this meeting in real time. Comments can be submitted up to and throughout this meeting.

Via traditional Mail? - Address to the Water & Sewer Department's Office, 1001 11th Avenue, Attn: Shannon Metcalf, Greeley, CO 80631

All written comments must be received no later than the day of the meeting. Again, written comments received by mail will also be read into the record in real time.

In real time? – <https://greeleygov.zoom.us/j/84467430281>

Clicking the link above will give you access to the live meeting where you will become a virtual audience member and be able to speak under Citizen Input on items not already on the agenda or during a scheduled public hearing.

Please visit the City's website at <http://greeleygov.com/government/b-c/boards-and-commissions/water-and-sewer> to view and download the contents of the November 18, 2020 Water & Sewer Board Meeting. You are also welcome to call the Water & Sewer Department at 970-350-9801 with any special needs or questions that you may have.

WATER & SEWER BOARD AGENDA

Wednesday November 18, 2020
2:00 p.m.

MEETING WILL BE LIVE STREAMED ON YOUTUBE.COM DUE TO CITY CLOSURES

RELATED TO COVID-19

Public Comments, please use: <https://greeleygov.zoom.us/j/84467430281>

1. Roll Call:

| | |
|-----------------------------|-------------------------------|
| _____ Chairman Harold Evans | _____ Vice Chairman Mick Todd |
| _____ Mr. Bob Ruyle | _____ Mr. Fred Otis |
| _____ Mr. Joe Murphy | _____ Mr. Tony Miller |
| _____ Mr. Manuel Sisneros | _____ Mayor John Gates |
| _____ Mr. Roy Otto | _____ Mr. Robert Miller |
2. Approval of Minutes
3. Approval of and/or Additions to Agenda
4. Public Comments
5. Colorado River Demand Management Update
6. Greeley Water Supply Update
7. Approve and Recommend to City Council the Transfer of Greeley Customers to Evans with Water Rights
8. Approve Rusch Water Rights Purchase
9. Approve and Recommend to City Council the Danielson II Farm Divestment
10. Non-Potable Development Policy Update
11. Non-Potable, Water and Sewer Master Plan Update
12. Terry Ranch Project Diligence Update
13. Executive Session
 - 19CW3253 Update
14. Legal Report
15. Director's Report
 - WG Firming Project Status



If, to effectively and fully participate in this meeting, you require an auxiliary aid or other assistance related to a disability, please contact Shannon Metcalf at 970-415-1307.

- Wildfire Recovery and Impact Mitigation
- Get Outdoors - Draft Strategic Plan for Natural Areas and Open Lands

14. Such Other Business That May Be Brought Before the Board and Added to This Agenda by Motion of the Board



If, to effectively and fully participate in this meeting, you require an auxiliary aid or other assistance related to a disability, please contact Shannon Metcalf at 970-415-1307.

**City of Greeley
Water and Sewer Board
Minutes of September 16, 2020
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:00 p.m. on Wednesday, October 21, 2020. Due to City Closures related to COVID-19, this meeting was held remotely and was aired via live stream for public viewing at <https://www.youtube.com/user/CityofGreeley>.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Fred Otis, Bob Ruyle, Joe Murphy, Tony Miller, Mayor Gates, Roy Otto and Robert Miller

Water and Sewer Department Staff:

Director Sean Chambers, Deputy Director Water Resources Adam Jokerst, Deputy Director of Operations Nina Cudahy, Utility Finance Manager Erik Dial, Water Resources Manager Jen Petrzela, Cole Gustafson, Water Conservation Outreach Administrator I Ruth Quade, Special Projects Engineer Mary Gearhart and Office Manager Shannon Metcalf

Legal Counsel:

Counsel to Water & Sewer Board Attorney Carolyn Burr, Environmental and Water Resources Attorney Jerrae Swanson, Environmental and Water Resources Attorney Dan Biwer, Environmental and Water Resources Attorney Aaron Goldman

2. Approval of Minutes

Vice-Chairman Todd moved, seconded by Mr. Murphy, to approve the September 16, 2020 Water and Sewer Board meeting minutes. The motion carried 6-0.

3. Approval of and/or Additions to Agenda

Mr. Chambers noted that Item 4 has been changed to Public Comment.

4. Public Comments

There were no comments from the Public.

5. Update on Drought Emergency Plan Revisions

Ms. Petrzelka and Mrs. Quade explained that Greeley's current Drought Emergency Plan is more than 15 years old. Since that time a lot has changed including a decline in water use per account, a re-examination of future water needs and system drought performance, and the conversion to a water budget rate structure for single-family residential customers. Therefore, a re-evaluation of the Drought Emergency Plan is necessary to the City and its citizens to have an effective plan to conserve water in future droughts. Staff presented recommended revised restrictions to the Drought Emergency Plan at the August 2020 Board meeting which include using the Water Budget, economic signals and communication with citizens as drought response tools.

6. 3rd Quarter Water Court Update

Ms. Petrzelka gave an update on current Water Court cases. She explained since the last update in April, Greeley entered statements of opposition in eight cases and stipulated to 7 cases bringing the current number of pending Water Court cases where Greeley is an opposer to 29. This is an increase of 4 cases since the end of 2019.

Greeley is an Applicant in four cases: 19CW3164 (Linn Grove Diligence), 19CW3191 (Lower Equalizer Diligence), and 19CW3239 (Overland Diligence), 20CW3009 (Rockwell Diligence), 20CW3004 (GLIC Exchange Diligence) and 20CW3054 (Milton Seaman Diligence)

The Water Resource Division's outside legal and engineering expenses for 2020 is \$399,324. This is 70% of the total money spent on these services in 2019.

7. Cameron Peak Post Fire Mitigation

Mr. Jokerst explained that the Cameron Peak Fire started in the Poudre Canyon on August 13th and has burned over 150,000 acres. He provided an overview of the fire and impacts of the fire to Greeley's water supplies and infrastructure. He also presented the efforts being taking towards post-fire mitigation and securing federal funding to support recovery.

8. Approve and Recommend to City Council Emergency Watershed Protection IGA with Natural Resources Conservation Service (Cameron Peak Fire)

Ms. Petrzalka explained that the Cameron Peak Fire started in the Upper Poudre Canyon on August 13th in Greeley's source watershed and has burned over 150,000 acres. Greeley's water supplies and infrastructure will be significantly impacted by this fire and therefore expeditiously securing funds is essential for mitigation and recovery. In response, Greeley has applied for the Emergency Watershed Protection (EWP) Program through the Natural Resource and Conservation Service (NRCS) which provides funds to mitigate impacts to watersheds from natural disasters. This Intergovernmental Agreement with the NRCS outlines the terms and conditions associated with being a EWP financial sponsor.

Vice-Chairman Todd made motion, seconded by Mr. Otis that the Board approve the Emergency Watershed Protection IGA with NRCS in the form enclosed, delegate authority to staff to (a) make minor amendments and finalize the IGA before execution, provided that the material substance remains unchanged, and (b) undertake all necessary and appropriate action to carry out the City's obligations under the agreement, and recommend approval of the same to City Council. The motion passed 6-0.

9. Utility Bill Affordability Program

Mr. Dial presented an overview of the water and sewer household affordability trends affecting Greeley and other utilities across the nation. He discussed the median household income levels of Greeley households and the anticipated ongoing rate increases to fund current and future capital projects. While Greeley's water and sewer bills are affordable for most customers, those at the lowest income levels may be struggling to pay their utility bills. He provided background and potential options for creating a utility bill assistance program. The Board members provided feedback regarding the need and the potential options if Greeley decides to pursue an assistance program. Mr. Dial stated that staff would consider the feedback and return to the Board with additional information at a future meeting.

10. Terry Ranch Project Update

Mr. Jokerst explained that in June 2020, Greeley entered into a Master Agreement for acquisition of groundwater rights and associated storage underlying the Terry Grazing Association Ranch in northwest Weld County. Since that time, staff and consultants have undertaken extensive inspection and diligence activities on the ranch. Such diligence is required per the Master Agreement, and will inform the City whether to close on the project.

11. Executive Session

There were no items for Executive Session.

12. Legal Report

Carolyn Burr of Welborn, Sullivan, Meck & Tooley provided this month's legal report to the Board.

1. **Statements of Opposition:** Based on review of the August, 2020 Water Court Resume, Ms. Burr reported that staff and water counsel recommend that the Board authorize filing statements of opposition in the following cases:
 - a. Case Number: **20CW3117:** Application of East Cherry Creek Water and Sanitation District (ECCV), and Arapahoe County Water & Wastewater Authority (ACWWA), for a change of water rights, conditional appropriation of return flows, and a plan for augmentation. This case involves a change of water rights for 196.5 shares in the Ft. Morgan Canal and is interrelated with several other water court cases involving these applicants in which Greeley is a party. Ms. Burr recommended that Greeley file a statement of opposition ensure that appropriate terms and conditions are included in the water court decree and that Greeley's water rights are not adversely affected.
 - b. Case Number: **20CW3123:** Application of Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (WAS) to add wells to an existing plan for augmentation. WAS wants to add industrial wells that can divert up to 500 a.f./year to its 03CW99 plan. The wells being added are associated with the Hunt Water LLC applications to which Greeley recently filed a statement of oppositions and the PVIC Pipeline, to which Greeley also filed a statement of opposition. Ms. Burr recommended that Greeley file a statement of opposition ensure that appropriate terms and conditions are included in the water court decree and that Greeley's water rights are not adversely affected.

Mr. Miller made a motion, seconded by Mr. Otis, that the Board authorize the filing of statements of opposition in Case No. 20CW3117 and Case No. 20CW3123, for staff and legal counsel to seek resolution of issues raised by these cases consistent with Water and Sewer Board Resolution No. 3 (2015). The motion carried 6-0.

14. **Director's Report**

Mr. Chambers reported on the following items:

- Organizational Debt Update

15. **Such Other Business That May be Brought before the Board and Added to This Agenda by Motion of the Board**

There were no additional items brought before the Board and added to the agenda.

Chairman Evans adjourned the meeting at 4:35 p.m.

Harold Evans, Chairman

Shannon Metcalf, Office Manager

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 4

TITLE: PUBLIC COMMENTS

RECOMMENDATION:

ADDITIONAL INFORMATION:

Comments from the public.

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 5

TITLE: COLORADO RIVER DEMAND MANAGEMENT
UPDATE

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

Staff will provide a presentation.

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 6

TITLE: WATER SUPPLY UPDATE

RECOMMENDATION:

ADDITIONAL INFORMATION:

Please see the attached memorandum for details.



MEMORANDUM

TO: Sean Chambers, Water and Sewer Director
FROM: Jen Petrzeka, Water Resources Operations Manager
DATE: November 18, 2020
RE: November 2020 Water Supply Update

ISSUE

In accordance with the Drought Emergency Plan, staff will report the water supply status to the Greeley Water and Sewer Board (“Board”) in April, July and November of each year. Previous modeling analysis has shown that the amount of water needed in storage to supply the citizens of Greeley through an extreme drought is approximately 20,000 acre-feet. When this target storage level has been met, the Board can declare an “adequate water year” with normal watering restrictions.

BACKGROUND

In 2020, monthly temperatures have been above average with the exception of February and April. This year’s cumulative precipitation to date is 64% of the 10-year average of 12 inches and monthly precipitation totals has been below average with the exception of March. Parts of Colorado received the earliest snowfall in history on in early September 8 which followed one of the hottest periods on record. Currently, the South Platte Basin storage is at 89% of average compared with 125% of average t this time last year. Production through October totaled 25,060 acre-feet, which is within 1% of the 5 year average.

The U.S. drought monitor shows the majority of Colorado is in a severe to extreme drought and 3-month temperature and precipitation projections are at above average and below average, respectively. The Colorado SWSI¹ value for the South Platte indicates slightly above normal supply conditions at an index of 1.34 which is a 50% decrease from this time last year. Current conditions and projections indicate a Statewide drought that will likely persist throughout the next year.

La Nina developed in September, which for Colorado means variable conditions across the State. Some La Nina years have seen above average snowpacks whereas some years are cold and dry.

¹ The Surface Water Supply Index (SWSI) was developed by the Colorado Division of Water Resources and the U.S.D.A Natural Resources Conservation Service (NRCS). This is an indicator of mountain-based water supply conditions for the major river basins in Colorado. It is based on streamflow, reservoir storage, and precipitation. The SWSI scale goes from -4 (severe drought) to +4 (abundant supply) with 0 being near normal supply.

SERVING OUR COMMUNITY • IT'S A TRADITION

We promise to preserve and improve the quality of life for Greeley through timely, courteous and cost effective service.

While no two La Nina episodes are alike, northern Colorado tends to see more snow and wind while southern Colorado is warmer and drier than normal.

For Water Year (WY) 2019, the High Mountain Reservoir (HMR) system yielded over 7,000 acre-feet of supply with the majority of that rented out to agriculture. The Greeley Loveland System (GLIC) yielded 11,302 acre-feet, with 11,000 acre-feet carried over to WY 2021. Greeley rented out over 8,200 acre-feet of excess Colorado Big Thompson water (C-BT). In total, Greeley leased approximately 22,300 acre-feet in agricultural leases and high mountain reservoir water.

The Greeley System Storage Analysis table for Water Year 2020 shows the April 2021 storage level will be approximately 21,354 acre-feet. This conservatively assumes high demands in Greeley, no Windy Gap or HMR yields, 50% quota issued for the C-BT project, and collateralizing 2,000 acre-feet of C-BT for Greeley's Windy Gap requirements. The GLIC system yields represent dry year supplies.

RECOMMENDATION

Initial Projections show the target storage volume is greater than 20,000 acre-feet. Board will make a determination of adequate water year at the April 2021 Board meeting.

Greeley System Storage Analysis

2020 Water Supply Update

C-BT=60% HMR*= 0 AF
Yields GL/LL/7L = 9/31/6

Water Year 2020 Operations

| | Beginning Storage (1) | Estimated Yield (2) | Total Supplies (3) | Total WY 2020 Demands (4) | Early Season Spills and Collateralized (5) |
|---------------|--------------------------|------------------------|-----------------------|------------------------------|---|
| NCWCD (C-BT) | 6,267 | 15,216 | 21,483 | (8,623) | 0 |
| WINDY GAP | 0 | 0 | 1,565 | (1,620) | 1,565 |
| POUDRE SYSTEM | 5,208 | 8,895 | 14,103 | (10,916) | 0 |
| GLIC SYSTEM | 11,000 | 8,855 | 19,855 | (6,734) | 0 |
| TOTAL | 22,475 | 32,966 | 55,441 | (27,894) | 1,565 |
| Balance | | | | | 29,112 |

Water Year 2021 Storage Volume

| | Ending WY '20 31-Oct-20 Storage (6) | 1-Nov-20 Spills (7) | Beginning WY 2021 1-Nov-20 Storage (8) | Winter 2021 (Nov thru April) Demands on Storage and Shrink (9) | 1-Apr-21 Carryover (10) |
|------------------------|--|---------------------------|---|---|-------------------------------|
| NCWCD (C-BT) | 13,885 | 7,078 | 6,808 | (681) | 6,127 |
| WINDY GAP | 0 | 0 | 0 | 0 | 0 |
| POUDRE SYSTEM | 3,132 | 0 | 3,132 | 0 | 3,132 |
| GLIC SYSTEM | 12,095 | 0 | 12,095 | 0 | 12,095 |
| TOTAL | 29,112 | 7,078 | | (681) | 21,354 |
| Target Storage Volume: | | | | | 20,000 |

November Water Supply Update

Water & Sewer Board

November 18, 2020



Water Rental Summary

| | | |
|------------------|--------|----|
| • C-BT | 8,278 | AF |
| • GLIC changed | 353 | AF |
| • GLIC unchanged | 1,706 | AF |
| • WSSC | 450 | AF |
| • NPIC | 207 | AF |
| • HMR | 2,950 | AF |
| • Leasebacks | | |
| ◦ WSSC | 1,808 | AF |
| ◦ GLIC | 5,445 | AF |
| ◦ L&W | 614 | AF |
| ◦ New Cache | 488 | AF |
| Total | 22,299 | AF |

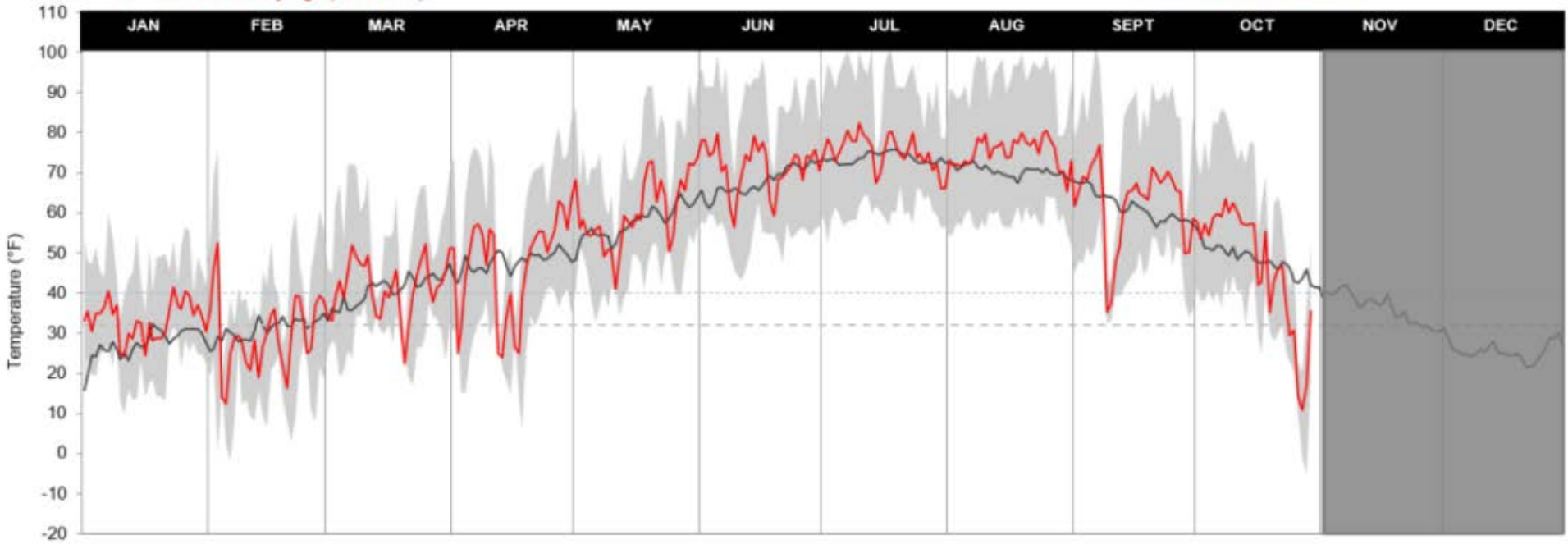


City of Greeley: Temperature (°F) and Precipitation 1997-2020

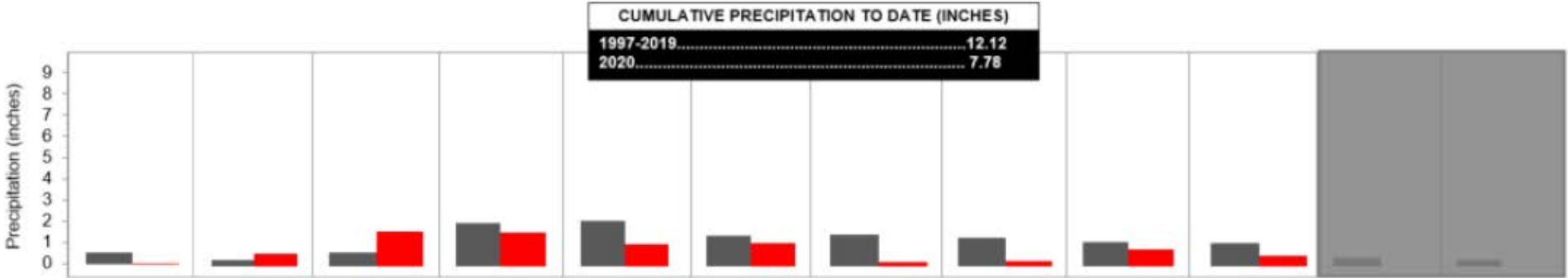
- 1997-2019 Average Temperature
- 2020 Average Daily Temperature
- 2020 Daily Temperature Range
- R Record monthly high (1997-2019)



Greeley West station (224)
Source: northernwater.org



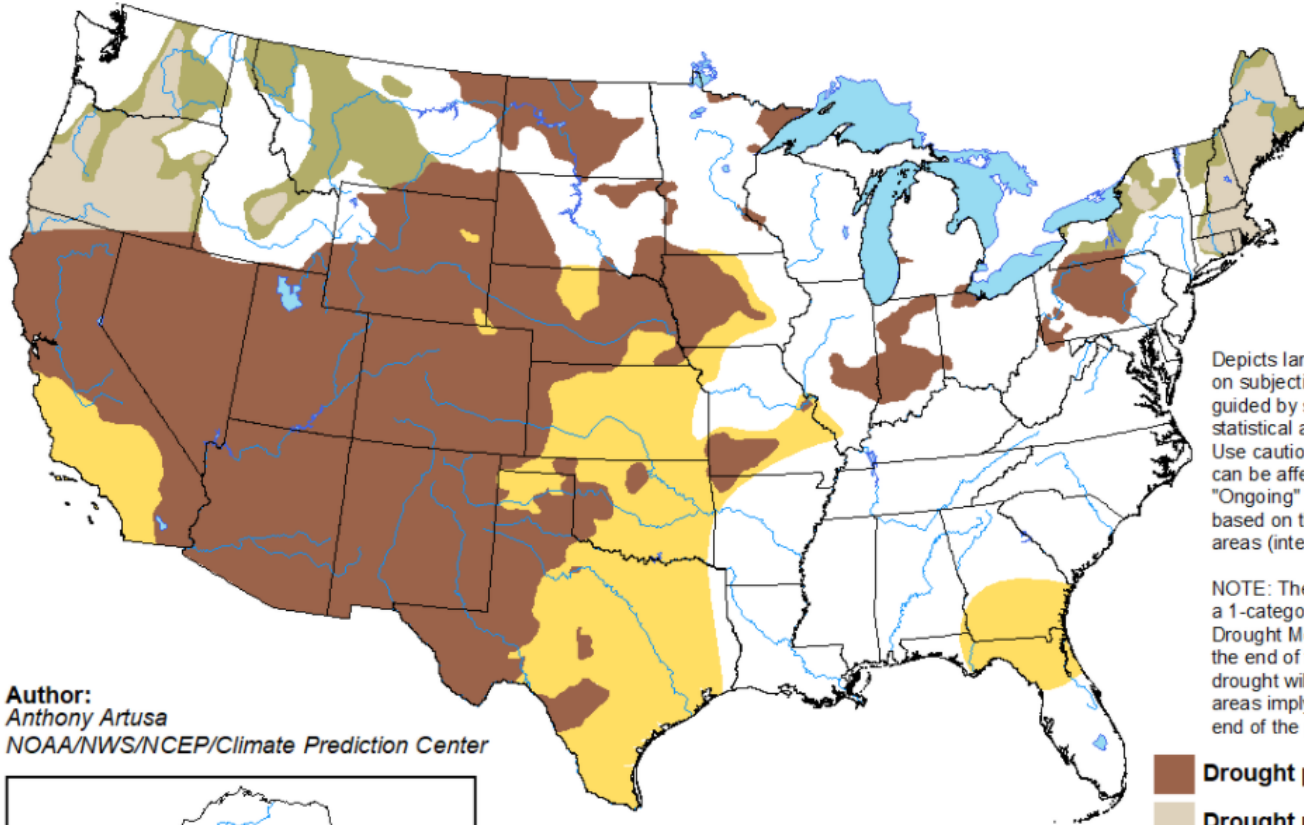
| MONTHLY AVERAGE TEMPERATURE (°F) | | | | | | | | | | | | |
|----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1997-2019 | 27.2 | 31.0 | 40.8 | 47.8 | 57.6 | 67.8 | 73.7 | 70.5 | 61.7 | 48.1 | 36.3 | 25.6 |
| 2020 | 33.2 | 29.7 | 41.5 | 46.9 | 60.2 | 71.5 | 75.3 | 75.2 | 62.6 | 46.9 | 0.0 | 0.0 |



Drought Outlook

U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period





Valid for October 15, 2020 - January 31, 2021
Released October 15, 2020



Author:
Anthony Artusa
NOAA/NWS/NCEP/Climate Prediction Center

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

-  Drought persists
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely

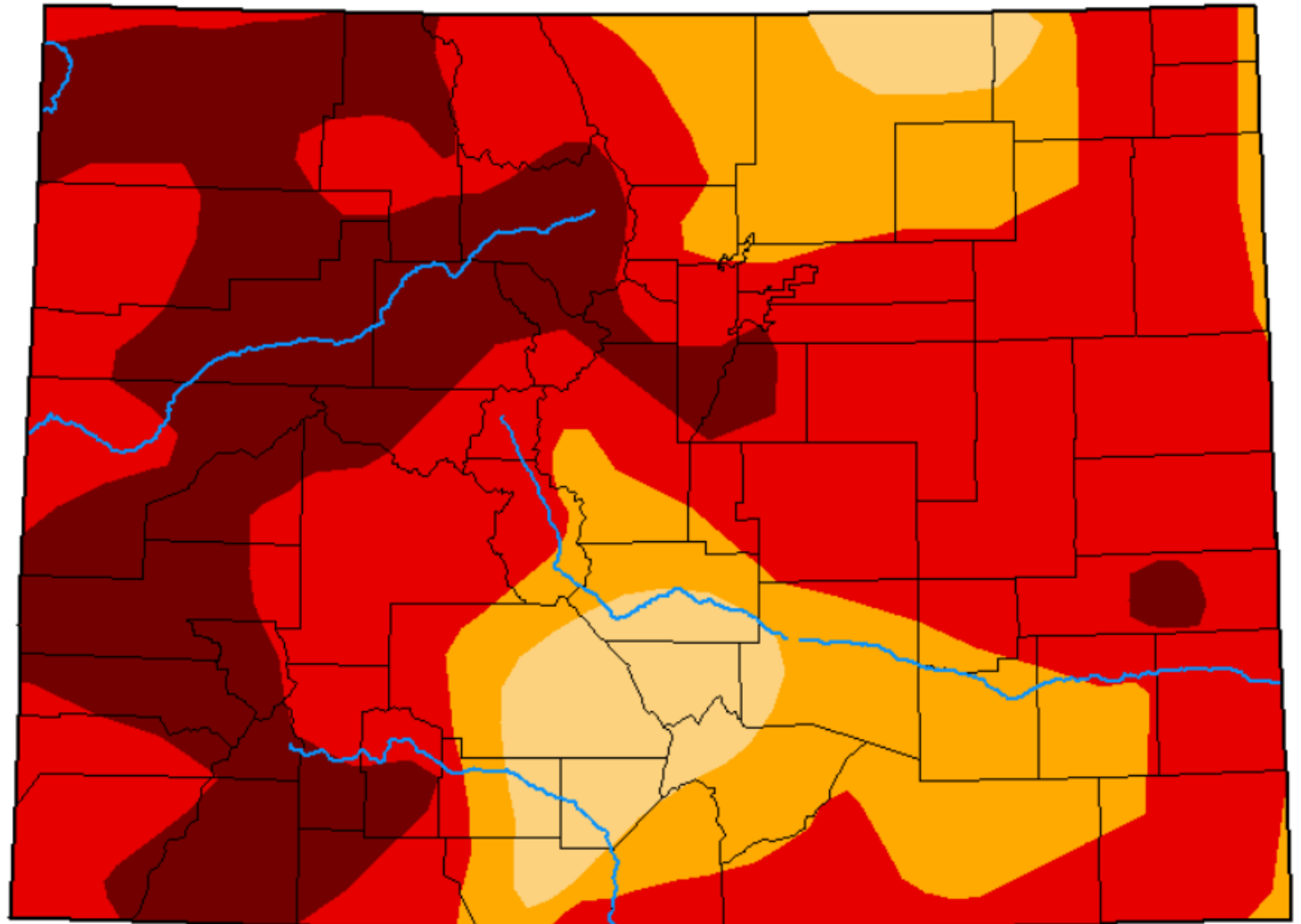
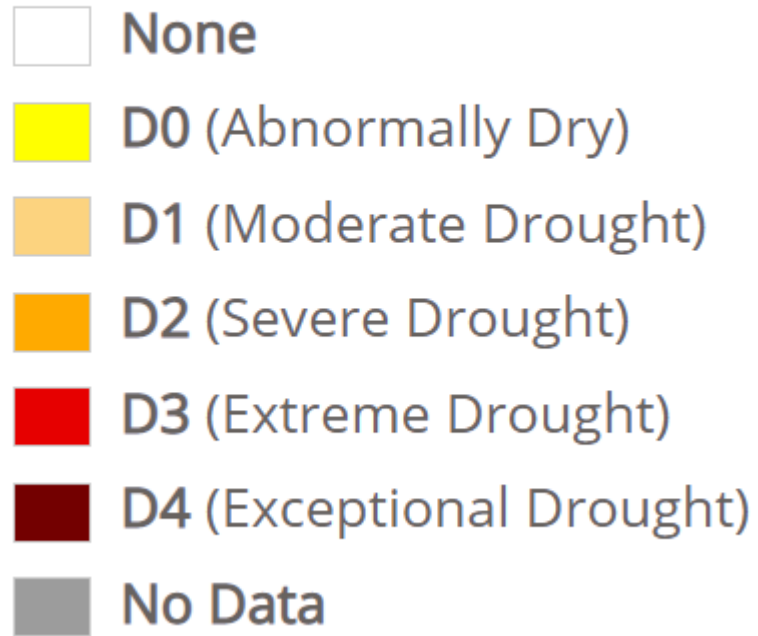


<http://go.usa.gov/3eZ73>

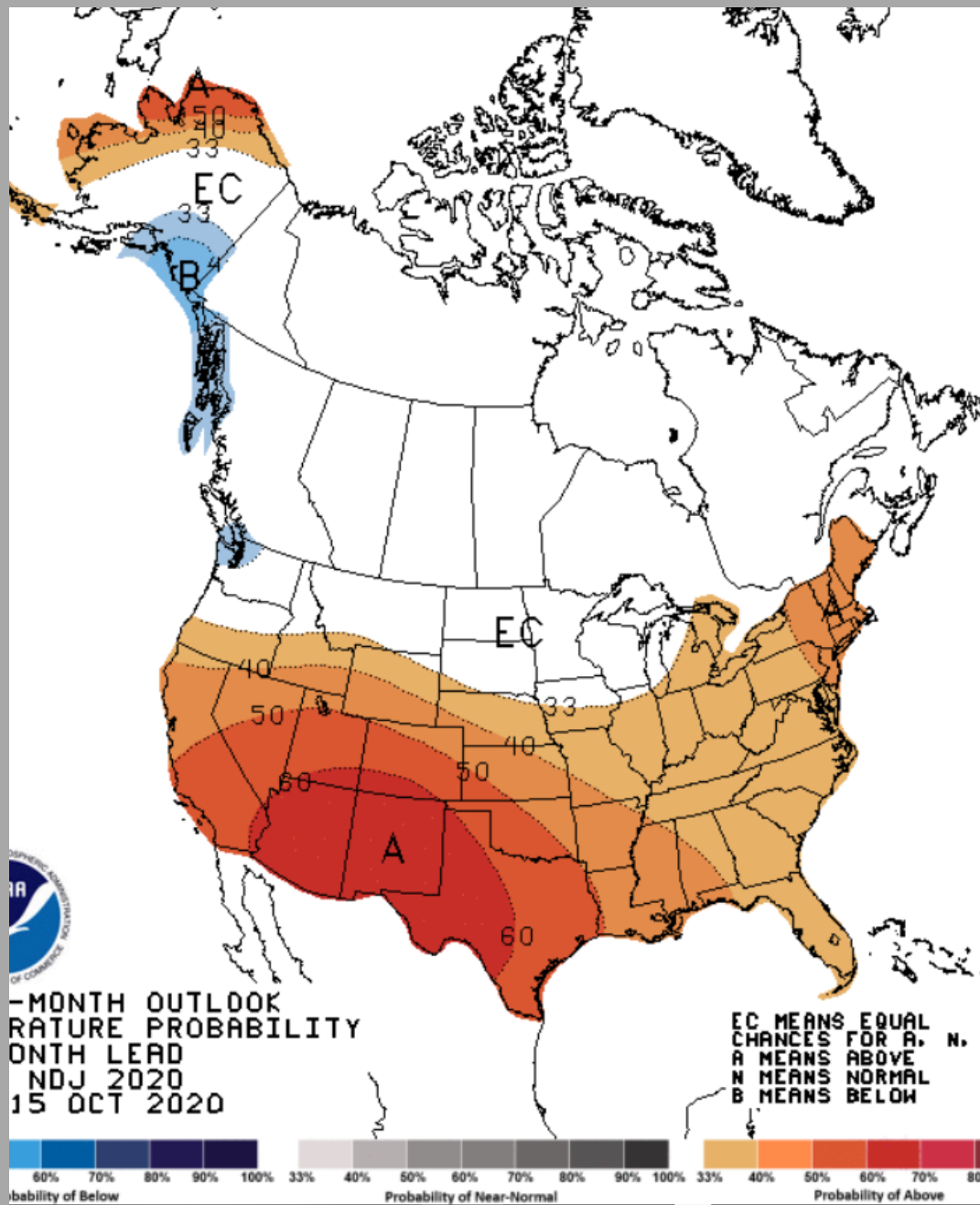
City of
Greeley
Colorado

Current Drought Conditions

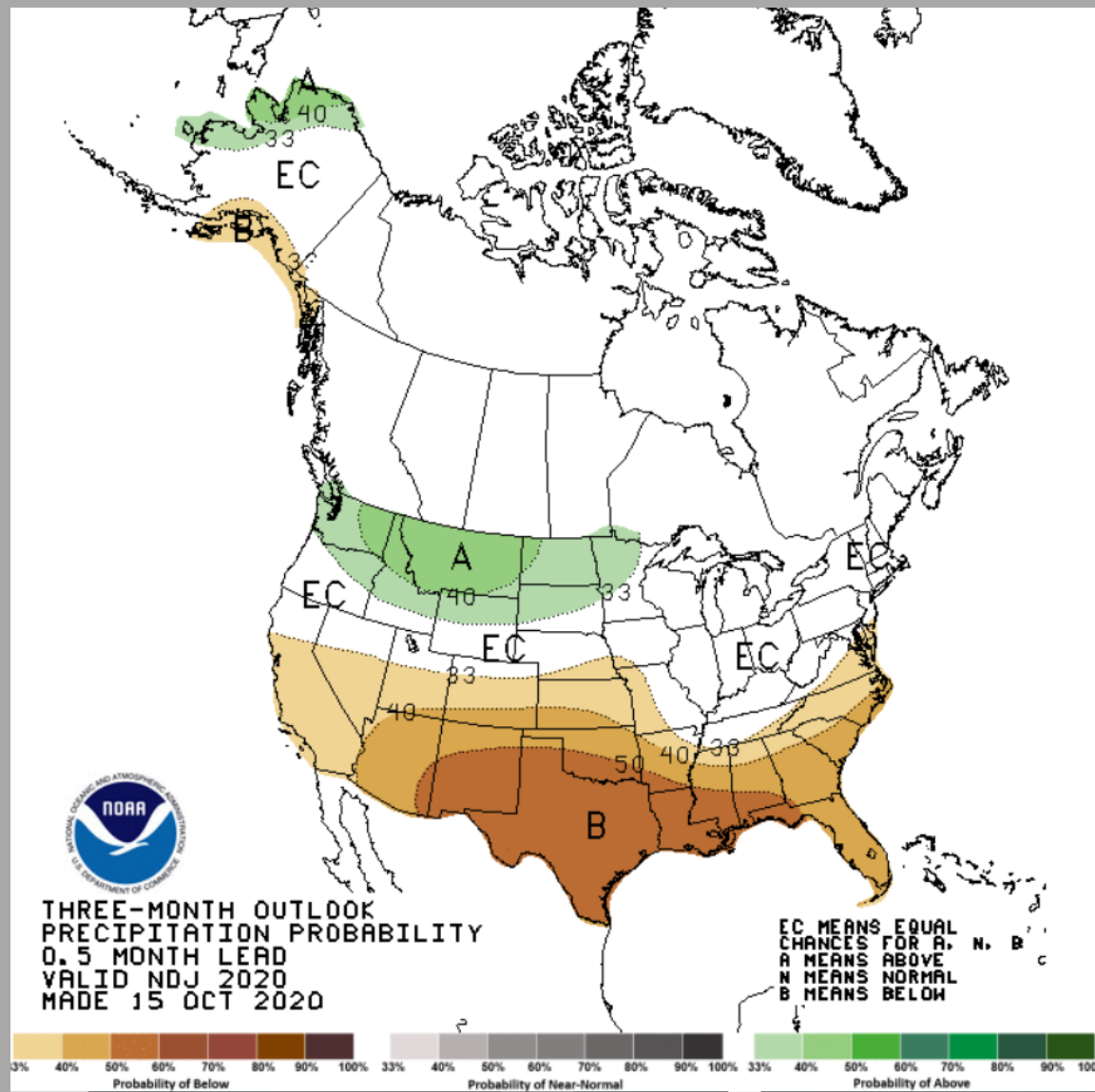
Intensity:



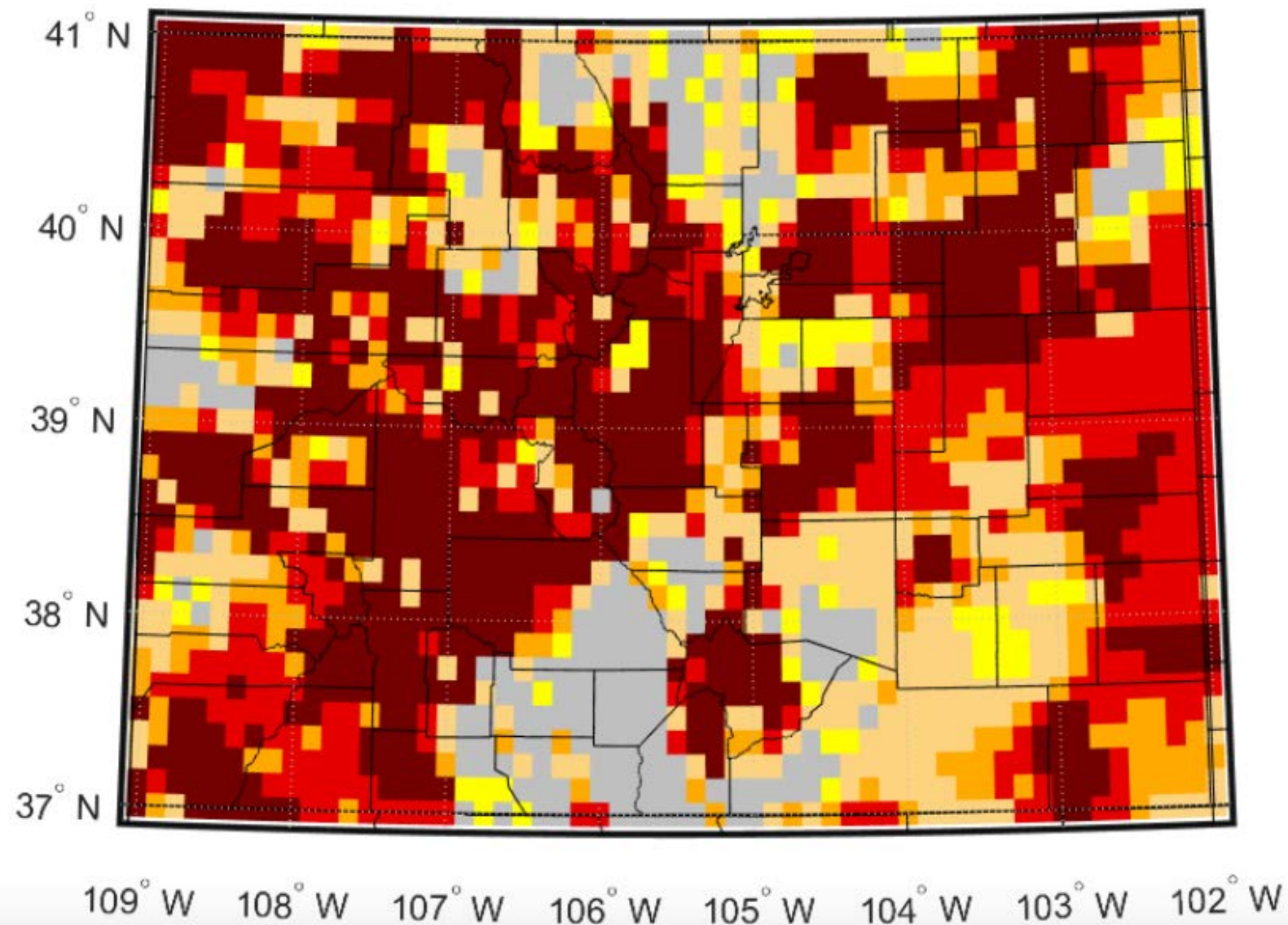
3 month temperature outlook



3 month precipitation outlook

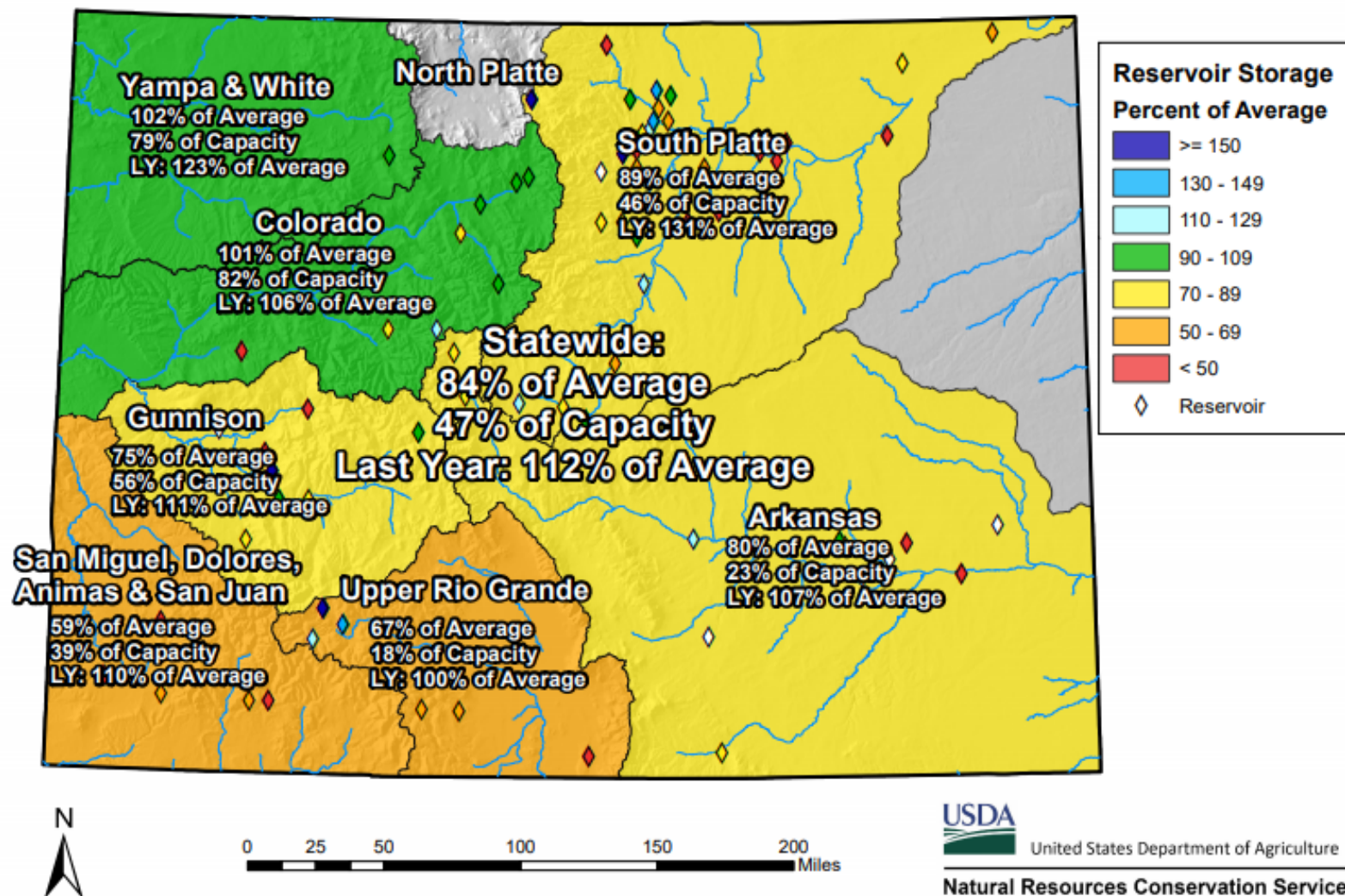


Top Meter Soil Moisture Drought Category
11/04/2020



Colorado Monthly Reservoir Storage Summary

End of September 2020



Affects of fire on water supply likely

- Chambers Reservoir completed
- Started design for Comanche and Hourglass
- Meeting with Northern in November to discuss fire impacts
 - Potentially push back quota declaration to see how runoff goes
 - Increase flexibility of Windy Gap water



Greeley System Storage Analysis

2020 Water Supply
Update

C-BT=60% HMR*= 0 AF
Yields GL/LL/7L = 9/31/6

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Water Year 2021 Storage Volume

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| NCWCD (C-BT) | 13,885 | 7,078 | 6,808 | (681) | 6,127 |
| WINDY GAP | 0 | 0 | 0 | 0 | 0 |
| POUDRE SYSTEM | 3,132 | 0 | 3,132 | 0 | 3,132 |
| GLIC SYSTEM | 12,095 | 0 | 12,095 | 0 | 12,095 |
| TOTAL | 29,112 | 7,078 | | (681) | 21,354 |
| Target Storage Volume: | | | | | 20,000 |

Moving into winter

- Continue to maintain adequate target storage volume
- Drought conditions are likely
- Monitor drought and water supply closely
- Winter Park and Steamboat are your best skiing options



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE X NO ENCLOSURE

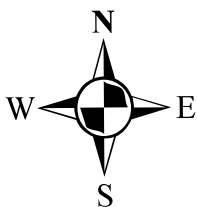
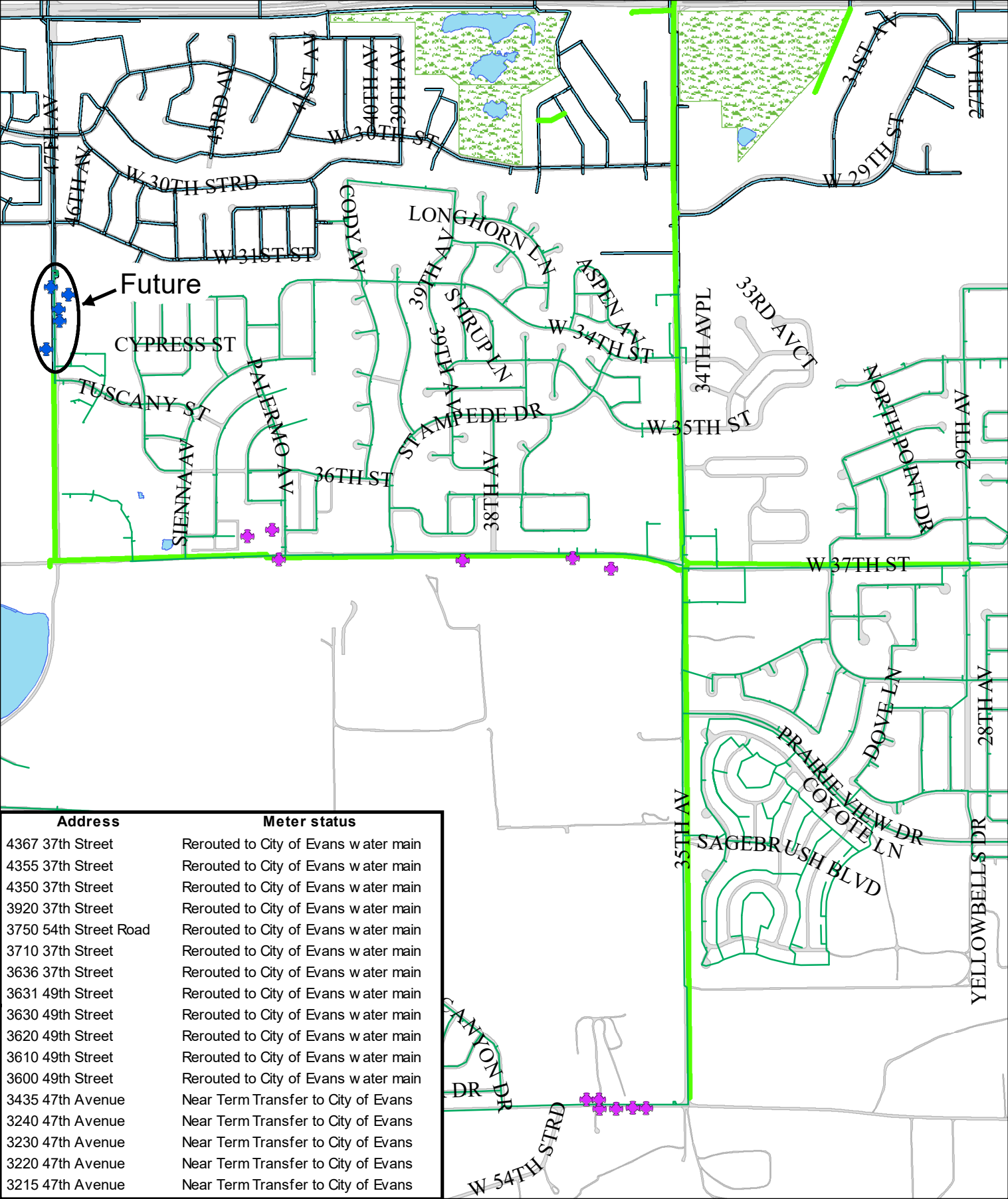
ITEM NUMBER: 7

TITLE: APPROVE AND RECOMMEND TO CITY
COUNCIL THE TRANSFER OF GREELEY
CUSTOMERS TO EVANS WITH WATER
RIGHTS

RECOMMENDATION: APPROVE AND RECOMMEND TO CITY
COUNCIL GREELEY'S IGA WITH EVANS FOR
TRANSFER OF CUSTOMERS

ADDITIONAL INFORMATION:

Currently, the City of Greeley provides potable water to 17 customers that are now in the Evans service area. It is the interest of both Greeley and Evans to transfer these customers to Evans in exchange for raw water dedication in the amount of 8 units of CBT and 0.5 shares of GLIC to Evans. This will provide large cost and staff time savings to Greeley by no longer needing to repair and maintain the aging infrastructure associated with the delivery of water to these customers.



Meter Transfers

File: Completed_and_Future_Meter_Transfers_3
 Date: 11/12/2020
 By: Tony Braun



- Legend**
- Future Removal from COG System
 - Removed from COG System
 - Water Lines
 - COG Abandoned Water Mains
 - COG Active Water Mains

Information contained on this document remains the property of the City of Greeley. Copying any portion of this map without the written permission of the City of Greeley is strictly prohibited. This document is not intended to be used for the preparation of construction documents or surveying or navigation purposes.



**INTERGOVERNMENTAL AGREEMENT CONCERNING WATER SERVICES FOR
SEVENTEEN CUSTOMERS**

**BETWEEN THE CITY OF GREELEY, COLORADO
AND THE CITY OF EVANS, COLORADO**

THIS INTERGOVERNMENTAL AGREEMENT CONCERNING WATER SERVICES (“Agreement”) is made and entered into this_ day of_, 2020, by and between the City of Greeley, Colorado, a home rule municipality (“Greeley”), and the City of Evans, Colorado, a home rule municipality (“Evans”). Greeley and Evans are collectively referred to as the Parties.

Recitals

WHEREAS, pursuant to C.R.S. § 29-1-203, governments may cooperate or contract with one another to provide any function, service or facility lawfully authorized to be provided by each of the cooperating or contracting units of government; and,

WHEREAS, Greeley and Evans entered into that certain intergovernmental agreement dated April 21, 1998 (“1998 Treated Water Service IGA”), which set the terms and conditions by which the parties entered into a long term contract for Greeley’s treatment of Evans’ raw water and delivery of treated water.

WHEREAS, by this Agreement, Greeley and Evans are not amending the 1998 Treated Water Service IGA; and,

WHEREAS, Greeley and Evans entered into that certain intergovernmental agreement dated October 1, 2002 (“2002 Sewer Service IGA”), which set the terms and conditions by which Evans provides wastewater treatment services to certain customers within the territorial bounds of Greeley, inside of the Ashcroft Draw drainage basin; and,

WHEREAS, by this Agreement, Greeley and Evans are not amending the 2002 Sewer Service IGA; and,

WHEREAS, the seventeen (17) specific water customers identified by street address below (“Seventeen Customers”), reside within the boundaries of Evans, but are currently listed as Greeley potable water service customers; and,

WHEREAS, Greeley currently provides potable water service to five (5) of the Seventeen Customers; and,

WHEREAS, Evans currently provides potable water service to twelve (12) of the Seventeen Customers; and,

WHEREAS, Evans is undertaking a road-widening project along 47th Avenue, which may impact water transmission infrastructure used to service some of the Seventeen Customers; and,

WHEREAS, Greeley desires to transfer the Seventeen Customers to Evans and disconnect the Seventeen Customers from its own potable water distribution infrastructure; and,

WHEREAS, Evans desires to accept the Seventeen Customers and connect them to its own distribution infrastructure, and requires the dedication of raw water to support the increased potable water demand generated by the Seventeen Customers; and,

WHEREAS, the Parties desire to enter into an agreement whereby Evans will accept the Seventeen Customers, along with the water distribution infrastructure used to service them, and in exchange, and in satisfaction of Evans' raw water requirements, Greeley will transfer to Evans eight (8) Colorado Big Thompson (CBT) Units and a one-half (.5) Greeley & Loveland Irrigation Company (GLIC) Share for the purpose of servicing the Seventeen Customers, along with the right to claim dry-up acreage over four and four-tenths (4.4) acres of land within the GLIC system; and,

THEREFORE, to effectuate the foregoing, the Parties desire to enter into this Agreement.

Agreement

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

1. **Recitals.** The Recitals are incorporated into the Agreement as if fully set forth herein.
2. **Transfer of Water Customers.** Upon the successful transfer of 8 CBT Units, One-Half GLIC Share (defined below), and 4.4 Acre Dry-Up Interest (defined below), Evans hereby agrees to accept the transfer of the Seventeen Customers and assume responsibility for providing potable water service to the Seventeen Customers identified by the property addresses as follows:

1. 3636 37th Street
2. 4350 37th Street
3. 3710 37th Street
4. 4355 37th Street
5. 3920 37th Street
6. 4367 37th Street
7. 3600 49th Street
8. 3630 49th Street
9. 3610 49th Street
10. 3631 49th Street
11. 3620 49th Street
12. 3750 54th Street Road
13. 3215 47th Avenue
14. 3220 47th Ave.
15. 3230 47th Ave.
16. 3240 47th Ave.
17. 3435 47th Ave.

Simultaneously, Evans shall also connect the Seventeen Customers to its potable water distribution and metering infrastructure ("Infrastructure"), and Greeley shall abandon its potable water distribution and metering infrastructure, described in Exhibit A. Upon the transfer of said Seventeen Customers to Evans, Greeley's legal obligations to

comply with state and federal drinking water standards, including 42 U.S.C. §§ 300f-300j27, C.R.S. § 25-1.5-202 *et seq.*, and 5 C.C.R. § 1002-11 *et seq.*, and all other legal obligations related to the provision of potable water, and Evans shall assume the same. Greeley and Evans shall coordinate in good faith to minimize any interruption in service to the Seventeen Customers, and to ensure that Evans' potable water infrastructure is fully connected and operational with respect to the Seventeen Customers by the date of Closing described in Section 4 below

3. **Water Exchange.** As consideration for Evans's agreement to provide water service to the Seventeen Customers, and to provide a viable water supply to Evans to satisfy such obligation, Greeley agrees to convey to Evans water interests, free and clear of liens or encumbrances, as follows:

- a. Eight (8) Colorado Big Thompson (CBT) Units; and,
- b. A one-half (.5) GLIC share of the 16 shares included in GLIC Certificate No. 3124 ("One-Half GLIC Share") and corresponding conveyance of a right to claim the benefits of 4.4 acres of dry-up ("4.4 Acre Dry-Up Interest") from a dry-up covenant burdening land within the GLIC system, which shall be a portion of the Restrictive "Dry Up" Covenant recorded with the Weld County Clerk and Recorded on July 2, 2002 (Reception No. 2966329). The Parties agree the identification of said 4.4 acres is for the purposes of allocating dry-up acreage and not for identifying the location of historically irrigated acreage.

Greeley makes no representations nor guarantees concerning the yield of the CBT Units, nor One-Half GLIC Share. Greeley makes no representations nor guarantees concerning the condition or suitability of the Infrastructure.

4. **Obligations at Closing.** The date of Closing, at or before which the transfer of the Seventeen Customers, 8 CBT Units, One-Half GLIC Share, and 4.4 Acre Dry-Up Interest shall occur, shall be ninety (90) days after mutual execution of this Agreement, or such other date and time as agreed upon by the Parties. At or before Closing:

- a. Evans shall have connected the Seventeen Customers to its potable water distribution system, and Greeley shall have disconnected the same and abandoned those portions of its potable water distribution system specific to the delivery of potable water to the Seventeen Customers.
- b. Greeley shall deliver, cause to be delivered, or cooperate in the delivery to Evans the following documents, in a form acceptable to both Parties, duly executed and acknowledged where appropriate:
 - i. Special Warranty Deed conveying title to the One-Half GLIC Share to Evans;

- ii. Stock Assignment Letter for the One-Half GLIC Share, Greeley shall also undertake any act required by GLIC, including surrendering the original stock Certificate No. 3124 to GLIC, to effectuate the transfer;
 - iii. Order from the Northern Colorado Water Conservancy District transferring the allotment contract interest in 8 CBT Units to Evans;
 - iv. Assignment of the 4.4 Acre Dry-Up Interest to Evans;
 - v. Any other documents contemplated under Section 7 of this Agreement; and
 - c. Evans shall deliver, cause to be delivered, or cooperate in the delivery to Greeley the following documents, in a form acceptable to both Parties, duly executed and acknowledged where appropriate:
 - i. Acknowledgement of Transfer of Customers for the Seventeen Customers;
 - ii. Order from the Northern Colorado Water Conservancy District decreasing an allotment contract held by Greeley by 8 CBT Units, or a reissuance of an allotment contract held by Greeley accomplishing the same; and
 - iii. Any other documents contemplated under Section 7 of this Agreement.
5. **Notice.** Greeley and Evans shall give any notice to one another, required under this Agreement using the contact information listed below. Such notice is adequate if (a) hand-delivered or (b) provided by certified mail, return receipt requested; or (c) on the date and at the time shown on the electronic mail (email) if emailed, with no undeliverable notice received within two (2) days. Greeley and Evans shall promptly notify the other party if the appropriate contact information for notice changes.

For the City of Greeley: City of Greeley Water and Sewer Department
Attn: Director of Water and Sewer
1001 11th Avenue, Second Floor
Sean.Chambers@greeleygov.com
Greeley, Colorado 80631

With copy to: City of Greeley City Attorney's Office
Attn: Environmental and Water Resources
1100 10th Street, Suite 401
Aaron.goldman@greeleygov.com
Greeley, Colorado 80631

For the City of Evans: City of Evans Public Works Department
Attn: Assistant City Manager
1100 37th Street

Evans, Colorado 80620

With copies to: Evans City Attorney
Attn: Scotty P. Krob
8400 E. Prentice Ave, Penthouse
Greenwood Village, CO 80111

6. **Effective Date.** This Agreement shall be effective on the date that it is executed by the authorized signatory.
7. **Additional Documents or Action.** The Parties agree to cooperate in drafting and executing any additional documents and taking any additional action reasonably necessary to carry out the terms of this Agreement, including but not limited to executing required documentation for conveyance of water interests; notification by Greeley and Evans to the Seventeen Customers of a transfer of service to Evans; Evans's inclusion of the Seventeen Customers into Evans's database of water service customers; installation, where necessary, of water meters by Evans.
8. **Liability.** Greeley and Evans are public entities, as that term is defined pursuant to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq. Nothing in this Agreement should be construed to limit or alter the benefits and responsibilities to which either Greeley or Evans is entitled pursuant to the Colorado Governmental Immunity Act. Greeley and Evans respectively shall defend any and all claims for injuries or damages, in accordance with the requirements and limitations of the Colorado Governmental Immunity Act, that occur as a result of the negligent or intentional acts or omissions of their own officers, agents, employees, contractors, or assigns in connection with the performance of this Agreement. Greeley and Evans respectively shall be responsible for all liability for injuries or damages caused by any negligent acts or omissions of their own officers, employees, agents, contractors, and assignees in connection with the performance of this Agreement. Greeley and Evans respectively shall provide adequate workmen's compensation insurance for all its own employees, agents and assigns engaged in activities and functions upon the property of the other party. Upon request from the other party, Greeley and Evans shall each furnish to the other current certificates of insurance stating that the coverages outlined above are in full force and effect.
9. **Default and Termination; Waiver.** In the event either Greeley or Evans fails to comply with the terms and conditions of this Agreement, such failure constitutes a default of this Agreement and the non-defaulting party may give notice of the perceived default. The defaulting party is then entitled to a period of fourteen (14) days from receipt of the notice within which to cure the default. Upon the cure of any such default during this period, this Agreement remains in full force and effect. If any declared default remains uncured after the fourteen-day cure period described above, or after any extension of the cure period mutually agreed to by the parties, the non-defaulting party may terminate this Agreement upon notice to the other party. The failure of either

Greeley or Evans to declare a default does not establish a precedent nor constitute an implied waiver of any subsequent breach of the terms and conditions in this Agreement. Any such waiver of breach must be made explicitly in writing.

10. **Jurisdiction and Venue.** This Agreement shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any dispute arising out of this Agreement is the Weld County District Court.
11. **Third Party Beneficiaries.** The terms and conditions of this Agreement, and all rights of action related thereto, are strictly reserved to Greeley and Evans. Nothing in this Agreement should be construed to allow any claim, right, or cause of action by any person or entity not a party to this Agreement. Any person or entity other than Greeley or Evans that receives a service or benefit under this Agreement is an incidental beneficiary only.
12. **Counterparts.** The parties may execute this Agreement in counterparts, each of which and the combination of which when signed by both Greeley and Evans may be deemed original and together constitute a single contract.
13. **No Integrated System.** No term or condition of this Agreement or any Exhibits thereto shall be interpreted as creating an "integrated system" within the meaning of the Colorado Primary Drinking Water Regulations, 5 C.C.R. § 1002-11. This Agreement shall not be interpreted as creating an "integrated system" as that term is used in C.R.S. § 37-92-301(4)(b).
14. **No Public Utilities Commission Control.** Each Party agrees that it shall not assert nor support any statement, policy, petition, rulemaking, or legislation that would attempt to subject Evans or Greeley to the rate-making authority or jurisdiction of the Colorado Public Utilities Commission.
15. **Severability and Waiver.** If any term or condition of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or condition of this Agreement or invalidate or render unenforceable such term or condition in any other jurisdiction. Any single failure to exercise or partial exercise of any right, remedy, power, or privilege under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
16. **Assignment.** No Party, without the prior written consent of the other Party, may assign, transfer, or delegate any or all of its rights or obligations under this Agreement. No assignment will relieve the assigning Party of any of its obligations hereunder. Any attempted assignment, transfer, or other conveyance in violation of the foregoing will be null and void. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns.

17. **Survival.** In addition to any right or obligation of the Parties in this Agreement which, by its nature, should survive termination of this Agreement, the following Sections shall also so survive: 5, 8, 9, 10, 11, 13, 14, 15, 16, and this Section 17.

IN WITNESS WHEREOF, the City of Greeley and the City of Evans have authorized and executed this Intergovernmental Agreement Concerning Water Services for Seventeen Customers on the date set forth above.

THE CITY OF GREELEY,
a Colorado home rule municipality

By: _____
City Manager

By: _____
Chairman of the Water & Sewer Board

Approved as to Legal Form:

As to Availability of Funds:

By: _____
City Attorney

By: _____
Director of Finance

Attest:

By: _____
Mayor

By: _____
City Clerk

THE CITY OF EVANS
a Colorado home rule municipality

Attest:

By: _____
Mayor

By: _____
City Clerk

Approved as to Substance:

Approved as to Legal Form:

By: _____

By: _____

City Manager

City Attorney

DRAFT

IGA concerning water services between Greeley and Evans

Water & Sewer Board

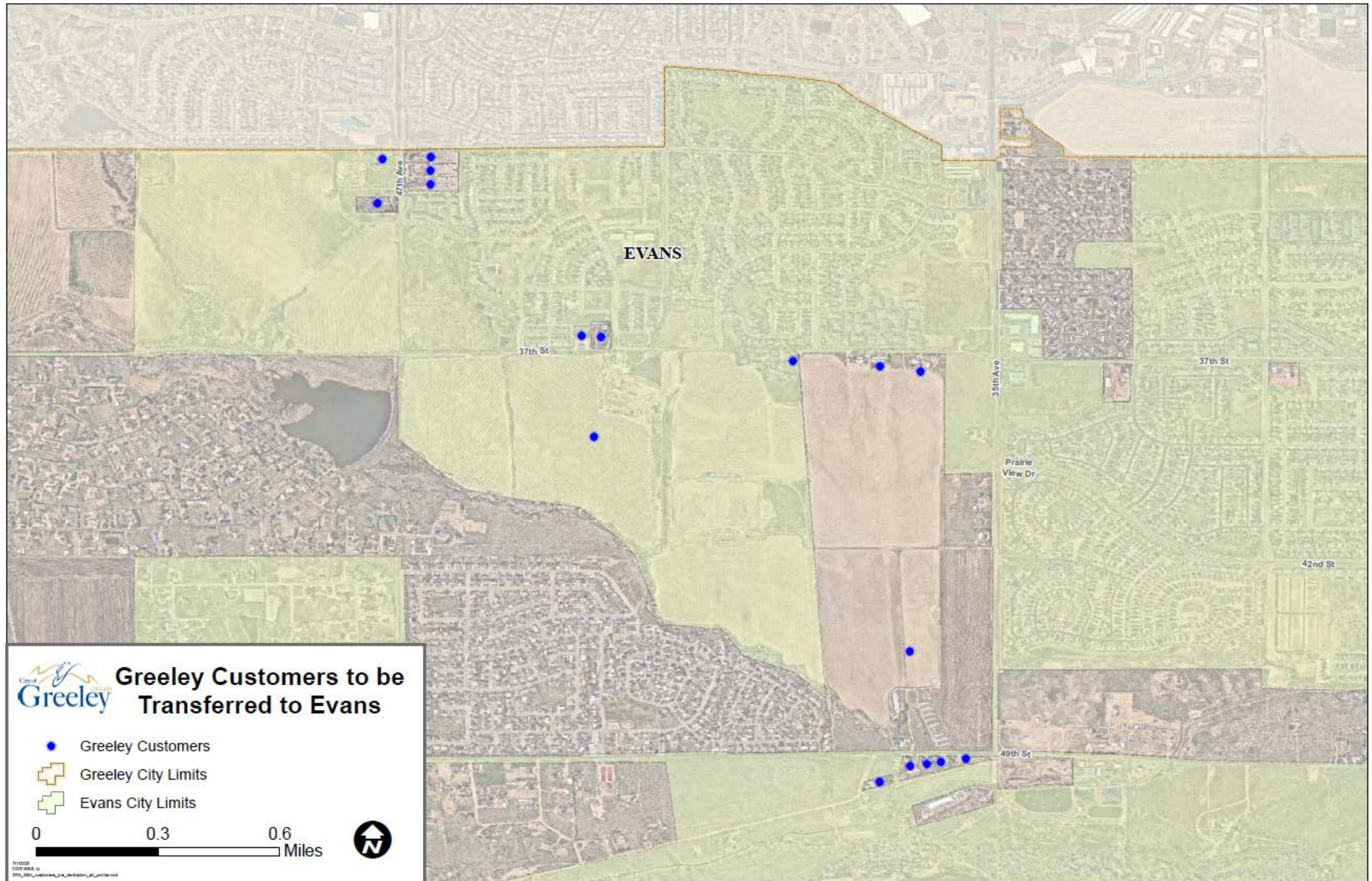
November 18, 2020



Background

- 17 customers were issued Greeley taps in the 1960's through 1990
 - 37th Street, 49th Street, and 47th Avenue
 - At the time the customers were closer to Greeley's service area than Evans
- These customers are now within Evans service area
 - 12 customers are being provided water by Evans
 - No raw water dedication has been provided to Evans





Background

- Infrastructure to service these customers is aging
- Evans is planning to replace and widen 47th Avenue where 5 of these customers are located
- Cities negotiated an agreement to connect these customers to Evans system while under construction in exchange for raw water dedication
 - Good timing to transfer other 12 customers as well



Benefit to Greeley

- No longer providing service to customers outside of our service area
- No longer responsible for the maintenance and repair
- If we kept the 47th Avenue customers it would cost \$2,400,000+
 - 20,000' of 8 inch waterline
 - Liability of maintaining and repairing infrastructure under a major roadway



IGA Terms

- Transfer these 17 customers to Evans and disconnect from Greeley's water distribution infrastructure
- Greeley to provide a raw water dedication of 9.07 acre-feet to Evans
 - 0.5 shares of GLIC (\$82,500 @ \$165,000/share)
 - 8 units of CBT (\$685,700 @ \$60,000/unit, \$85,700/AF)
 - \$768,100 value



Recommendation

APPROVE AND RECOMMEND TO COUNCIL APPROVAL OF THE INTERGOVERNMENTAL AGREEMENT, BETWEEN CITY OF GREELEY AND CITY OF EVANS, CONCERNING WATER SERVICES FOR SEVENTEEN CUSTOMERS



Questions



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 8

TITLE: APPROVE RUSCH WATER RIGHTS
PURCHASE

RECOMMENDATION: APPROVE RUSCH PURCHASE AND SALE
AGREEMENT

ADDITIONAL INFORMATION:

Staff recommends that the Water and Sewer Board approve the enclosed Purchase and Sale Agreement for water rights with THE ALEXANDER & BENITA MARIE RUSCH REVOCABLE TRUST. The Agreement contemplates Greeley's purchase of one (1) share of the Water Storage and Supply Company. A dry-up covenant, revegetation covenant, and a leaseback are included in the Purchase and Sale Agreement. The total purchase price is \$2,000,000.

PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

This PURCHASE AND SALE AGREEMENT (“Agreement”) is entered into this ____ day of November 2020 (“Effective Date”) by and between THE ALEXANDER & BENITA MARIE RUSCH REVOCABLE TRUST (“Seller”), and THE CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation, acting by and through its Water Enterprise (“Greeley”).

RECITALS

A. Seller owns that certain real property located at 41475 County Road 45 in Weld County, Colorado, which property is legally described on Exhibit A-1 and depicted on Exhibit A-2, attached hereto and incorporated herein by reference (“Land”); and

B. Seller also owns the water and water rights, ditches and ditch rights, reservoirs and reservoir rights, and all other rights and interests represented by one (1) share of capital stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. 6409 issued in the name of Seller, one (1) share of capital stock in The Lone Tree Lateral Company, evidenced by Stock Certificate No. 147, and one (1) share of capital stock in The Collins Lateral Company, evidenced by Stock Certificate No. 665, which water rights have collectively been utilized for historical irrigation of the Land (“Water Rights”); and

C. Seller desires to sell, and Greeley desires to purchase, the Water Rights; and

D. In conjunction with the conveyance of the Water Rights to Greeley, Seller is willing to encumber the Land with restrictive covenants to effect the dry-up and revegetation of the Land for the benefit of Greeley and the Water Rights;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller and Greeley agree as follows.

AGREEMENT

ARTICLE 1
DEFINITIONS

In addition to words and terms elsewhere defined in this Agreement, including the recitals above, the following words and terms used in this Agreement have the following meanings:

- 1.1 “*Agreement*” means this purchase and sale agreement.
- 1.2 “*Board*” means the City of Greeley Water and Sewer Board.
- 1.3 “*Certificates*” means the original share certificates described in Recital B above.

- 1.4 “*Closing*” means the closing of this transaction.
- 1.5 “*Closing Date*” means the date of the Closing.
- 1.6 “*Companies*” means The Water Supply and Storage Company, The Lone Tree Lateral Company, and The Collins Lateral Company collectively.
- 1.7 “*Effective Date*” means the date upon which the last party hereunder signs this Agreement in accordance with Sections 13.15 and 13.16 below, and as set forth in the caption above.
- 1.8 “*Deposit*” has the meaning given in Section 3.2.
- 1.9 “*Inspections*” has the meaning given in Section 5.1.A.
- 1.10 “*Inspection Period*” has the meaning given in Section 5.1.A.
- 1.11 “*Land*” means the real property described generally in Recital A above and more particularly on Exhibits A-1 and A-2.
- 1.12 “*Material Part*” means a portion of the Property that would have a material adverse effect on Greeley’s use of the Property as determined by Greeley in its good faith judgment.
- 1.13 “*Off-Record Documents*” has the meaning given in Section 4.1.D.
- 1.14 “*Property*” means the Water Rights and the Restrictive Covenants to burden the Land.
- 1.15 “*Purchase Price*” has the meaning given in Section 3.1.
- 1.16 “*Restrictive Covenants*” means the Restrictive Covenants–No Irrigation and Revegetation, described generally in Recital D above and substantially in the form attached hereto as Exhibit B.
- 1.17 “*Specified Sum*” has the meaning given in Section 9.4.
- 1.18 “*Title Commitment*” means a commitment for an owner’s policy of title insurance.
- 1.19 “*Title Company*” means Unified Title Company of Northern Colorado, located at 1275 58th Avenue, Unit C, Greeley, Colorado 80634.
- 1.20 “*Title Documents*” has the meaning given in Section 4.1.A.
- 1.21 “*Water Lease Agreement*” means an agreement between the parties whereby the Seller will lease back the shares conveyed to Greeley pursuant to this Agreement, substantially in the form attached hereto as Exhibit D.

1.22 “*Water Rights*” has the meaning given in Recital B above, and includes all rights, title, and interest of the Seller in and to any and all lateral ditches, easements, rights of way and entitlements appurtenant to or used in connection with the shares described above.

ARTICLE 2 PURCHASE AND SALE OF PROPERTY

2.1 Seller agrees to sell, and Greeley agrees to purchase, on the terms and conditions set forth in this Agreement, the Property.

2.2 Exclusions. There are no exclusions from the Property to be reserved by Seller.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price. The total purchase price for the Property (“Purchase Price”) is Two Million dollars (\$2,000,000.00).

3.2 Deposit and Release of Deposit. Within fourteen (14) days following the Effective Date of this Agreement, Greeley shall transfer and deposit with the Title Company Fifty Thousand dollars (\$50,000.00) as earnest money (“Deposit”). The Deposit is fully refundable to Greeley at any time prior to the expiration of the Inspection Period if Greeley is not satisfied with the Property, and is subject to return to Greeley either prior to or after the expiration of the Inspection Period upon termination of this Agreement pursuant to Section 5.2, Section 6.1, Section 9.3 and 10 below. The Deposit shall be deducted from the Purchase Price at Closing as provided in Section 3.3 below.

3.3 Closing. Greeley shall pay by cashier's check, wire transfer or other funds immediately available to the Title Company at Closing the Purchase Price (i) minus the Deposit; (ii) plus any other amounts reasonably required to be paid by Greeley at Closing; and (iii) plus or minus any other necessary adjustments mutually agreed upon by Seller and Greeley.

ARTICLE 4 TITLE

4.1 Within fourteen (14) days after the Effective Date of this Agreement, Seller shall provide the following to Greeley for review:

A. A commitment for an owner's policy of title insurance (“Title Commitment”) issued by the Title Company covering the Land in the amount of the Purchase Price, with such Title Commitment setting forth the status of title to the Land and showing the Title Company's search results for all recorded liens, claims, encumbrances, easements, rights of way, encroachments, reservations, restrictions and other matters of record affecting title to the Land (the copies of all recorded documents in the Title Commitment are collectively referred to as “Title Documents”).

B. A fully executed historical consumptive use affidavit and questionnaire, substantially in the form attached hereto as Exhibit C.

C. To the extent the same exist, true and correct copies of all documents related to the Water Rights in the possession of the Companies, including but not limited to, delivery records and share traces. Seller agrees that such documents, including but not limited to the share traces, are a necessary component of Greeley's inspection activities. If the Companies provide such documents less than seven (7) days before expiration of the Inspection Period, then the Inspection Period shall be automatically extended for an additional fourteen (14) days.

D. To the extent the same exist, true and correct copies of all of the following materials, if in the possession of Seller or reasonably obtainable by Seller: (i) documents that relate to the title, use, quantity, quality and condition of the Water Rights, including, but not limited to, any deeds or other conveyances, assignments, permits, adjudications or court orders, any testing reports, and any records maintained by Seller; (ii) contracts or other agreements relating to the development, operation, maintenance or leasing or otherwise affecting the Water Rights and/or Land; and (iii) any engineering, investigation or inspection document or reports related to the Water Rights and/or Land, (collectively referred to as "Off-Record Documents").

4.2 Condition and Vesting of Title. Seller shall convey the Water Rights to Greeley, free and clear of all liens and encumbrances, by a special warranty deed substantially in the form attached hereto as Exhibit E.

4.3 Title Insurance. The purpose of the Title Commitment is to enable Greeley to conduct the title review described in Article 5 below, and said Title Commitment shall be updated as necessary up to the Closing. Neither Seller nor Greeley shall have any obligation under this Agreement to purchase a title insurance policy after Closing.

ARTICLE 5 INSPECTION PERIOD

5.1 Inspections.

A. Inspection Period; Right to Inspect. During the period of time commencing upon the Effective Date and continuing until 4:00 p.m. Mountain Time sixty-three (63) days after the Effective Date ("Inspection Period"), Greeley and its authorized agents, representatives and consultants shall be entitled to: (i) enter upon the Land at all reasonable times, to perform such tests or inspections, as Greeley deems desirable, to allow Greeley to evaluate the Water Rights and the condition and use of the Property; (ii) contact and interview the managers, members, employees and agents of Seller to assist Greeley in determining the historical use of the Water Rights; (iii) contact the officers, directors, attorneys, and shareholders of The Water Supply and Storage Company ("WSSC") to inspect any WSSC records and/or determine under what conditions WSSC will approve a change in the place of delivery or use, or the point of diversion, of the Water Rights and other WSSC shares obtained or to be obtained by Greeley, pursuant to the bylaws of The Water Supply and Storage Company or other applicable law (collectively "Inspections"). Seller agrees to facilitate such Inspections, but Greeley shall bear all costs of the Inspections. Seller agrees to cooperate with any such Inspections made by or at Greeley's direction, so long as such cooperation does not cause Seller any material expense.

B. Conditions of Access. Greeley and its authorized agents, representatives and consultants (i) shall not unreasonably interfere with the operation and maintenance of the Land; (ii) shall comply with all reasonable requirements imposed upon them in connection with such inspection by Seller; (iii) shall not injure or otherwise cause bodily harm to Seller, their agents, contractors or employees; (iv) shall promptly pay when due the costs of all Inspections done with regard to the Property; (v) shall not permit any liens to attach to the Land by reason of the exercise of its rights hereunder; and (vi) shall restore the Land as nearly as practicable to substantially the same condition in which the Land was found before any such Inspections were undertaken. Notwithstanding anything in this Agreement to the contrary, Greeley shall not be permitted to perform any invasive tests on the Land without Seller's prior written consent, which consent may be withheld in Seller's sole discretion.

5.2 Objections. If during the Inspection Period, Greeley, for any reason, in Greeley's sole discretion, judgment and opinion, disapproves or is dissatisfied with any aspect of the Property or its Inspections relating thereto, Greeley shall be entitled to terminate this Agreement by giving written notice to Seller on or before the expiration of the Inspection Period, whereupon the Deposit shall be returned to Greeley and all provisions of this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall terminate. If Greeley does not provide written notice to the Seller prior to the expiration of the Inspection Period, the Deposit shall not be refunded to Greeley if, for any reason other than as a result of a default by Seller or a circumstance otherwise explicitly contemplated herein, the Closing of this transaction does not occur.

ARTICLE 6 CLOSING

CLOSING CONTINGENCIES; CLOSING

6.1 Closing Contingencies; Governing Body Approval. The obligations of Greeley under this Agreement, including, without limitation, the obligation to purchase the Property, are expressly subject to approval of this Agreement by the City of Greeley Water and Sewer Board ("Board") and the sufficient appropriation of funds by the Greeley City Council for the purchase of the Property. In the event that the Board has not approved this Agreement within fifteen (15) days after expiration of the Inspection Period, then, in such event, upon written notice by Greeley to Seller, this Agreement shall terminate, whereupon the Deposit shall be returned to Greeley and neither party shall have any further obligation to the other except for those obligations which, by their nature, are intended to survive the termination of this Agreement.

6.2 Closing. The Closing shall occur at 1:30 p.m. at the Title Company, fourteen (14) days after the expiration of the Inspection Period, unless Greeley and Seller mutually agree to another date in writing.

6.3 Transactions at Closing.

A. On or before the Closing Date, Seller shall deliver or cause to be delivered to the Title Company, acting as escrow agent, the following documents duly executed and acknowledged where appropriate:

(1) A special warranty deed conveying the Water Rights free and clear of all liens and encumbrances, substantially in the form attached hereto as Exhibit E.

(2) The original Certificate.

(3) A stock assignment transferring ownership of the Certificate and the Water Rights, substantially in the form attached hereto as Exhibit F.

(4) The Restrictive Covenants, substantially in the form attached hereto as Exhibit B.

(5) A certificate of non-foreign status pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, together with any other certificates required pursuant to Colorado law.

(6) A statement of authority designating the persons authorized to execute the special warranty deed, stock assignments and all other necessary documents on behalf of the Seller.

(7) A certificate as to Taxpayer Identification Number as required by law.

(8) The Water Lease Agreement.

(9) A closing statement executed by Seller.

(10) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transaction contemplated herein.

B. On or before the Closing Date, Greeley shall deliver to the Title Company, acting as escrow agent, the following:

(1) The Purchase Price, subject to credits and adjustments as herein provided, and such additional sums as are necessary to pay Greeley's share of closing costs, prorations and any fees as more particularly set forth herein.

(2) Documentation in such form as may be satisfactory to Seller and the Title Company, evidencing Greeley's full authority and capacity to purchase the Property.

(3) The Water Lease Agreement.

(4) A closing statement executed by Greeley.

(5) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transaction contemplated herein.

ARTICLE 7
PRORATIONS; CLOSING COSTS

7.1 Ditch Assessments. Seller agrees to fully pay and continue to pay any and all assessments, including special assessments, levied by the Company associated with and accruing to the Certificates and Water Rights up to and including the Closing Date. At Closing, Greeley agrees to assume any such future obligations for assessments incurred after the Closing Date.

7.2 Closing Costs. Greeley shall pay for the cost to record of the deed and Restrictive Covenants, as well as any water stock transfer fees and one-half (1/2) of the Title Company closing costs. Seller shall pay the other one-half (1/2) of the Title Company closing costs. Each party shall pay its own attorneys' fees.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 Seller represents and warrants to Greeley as follows:

A. Ownership and Encumbrances. Seller is now and will remain, until the conclusion of the Closing, the lawful owner of the Water Rights. To the best of Seller's knowledge, the Water Rights are free of any liens, encumbrances and third party claims except those of Greeley. From the Effective Date of this Agreement until the Closing, Seller shall not encumber the Water Rights or any interest in any way nor grant any property or contract right relating to the Property or any other interests without the prior written consent of Greeley.

B. Litigation. To Seller's current actual knowledge, there is no dispute, action or litigation pending or threatened respecting the ownership or use of the Water Rights or other interests related thereto.

C. Contracts, Leases and Agreements. From the Effective Date of this Agreement until the Closing, unless accepted by Greeley in writing, Seller shall not enter into any contracts, leases, licenses, commitments or undertakings respecting the use or maintenance of the Water Rights by which Greeley would be obligated or liable to any third party.

D. Status. Seller has all requisite legal power and authority to own and convey the Property and to perform all of the terms of this Agreement.

E. No Abandonment. The Water Rights have not been abandoned by Seller.

F. Compliance with Law. To the best of Seller's current actual knowledge, Seller has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to the Water Rights, and to Seller's current actual knowledge there is no proposed order, judgment, decree, governmental taking or other proceeding applicable to Seller which might adversely affect the Water Rights.

Seller shall provide Greeley with a written certification at Closing confirming that the foregoing representations are true and correct as of the Closing Date.

8.2 Water Rights Adjudication. The Parties acknowledge and agree that a change of Water Rights and/or other water rights adjudications may be necessary to allow Greeley's use of the Property for its intended purpose. Unless this Agreement is terminated pursuant to the provisions herein, Seller agrees that it shall not oppose, but shall cooperate with Greeley, in any actions Greeley files in Water Court or administrative or other proceedings for approval of the use of the Water Rights as part of an application for new water rights (including direct flow or storage rights), changes of water rights, exchanges or plans for augmentation or substitution or in connection with the Water Rights. Seller shall not be required to file briefs in support of Greeley's application or take any affirmative action other than to appear and testify honestly about the Water Rights and provide any documentation of use or other relevant historical use information. The terms and provisions set forth in this Section 8.2. and the covenants and obligations arising therefrom shall survive the Closing and shall not be deemed merged into the closing documents.

ARTICLE 9 CONDITIONS TO CLOSING; REMEDIES

9.1 Seller's Conditions. The obligation of Seller to sell and convey the Property under this Agreement is subject to the satisfaction of the following conditions precedent or conditions concurrent (the satisfaction of which may be waived only in writing by Seller):

- A. Delivery and execution by Greeley of all monies, items, and other instruments required to be delivered by Greeley to the Closing.
- B. All of the actions by Greeley required by this Agreement shall have been completed.
- C. There shall be no uncured default by Greeley of any of their obligations under this Agreement.

9.2 Greeley's Conditions. The obligation of Greeley to acquire the Property under this Agreement is subject to the satisfaction of the following conditions precedent or conditions concurrent (the satisfaction of which may be waived only in writing by Greeley):

- A. The appropriation of funds by the Greeley City Council for the Purchase Price.
- B. Satisfaction of the closing contingencies under Section 6.1.
- C. Delivery and execution by Seller of all items and other instruments required to be delivered by Seller to the Closing.
- D. All of the actions by Seller contemplated by this Agreement shall have been taken.
- E. There shall be no uncured default by Seller of any of its obligations under this Agreement.

F. The representations and warranties made by Seller as specifically set forth herein shall be true and correct as of the Closing Date. No such representations or warranties shall be deemed waived in the event Greeley shall elect to close pursuant to Section 9.3(A)(3) below.

9.3 Failure of Condition.

A. Except as set forth in Section 9.3(B) below, in the event of a failure of any condition contained in Section 9.2, Greeley may in its sole discretion:

(1) Terminate this Agreement by notice to Seller, in which event: (a) all funds deposited by Greeley under this Agreement as of such date shall be immediately returned to Greeley; and (b) all documents deposited by Greeley or delivered to Seller by Greeley shall be immediately returned to Greeley, and all documents deposited by Seller or delivered to Greeley by Seller shall be immediately returned to Seller; or

(2) Greeley may waive such default or condition and close the transaction; or

(3) If the failure of condition consists of a default by Seller which can be cured by action within the reasonable control of Seller, Greeley may elect to treat this Agreement as being in full force and effect and Greeley shall have the right to specific performance, damages, or both.

B. In the event of a failure of any condition contained in Section 9.1 above, Seller may in its sole discretion:

(1) Terminate this Agreement by notice to Greeley, in which event Seller shall retain the Deposit as liquidated damages and all documents deposited by Greeley or delivered to Seller by Greeley shall be immediately returned to Greeley, and all documents deposited by Seller or delivered to Greeley by Seller shall be immediately returned to Seller; or

(2) Seller may waive such default or condition and close the transaction.

C. The Seller hereby waives any rights it may have to specific performance in the event of a default by Greeley. Except for the giving of notices or the delivery of the Deposit or the Purchase Price, time being of the essence, neither Party shall be deemed in default hereunder unless such Party fails to cure such default within seven (7) days of written notice of default from the other Party.

9.4 Liquidated Damages. If Greeley defaults in any of its obligations under this Agreement, Seller shall be entitled to terminate this Agreement and retain the amount of the Deposit described in Section 3.2 ("Specified Sum") as liquidated damages. SELLER AND GREELEY ACKNOWLEDGE THAT THE SELLER'S DAMAGES WOULD BE DIFFICULT TO DETERMINE AND THAT THE SPECIFIED SUM IS A REASONABLE ESTIMATE OF THE SELLER'S DAMAGES.

ARTICLE 10
CONDEMNATION

If prior to Closing all or a Material Part of the Property and/or Land is subject to a proposed taking by any public authority, Seller shall promptly notify Greeley of such proposed taking and Greeley may terminate this Agreement by notice to Seller within fourteen (14) days after written notice thereof. If Greeley so elects, and following the return to Greeley of the Deposit, this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall be of no further force and effect. If Greeley does not terminate this Agreement, or if the taking is as to a non-Material Part of the Property, Greeley shall accept title to the Property subject to the taking without a reduction in the Purchase Price and shall receive at Closing an assignment of all of Seller's rights to any condemnation award and Greeley shall have the sole right after the Closing to negotiate and otherwise deal with the condemning authority in respect of such matter. A Material Part of the Property for purposes of this Article 10 shall mean a portion that would have a material adverse effect on Greeley's use of the Property as determined by Greeley in its good faith judgment.

ARTICLE 11
BROKERAGE

Seller and Greeley hereby warrant to each other that there are no real estate agents or other brokers or finders involved in this transaction who are entitled to receive a brokerage or finder's fee. Seller agrees to indemnify Greeley and hold Greeley harmless from any loss, liability, damage, cost or expense (including, without limitation, reasonable attorneys' fees) paid or incurred by Greeley by reason of any claim to any broker's, finder's or other fee in connection with this transaction by any third party claiming by, through or under Seller, excluding, however, any party claiming through Greeley, its successors or assigns. This obligation shall survive the Closing of this transaction.

ARTICLE 12
NOTICES

Any notice or other communication given by either of the Parties hereto to another relating to this Agreement shall be in writing and shall be deemed duly given by delivery to the respective addresses provided below, or such other address if changed by the recipient by notice consistent with this Article: (i) on the date and at the time of delivery if delivered personally to the Party to whom notice is given at such address; or (ii) on the date and at the time of delivery or refusal of acceptance of delivery if delivered or attempted to be delivered by an overnight courier service to the Party to whom notice is given at such address; or (iii) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first-class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed to such address; or (iv) if an e-mail address is specified, on the date and at the time shown on the e-mail message if sent to the e-mail address specified below, with no bounce-back received within three (3) days:

If to Seller:

Alec R. Rusch
14860 Xenia Street
Thornton, Colorado 80602
Telephone: (303) 710-0734
Email: aroadd@outlook.com

Janet Gardner
2860 W. 119th Avenue
Westminster, Colorado 80234
Telephone: (303) 621-5259
Email: GardnerJan2860@gmail.com

Michael Rusch
41475 CR 45
Ault, Colorado 80610
Telephone: (970) 652-4236

If to Greeley:

City of Greeley Water and Sewer Department
Attention: Water Resources Division
1001 11th Avenue, 2nd Floor
Greeley, Colorado 80631
Telephone: (970) 350-9811
Email: cole.gustafson@greeleygov.com

With a copy to:

City of Greeley City Attorney's Office
Attention: Environmental and Water Resources Practice Group
1100 10th Street, Suite 401
Greeley, Colorado 80631
Telephone: (970) 381-7408
Email: daniel.biwer@greeleygov.com

ARTICLE 13
MISCELLANEOUS

13.1 No Waiver of Governmental Immunity/No Third Party Beneficiary. This Agreement shall not create any duty of care or liability with respect to any person or entity not a party to this Agreement, or waive any of the privileges or immunities Greeley or its officers, employees, successors and assigns may present pursuant to law, including, but not limited to, the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*, as amended.

13.2 Time. Time is of the essence as to each provision of this Agreement and the performance of each Party's obligations hereunder, except as explicitly provided to contrary.

13.3 Attorneys' Fees. If any legal action, arbitration, or other proceeding is commenced to enforce or interpret any provision of this Agreement or to enforce any indemnity, the prevailing party shall be awarded its attorneys' fees and expenses, in addition to any other relief granted. The phrase "prevailing party" shall include a party who receives substantially the relief desired whether by dismissal, summary judgment, judgment or otherwise. This provision shall survive the termination of this Agreement.

13.4 No Waiver. No waiver by any Party of the performance or satisfaction of any covenant or condition shall be valid unless in writing and shall not be considered to be a waiver by such Party of any other covenant or condition hereunder.

13.5 Entire Agreement. This Agreement contains the entire agreement among the Parties regarding the Property and supersedes all prior agreements, whether written or oral, among the Parties regarding the same subject, excluding only the closing documents executed in connection therewith. This Agreement may only be modified by mutual written agreement duly authorized and executed by the parties.

13.6 Survival of Representations and Warranties. All representations, obligations, liabilities, warranties, covenants, agreements and monetary obligations of Seller and Greeley as set forth in this Agreement shall survive the Closing and consummation of this transaction contemplated by this Agreement until the complete discharge thereof. All warranties of title set forth in any deed or assignment delivered or made hereunder shall survive without limit.

13.7 Successors. Subject to Section 13.8, this Agreement shall bind and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

13.8 Assignment. This Agreement is not assignable by Seller or Greeley without first obtaining the prior written approval of the other Party. No assignment shall relieve either of the Parties from its respective obligations hereunder if such obligations are not properly discharged by the assignee of such Party.

13.9 Relationship of the Parties. The Parties acknowledge that neither Party is an agent for the other Party, and that neither Party shall or can bind or enter into agreements for the other Party.

13.10 Governing Law and Construction. This Agreement and the legal relations between the Parties hereto shall be governed by and construed in accordance with the laws of the State of Colorado. The Parties hereby agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

13.11 Possession. Seller shall deliver to Greeley possession of the Property, subject to the Permitted Exceptions on the Closing Date, upon release from escrow of all items to be delivered by Greeley to the Closing, including, without limitation, the Purchase Price.

13.12 Review by Counsel. The Parties acknowledge that each Party and its legal counsel have reviewed and approved this Agreement.

13.13 Calendar Days. In the event any time period set forth in this Agreement commences, expires or is determined from a date which falls on a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day, the date of such commencement, performance, expiration or determination shall automatically be extended to the next business day which is not a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day.

13.14 Counterparts. This Agreement may be executed in any number of counterparts each of which, when taken together, shall constitute one agreement. This Agreement shall only be effective when counterparts are signed by both Seller and Greeley.

13.15 Water and Sewer Board Approval Required. GREELEY'S OBLIGATIONS UNDER THIS AGREEMENT ARE EXPRESSLY CONTINGENT UPON THE APPROVAL OF THIS AGREEMENT BY THE GREELEY WATER AND SEWER BOARD.

13.16 Acceptance. Upon execution and delivery of this Agreement by Seller and Greeley, after approval by the Board, this Agreement shall constitute an contract to purchase the Property on the terms and conditions set forth herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set opposite their respective signatures below.

SELLER
The Alexander & Benita Marie Revocable Trust

By: _____

Alec Rusch

Date: _____

By: _____

Janet Gardner

Date: _____

By: _____

Michael Rusch

Date: _____

13.12 Review by Counsel. The Parties acknowledge that each Party and its legal counsel have reviewed and approved this Agreement.

13.13 Calendar Days. In the event any time period set forth in this Agreement commences, expires or is determined from a date which falls on a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day, the date of such commencement, performance, expiration or determination shall automatically be extended to the next business day which is not a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day.

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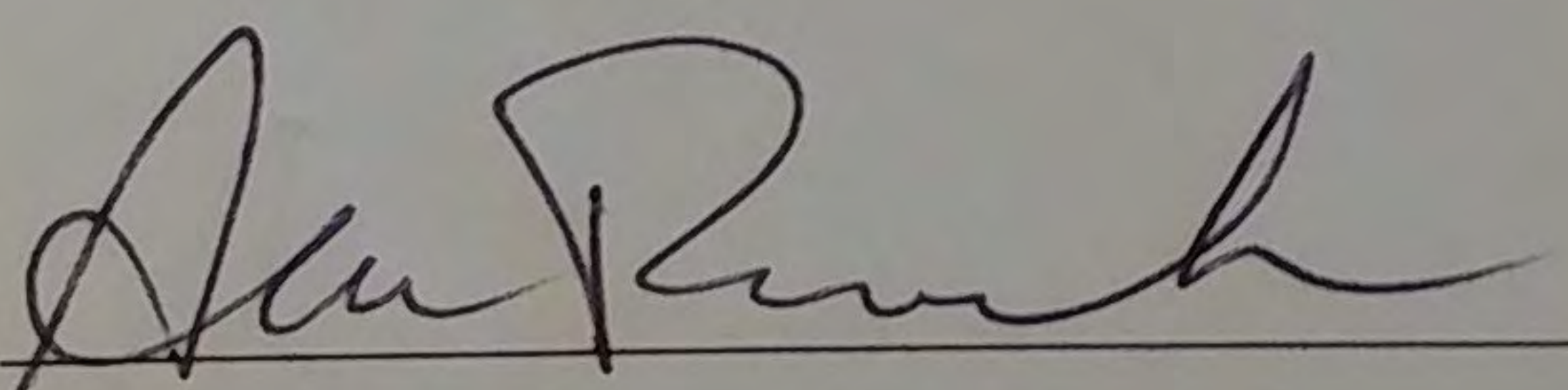
13.15 Water and Sewer Board Approval Required. GREELEY'S OBLIGATIONS UNDER THIS AGREEMENT ARE EXPRESSLY CONTINGENT UPON THE APPROVAL OF THIS AGREEMENT BY THE GREELEY WATER AND SEWER BOARD.

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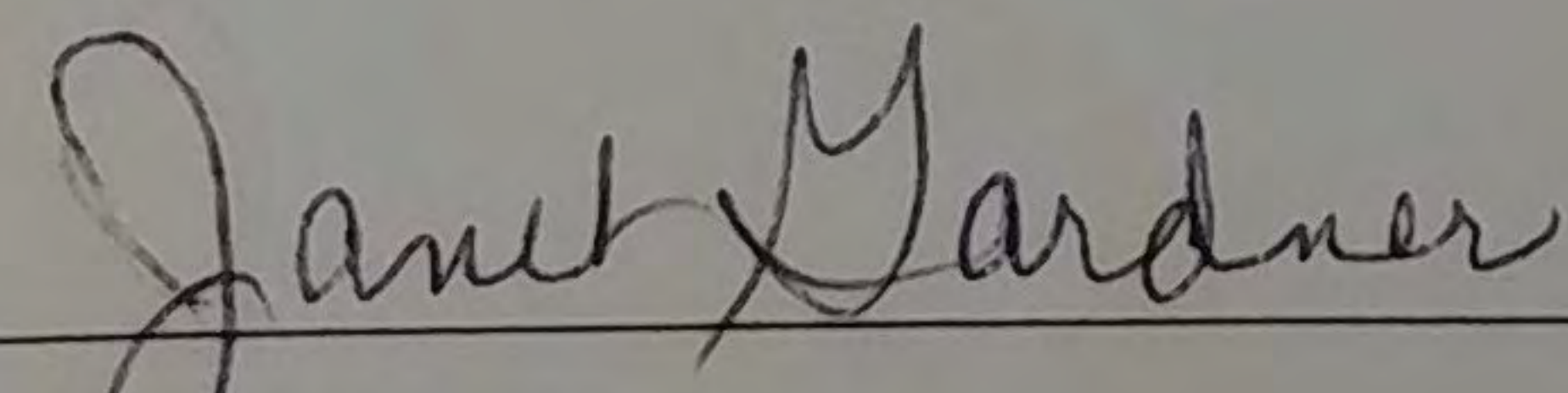
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set opposite their respective signatures below.

SELLER

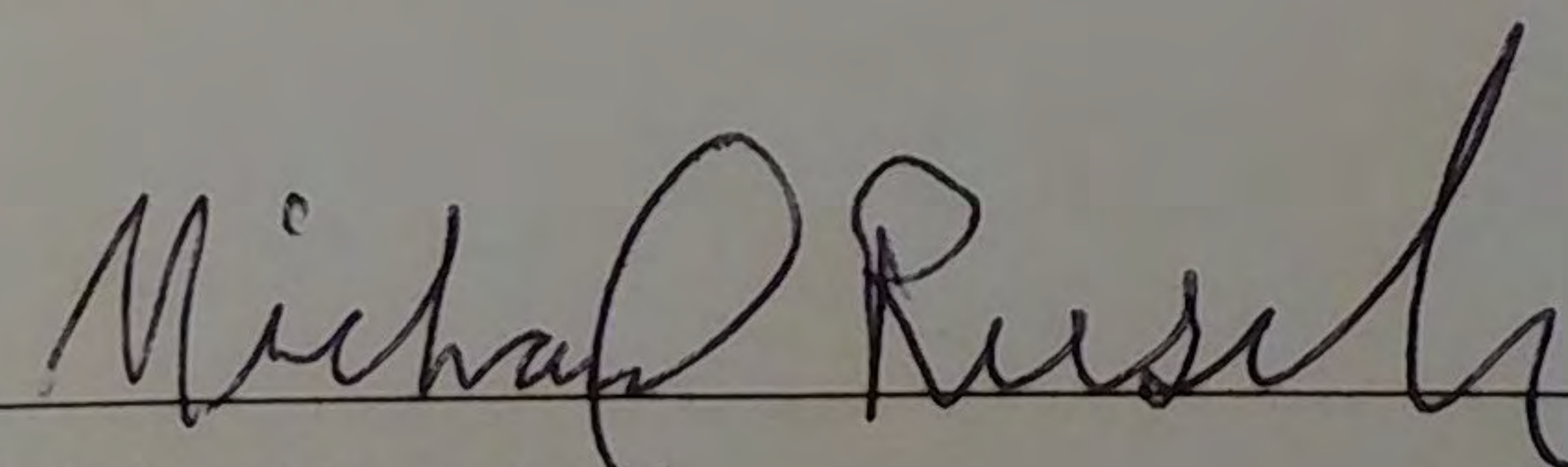
The Alexander & Benita Marie Revocable Trust

By: 
Alec Rusch

Date: 11-11-2020

By: 
Janet Gardner

Date: 11/10/2020

By: 
Michael Rusch

Date: 11/11/2020

**CITY OF GREELEY, COLORADO,
a Colorado home rule municipal corporation,
acting by and through its Water Enterprise**

By: _____
City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
City Attorney

AS TO AVAILABILITY OF FUNDS:

By: _____
Director of Finance

EXHIBIT A-1
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

Lot B of Recorded Exemption No.0709-03-4-RE444 recorded April 3, 1980 in Book 899 as Reception No. 1821317, Weld County Records, being a part of the SE ¼ of Section 3, Township 7 North, Range 65 West of the 6th P.M., excepting therefrom a one-acre parcel located in the Northeast Corner of said Southeast Quarter

EXHIBIT A-2
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Farm)

(See Attached Depiction of the Land)

EXHIBIT B
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

(See attached Restrictive Covenants – No Irrigation and Revegetation)

FORM DO NOT EXECUTE

RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, and in order to provide the City of Greeley, a Colorado home rule municipal corporation ("Greeley"), with the maximum benefit available from the present and future use of water pursuant to the water rights acquired or to be acquired by Greeley and described in Exhibit 1 attached hereto and made a part hereof ("Water Rights"), THE ALEXANDER & BENITA MARIE RUSCH REVOCABLE TRUST ("Declarant"), agrees, warrants and covenants, and the undersigned leaseholder and lienholder, if any, acknowledge and approve, on Declarant's own behalf and on behalf of all successors in interest, that upon notice from Greeley, Declarant shall cease irrigation on the lands owned by Declarant and described in Exhibit 2 attached hereto and made a part hereof ("Land").

Upon receipt of one hundred and eighty (180) days prior written notice from Greeley, thereafter Declarant and Declarant's successor in interest shall not irrigate the Land. These covenants shall not prohibit Declarant or Declarant's successor in interest from irrigating the Land (i) with other water rights which may in the future be transferred to such lands and judicially approved for such use through an appropriate Water Court proceeding, and in accordance with any future water rights applications filed by the City or a successor in interest to the Water Rights; (ii) with water from an existing well or wells to be constructed in the future which are authorized to pump pursuant to a Water Court-approved plan for augmentation; (iii) with water which is not tributary to the South Platte River or any of its tributaries; (iv) or with treated potable water supplied by a municipal or quasi-municipal government water provider ("Alternate Water Rights").

Unless so irrigated, then within two and one half (2½) years from the date Declarant ceases to irrigate the Land or any portion thereof with Alternate Water Rights, Declarant or Declarant's successors in interest shall establish, at Declarant's or Declarant's successors in interest's expense, a ground cover of plant life, as such is defined in C.R.S. §37-92-103(10.5), on the previously irrigated portions of the Land to satisfy any applicable revegetation and noxious weed management provisions as may be required in a final decree obtained by Greeley, or a successor in interest to the Water Rights, from the District Court for Water Division No. 1, State of Colorado, or a successor court, changing certain water rights from agricultural irrigation purposes to other beneficial purposes, pursuant to C.R.S. §37-92-305(4.5). Previously irrigated portions of the Land means portions of the Land not occupied by roads, buildings, or other structures, which land was cultivated with crops in accordance with these covenants. Declarant, or Declarant's successors in interest, shall provide notice to Greeley when such revegetation of the Land has been established. Declarant agrees the Land subject to these covenants shall not be planted with crops that are capable of extending roots into the underlying groundwater, including, but not limited to, alfalfa.

Witness my hand and official seal.

Notary Public

My commission expires: _____

EXHIBIT 1
RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)
(Description of the Water Rights)

All water and water rights, ditches and ditch rights, reservoirs and reservoir rights, and all other rights and interests represented by one (1) share of capital stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. 6409, one (1) share of capital stock in The Lone Tree Lateral Company, evidenced by Stock Certificate No. 147, and one (1) share of capital stock in The Collins Lateral Company, evidenced by Stock Certificate No. 665.

EXHIBIT 2
RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)
(Description of the Land)

Lot B of Recorded Exemption No.0709-03-4-RE444 recorded April 3, 1980 in Book 899 as Reception No. 1821317, Weld County Records, being a part of the SE ¼ of Section 3, Township 7 North, Range 65 West of the 6th P.M., excepting therefrom a one-acre parcel located in the Northeast Corner of said Southeast Quarter

EXHIBIT C
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

(See attached Historical Use Affidavit and Questionnaire)

The foregoing Affidavit of Historical Use of Water Rights was acknowledged before me
this _____ day of _____, 20__ by _____.

Witness my hand and official seal.

Notary Public

My commission expires: _____

QUESTIONNAIRE REGARDING USE OF WATER SHARES

The person completing this questionnaire must have personal knowledge of the information provided

1. Name: _____
Mailing Address: _____

Telephone: _____
Facsimile: _____
Email Address: _____

2. The information provided below pertains to _____ shares of the _____ Company, represented by Certificate No. _____ (hereinafter "Shares").

- Did you use the Shares pursuant to a Lease Agreement? _____
- Date of the Lease: _____
- Name of Lessee (if different from above): _____
- Name of Lessor: _____

3. The information in this questionnaire relates to my use of the Shares from _____ to _____ ("Ownership Period").

4. Do you still own the farm or parcel irrigated by these Shares? _____

5. Was your use of the Shares during the Ownership Period consistent with the bylaws, rules, regulations, and policies of the ditch company? _____

6. What is the legal description of the farm or parcel on which these Shares were used?

7. What is the total size of the farm or parcel? _____ acres.

8. What is the size of the area(s) on the farm or parcel that was irrigated? _____ acres.

9. What is the size of the area(s) on the farm or parcel that was irrigated using water from the Shares? _____ acres.

10. Please provide the following information regarding how the water from these Shares is delivered:

- Location and ID Number of the head gate at the main ditch: _____
_____.

- Name and general location of any lateral(s) delivering the water to the land historically irrigated:_____.
- Identification of any carrier or lateral ditch stock required to deliver these rights:_____.
- Approximate location of pumps, if used: _____.
- Approximate location and size of storage ponds or reservoirs, including tail water ponds, if used: _____.
- How was water applied during the Ownership Period? Sprinkler ____ Furrow ____ Flood ____
- Other/Combination (Describe): _____.

11. During the Ownership Period, did you divert and irrigate with all water available under the Shares?_____. If no, please explain the reason why all water was not taken, approximately how much was not taken, and for how long: _____

 _____.

12. Other than the Shares, was any other water (including other shares that are in the same Company as the Shares that are the subject of this questionnaire) used to irrigate the farm or parcel on which the Shares are/were used during the Ownership Period? If so, please provide the following information.

- Number of shares: _____
- Ditch Company: _____
- Number of any Irrigation Wells: _____
- Identification and Permit No. of any Irrigation Wells: _____
 _____.
- Capacity of Irrigation Wells: _____
- Approximate location of Irrigation Wells: _____
 _____.
- Any other water used: _____

13. Describe how the water has been used, including the estimated percentage of the total irrigation supply provided by such water:_____

_____.

14. During the Period of Ownership, what crops were grown on the land irrigated by the Shares?

1. Crop: _____ Percentage: _____ Location: _____

2. Crop: _____ Percentage: _____ Location: _____
3. Crop: _____ Percentage: _____ Location: _____
4. Crop: _____ Percentage: _____ Location: _____
5. Crop: _____ Percentage: _____ Location: _____
6. Crop: _____ Percentage: _____ Location: _____

15. Were the lands on which the Shares were used subirrigated? Yes _____ No _____

16. If possible, please provide a map, sketch, or aerial photograph showing locations of
(*check if included*):

_____ Farm or Parcel
_____ Areas irrigated by the Shares during the Lease Year
_____ Areas irrigated with other water
_____ Lateral ditches, wells, pumps, pipelines, storage reservoirs, or tail water
ponds

I understand that I may be required to sign an affidavit attesting to the accuracy, to the
best of my knowledge, of the information provided herein.

Signature: _____ Date: _____

EXHIBIT D
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

(See attached Water Lease Agreement)

FORM DO NOT EXECUTE

IRRIGATION WATER LEASE AGREEMENT

This IRRIGATION WATER LEASE AGREEMENT ("Agreement") is entered into this ____ day of _____ 2021, by and between the CITY OF GREELEY, a Colorado home rule municipal corporation acting by and through its Water Enterprise, whose address is 1001 11th Avenue, Second Floor, Greeley, Colorado 80631 ("Greeley"), and _____, whose address is _____ ("Lessee").

RECITALS

WHEREAS, the Greeley owns those certain water rights represented by one (1) share of capital stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. [____], one (1) share of capital stock in The Lone Tree Lateral Company, evidenced by Stock Certificate No. [____], and one (1) share of capital stock in The Collins Lateral Company, evidenced by Stock Certificate No. [____]. ("Water Rights"); and

WHEREAS, the Lessee desires to lease the Water Rights from the Greeley for agricultural irrigation on a parcel of real property consisting of approximately 70 acres located at 41475 County Road 45 in Weld County, Colorado, and more particularly described as Lot B of Recorded Exemption No.0709-03-4-RE444 recorded April 3, 1980 in Book 899 as Reception No. 1821317, Weld County Records, being a part of the SE ¼ of Section 3, Township 7 North, Range 65 West of the 6th P.M., excepting therefrom a one-acre parcel located in the Northeast Corner of said Southeast Quarter ("Property"); and

WHEREAS, the Greeley is willing to lease the Water Rights to the Lessee for agricultural irrigation on the Property;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Greeley and Lessee agree as follows.

AGREEMENT

1. Water Rights Lease. The Greeley hereby leases to the Lessee, and the Lessee hereby leases from the Greeley, the above-described Water Rights for the purpose of agricultural irrigation on the Property.

2. Term of Lease. The term of this Agreement begins on the date of mutual execution and ends after a period of ten (10) years ("Initial Term"). At the end of this Initial Term, this Agreement shall renew automatically on an annual basis for five (5) subsequent terms of one (1) year each. ("Renewal Terms"), unless Greeley or Lessee transmits written notice of nonrenewal on or before November 1 of the preceding calendar year. Greeley may terminate this Agreement during the Initial Term, prior to any irrigation season, by delivering advance written notice to

Lessee on or before November 1 of the preceding calendar year, if Greeley determines in its sole discretion that the Water Rights are needed for any municipal purpose, or if Greeley is required to cease irrigation with the Water Rights by the terms and conditions of a water court decree. Lessee may also terminate this Agreement during the Initial Term, prior to any irrigation season, by delivering advance written notice to Greeley on or before November 1 of the preceding calendar year. Additionally, refer to Section 12 for provisions relating to termination for cause.

3. Annual Lease Amount and Administrative Fee. The Lessee shall pay to Greeley an Annual Lease Amount equal to all assessments, charges, and other expenses due and attributable to the Water Rights paid by Greeley to The Water Supply and Storage Company. The Annual Lease Amount shall not be reduced to reflect rebates or other credits attributable to leasing transmountain return flows associated with the Water Rights. Lessee shall also pay to Greeley an Annual Administrative Fee equal to ten percent (10%) of that year's Annual Lease Amount, provided, however, that the Annual Administrative Fee shall not exceed five-hundred dollars (\$500.00). Greeley will provide an invoice of the Annual Lease Amount and Annual Administrative Fee to the Lessee, and Lessee shall deliver payment of that total amount to Greeley no later than (i) May 15 of the then current irrigation year, or (ii) within fifteen days of receipt of such invoice from Greeley. The Lessee shall also remit to Greeley an additional charge equal to fifteen percent of the Annual Lease Amount for every thirty days that payment required under this Agreement is late.

4. Use of Water Rights. Lessee shall use the water delivered pursuant to the Water Rights only for agricultural irrigation on the Property. Lessee shall not use the Water Rights for any other uses. Lessee shall not use the water delivered pursuant to the Water Rights on any land other than the Property. Lessee shall use the Water Rights in accordance with all rules, regulations, bylaws and policies of The Water Supply and Storage Company. Lessee shall comply with Title 14 of the Greeley Municipal Code, and all rules, regulations, and laws of the State of Colorado pertaining to use of the Water Rights. Lessee shall take and use the water delivered pursuant to the Water Rights to the fullest extent possible, and shall undertake no action that could be construed as abandonment of the Water Rights or could cause in part or in whole a reduction in the use of the Water Rights. Lessee shall provide advance written notice to Greeley of at least thirty days if they no longer intend to irrigate the entirety of the Property with the Water Rights. Absent written consent from Greeley, Lessee shall not use any water, water rights, ditches, ditch rights, wells, well rights, well permits, carriage rights, reservoirs, or reservoir rights to irrigate the Property, other than water yielded pursuant to the Water Rights.

5. Affidavit of Beneficial Use and Water Court Proceedings. Lessee agrees to deliver to Greeley, on or before May 15 of each calendar year, a completed Beneficial Use Affidavit and Questionnaire, in the form attached hereto as Exhibit A. Lessee acknowledges that Greeley may file an application to change the use of the Water Rights with the Division 1 Water Court for the State Colorado during the term of this Lease Agreement. Lessee agrees to cooperate with Greeley and its agents or representatives in the review and analysis of the historical use of the Water Rights. Upon request from Greeley, Lessee shall provide information regarding use of the Water Rights and reasonable access to the Property during and in preparation for any proceeding before the Division 1 Water Court.

6. Restriction on Sublease and Assignment. Lessee shall not rent, sublet, or otherwise convey the right to use the Water Rights. Lessee shall not assign this Agreement, except to a successive owner or operator of the Property for agricultural irrigation of the Property, and only with written consent from Greeley. Lessee shall request consent from Greeley prior to any purported assignment of this Agreement by advance written notice of at least thirty days. Such consent may be given or withheld in the sole discretion of Greeley.

7. No Vested Interest in Shares or Joint Venture. This Agreement is made expressly subject to Section 17-4 of the Charter of Greeley of Greeley. Greeley grants no interest in the Water Rights to the Lessee other than as explicitly set forth in this Agreement. Lessee shall make no claim to any rights, title, or interest in the Water Rights other than as explicitly set forth in this Agreement. This Agreement does not create a partnership or joint venture of any kind between the parties, and the Lessee shall bear the entirety of any loss, cost, or expense incurred through their use of the Water Rights on the Property.

8. No Guarantee of Yield. Lessee is entitled to receive the amount of water yielded by the Water Rights, subject to the terms and conditions in this Agreement. Greeley makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered pursuant to the Water Rights. Lessee shall not hold Greeley liable for any failure in delivery of the water pursuant to the Water Rights, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

9. Maintenance of Infrastructure. Lessee shall maintain the lateral ditches, headgates, and other personal property necessary to deliver water pursuant to the Water Rights at Lessee's own cost and expense. Lessee shall make all repairs and restorations necessary to keep the lateral ditches, headgates, and other personal property in good working condition during the term of this Agreement.

10. Indemnification; Immunity. Lessee agrees to exercise Lessee's rights under this Agreement at Lessee's own risk. Lessee shall indemnify and hold harmless Greeley from and against any cost, expense, or liability arising out of this Agreement or related activities. Nothing in this Agreement is intended to constitute a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 et seq., as applicable now or hereafter amended.

11. Notice. All notices to be given under this Agreement shall be (1) sent by certified or registered mail, return receipt requested, or (2) hand-delivered at the addresses set forth above. The Lessee shall provide written notice to Greeley if the appropriate contact information changes.

12. Default and Termination. If either Greeley or the Lessee fails to comply with a term or condition herein, such failure constitutes a default of this Agreement. The non-defaulting party may declare the default by providing written notice to the defaulting party in accordance with Paragraph 11 above. Upon receipt of this notice of default, the defaulting party will have fifteen days within which to cure the default. If, in the sole discretion of the non-defaulting party, the default remains uncured after the aforementioned fifteen-day cure period, or after any written

extension thereof mutually agreed upon by the parties, the non-defaulting party may declare the Agreement terminated by written notice in accordance with Paragraph 11 above.

(a) Notwithstanding the above, failure by the Lessee to comply with the terms and conditions of Paragraphs 3, 4 or Paragraph 6 of this Agreement constitutes a material breach. In the event that the Lessee commits a material breach, Greeley may immediately terminate this Agreement by written notice to Lessee.

(b) The failure of either party to declare a default or material breach does not establish a precedent or constitute an implied waiver of any subsequent breach of the terms and conditions in this Agreement.

13. Cessation of Irrigation. Upon expiration or termination of this Agreement, Lessee shall immediately cease agricultural irrigation of the Property with the Water Rights.

14. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies upon any parties other than the Lessee and Greeley, or their respective permissible successors in interest.

15. Recovery of Costs and Fees. In addition to any remedies otherwise available, a party that is successful in a legal action commenced against the other due to a default or material breach of this Agreement may recover from the defaulting party reasonable costs and attorneys' fees incurred during the course of such legal action.

16. Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any action arising out of this Agreement is the District Court for Weld County, Colorado, or the Division 1 Water Court for the State of Colorado.

17. Severability. In the event a provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding will not invalidate any other provision herein, and the remainder of the Agreement should be interpreted in accordance with the intent of the parties.

18. Integration. This Agreement constitutes a complete integration of the understanding and agreement between Greeley and Lessee with respect to the subject matter herein, and supersedes all other lease agreements regarding the Water Rights. No representations, negotiations, or warranties, express or implied, exist between Greeley and Lessee except as explicitly set forth in this Agreement. This Agreement may only be modified in a written form duly authorized, approved, and executed by Greeley and Lessee.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by electronic means. The parties agree to accept and be bound by signatures hereto delivered by electronic means.

20. Recording. Lessee shall not record this Agreement in the real property records of any jurisdiction. This Agreement is not intended to run with the land as a covenant burdening real property.

IN WITNESS WHEREOF, the undersigned parties have executed this Irrigation Water Lease Agreement on the date first set forth above.

LESSEE

By: _____

Date: _____

CITY OF GREELEY,
a Colorado home rule municipal corporation
acting by and through its Water Enterprise

By: _____

Mayor

Date: _____

ATTEST

By: _____

City Clerk

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____
20__ by _____, as an authorized representative of Lessee.

Witness my hand and official seal.

Notary Public

My commission expires: _____

EXHIBIT B
WATER LEASE AGREEMENT

(See Attached Beneficial Use Affidavit and Questionnaire)

ANNUAL AFFIDAVIT OF BENEFICIAL USE OF WATER RIGHTS

DESCRIPTION OF WATER RIGHTS:

Ditch or Reservoir Company: _____
Shares or Interest: _____

Name and address of owner and user of water rights:

Owner: City of Greeley
Water and Sewer Department
1100 10th Street, Suite 300
Greeley, Colorado 80631

User(s): _____

Year water rights were used as described: _____

DESCRIPTION OF IRRIGATED LAND:

Legal description and size/acreage of land irrigated by above-mentioned water rights:

_____.

Name and address of owner(s) of above-mentioned irrigated land if different from owner or user of the water rights:_____.

I have not intended to abandon the aforementioned water rights during my period of use. I state that the information contained here and in the attached Questionnaire Regarding Use of Water Shares, which is incorporated herein by reference, is known to me and is correct.

The undersigned _____, having personal knowledge of the irrigation of the above described lands by virtue of being the owner and/or person who has farmed and irrigated those lands, being first duly sworn, hereby states that the information provided in this statement is true and accurate.

[Signature Page Follows]

Signed and dated this ____ day of _____, 20__.

[AFFIANT]

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of
_____ 20__ by _____.

Witness my hand and official seal.

Notary Public

My commission expires: _____

QUESTIONNAIRE REGARDING USE OF WATER SHARES

*The person completing this questionnaire need not necessarily be the Lessee,
but must have personal knowledge of the information provided*

1. Name: _____
 Mailing Address: _____

 Telephone: _____
 Facsimile: _____
 Email Address: _____

2. The information provided below pertains to _____ shares of the
_____ Company, represented by Certificate No. _____
(hereinafter "Shares").

3. Did you use the Shares pursuant to a Lease Agreement? _____
 Date of the Lease: _____
 Name of Lessee (if different from Question 1): _____
 Name of Lessor: _____

4. The information in this questionnaire relates to my use of the Shares during the
[20__] irrigation season (hereinafter "Lease Year").

5. Do you still own the farm or parcel irrigated by these Shares? _____

6. Was your use of the Shares during the Lease Year consistent with all terms and
conditions of the Lease Agreement and with the bylaws, rules, regulations, and policies of the
ditch company? _____

7. What is the legal description of the farm or parcel on which these Shares were
used?

8. What is the total size of the farm or parcel? _____ acres.

9. What is the size of the area(s) on the farm or parcel that was irrigated?
_____ acres.

10. What is the size of the area(s) on the farm or parcel that was irrigated using water
from the Shares? _____ acres.

11. Please provide the following information regarding how the water from these
Shares is delivered.

- Location and ID Number of the head gate at the main ditch: _____.
- Name and general location of any lateral(s) delivering the water to the land historically irrigated: _____.
- Identification of any carrier or lateral ditch stock required to deliver these rights: _____.
- Approximate location of pumps, if used: _____.
- Approximate location and size of storage ponds or reservoirs, including tail water ponds, if used: _____.

12. How was water applied during the Lease Year? Sprinkler _____ Furrow _____
 Flood _____ Other/Combination (Describe): _____.

13. What was the irrigation season for the Lease Year? Start Date: _____ Stop Date: _____.

14. During the Lease Year, did you divert and irrigate with all water available under the Shares? _____. If no, please explain the reason why all water was not taken, approximately how much was not taken, and for how long: _____.

15. Other than the Shares leased, was any other water (including other shares that are in the same Company as the Shares that are the subject of this questionnaire) used to irrigate the farm or parcel on which the Shares are/were used during the Lease Year? If so, please provide the following information.

- Number of shares: _____
- Ditch Company: _____
- Number of any Irrigation Wells: _____
- Identification and Permit No. of any Irrigation Wells: _____.
- Capacity of Irrigation Wells: _____
- Approximate location of Irrigation Wells: _____.
- Any other water used: _____

16. Describe how the water has been used, including the estimated percentage of the total irrigation supply provided by such water: _____.

17. During the Lease Year, what crops were grown on the land irrigated by the Shares?

1. Crop: _____ Percentage: _____ Location: _____
2. Crop: _____ Percentage: _____ Location: _____
3. Crop: _____ Percentage: _____ Location: _____
4. Crop: _____ Percentage: _____ Location: _____
5. Crop: _____ Percentage: _____ Location: _____
6. Crop: _____ Percentage: _____ Location: _____

18. Were the lands on which the Shares were used subirrigated? Yes _____ No _____

19. If possible, please provide a map, sketch, or aerial photograph showing locations of *(check if included)*:

- _____ Farm or Parcel
- _____ Areas irrigated by the Shares during the Lease Year
- _____ Areas irrigated with other water
- _____ Lateral ditches, wells, pumps, pipelines, storage reservoirs, or tail water ponds

I understand that I may be required to sign an affidavit attesting to the accuracy, to the best of my knowledge, of the information provided herein.

Signature: _____ Date: _____

EXHIBIT E
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

[See attached Special Warranty Deed]

FORM DO NOT EXECUTE

WHEN RECORDED RETURN TO:

SPECIAL WARRANTY DEED

(Water Rights)

This SPECIAL WARRANTY DEED is made this ____ day of _____ 2021, between THE ALEXANDER & BENITA MARIE RUSCH REVOCABLE TRUST, whose address is _____ (“Grantor”), and THE CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation acting by and through its Water Enterprise, whose address for purposes of this Deed is 1001 11th Avenue, 2nd Floor, Greeley, Colorado, 80631 (“Grantee”).

WITNESSETH, that Grantor, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto Grantee, Grantee’s heirs and assigns forever all of the water rights described below (“Water Rights”):

(a) The water rights represented by one (1) share of capital stock in the The Water Supply and Storage Company, evidenced by Stock Certificate No. 6409, one (1) share of capital stock in The Lone Tree Lateral Company, evidenced by Stock Certificate No. 147, and one (1) share of capital stock in The Collins Lateral Company, evidenced by Stock Certificate No. 665 (collectively “Shares”) and the water derived therefrom.

(b) All beneficial right, title and interest, if any, in all water, water rights, ditches, ditch rights, reservoirs, reservoir rights, canals, canal rights, headgates and all other assets, rights, title or interests represented by said Shares, and in addition, and in no way limited by the foregoing, any and all other right, title or interest in The Water Supply and Storage Company, The Lone Tree Lateral Company, and The Collins Lateral Company represented by said Shares.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained Water Rights, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said Water Rights above bargained and described with the appurtenances, unto the Grantee, the Grantee's heirs and assigns forever. And the Grantor, for the Grantor, the Grantor’s successors and assigns, does covenant and agree that Grantor shall

WARRANT AND FOREVER DEFEND the above-bargained Water Rights in the quiet and peaceable possession of the Grantee, the Grantee's successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the Grantor.

IN WITNESS WHEREOF, the Grantor has executed this deed on the _____ day of _____ 2021.

Grantor:

By: _____

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 20__ by _____, whose signature appear above as the Grantor.

Witness my hand and official seal.

Notary Public
My commission expires: _____

EXHIBIT F
PURCHASE AND SALE AGREEMENT—WATER RIGHTS ONLY
(Rusch Trust)

[See attached Stock Assignments]

FORM DO NOT EXECUTE

ASSIGNMENT OF SHARES

(Stock Certificate No. ____)

For value received, the receipt, adequacy and sufficiency of which are hereby acknowledged, the undersigned, THE ALEXANDER & BENITA MARIE RUSCH REVOCABLE TRUST ("Assignor") hereby sells, assigns, and transfers unto the CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation ("Assignee"), one (1) share of the capital stock in The Water Supply and Storage Company, which stock is standing in the name of the undersigned on the books and records of the corporation represented by Certificate No. 6409, free and clear of all liens, encumbrances and past-due assessments.

Assignor hereby authorizes and empowers the secretary of The Water Supply and Storage Company to transfer said certificate, and to effectuate this assignment and transfer on the books of The Water Supply and Storage Company.

[SELLER]

Dated: _____

By: _____

Name: _____

ACKNOWLEDGMENT

STATE OF COLORADO)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____.

Witness my hand and official seal.

Notary Public

My commission expires: _____

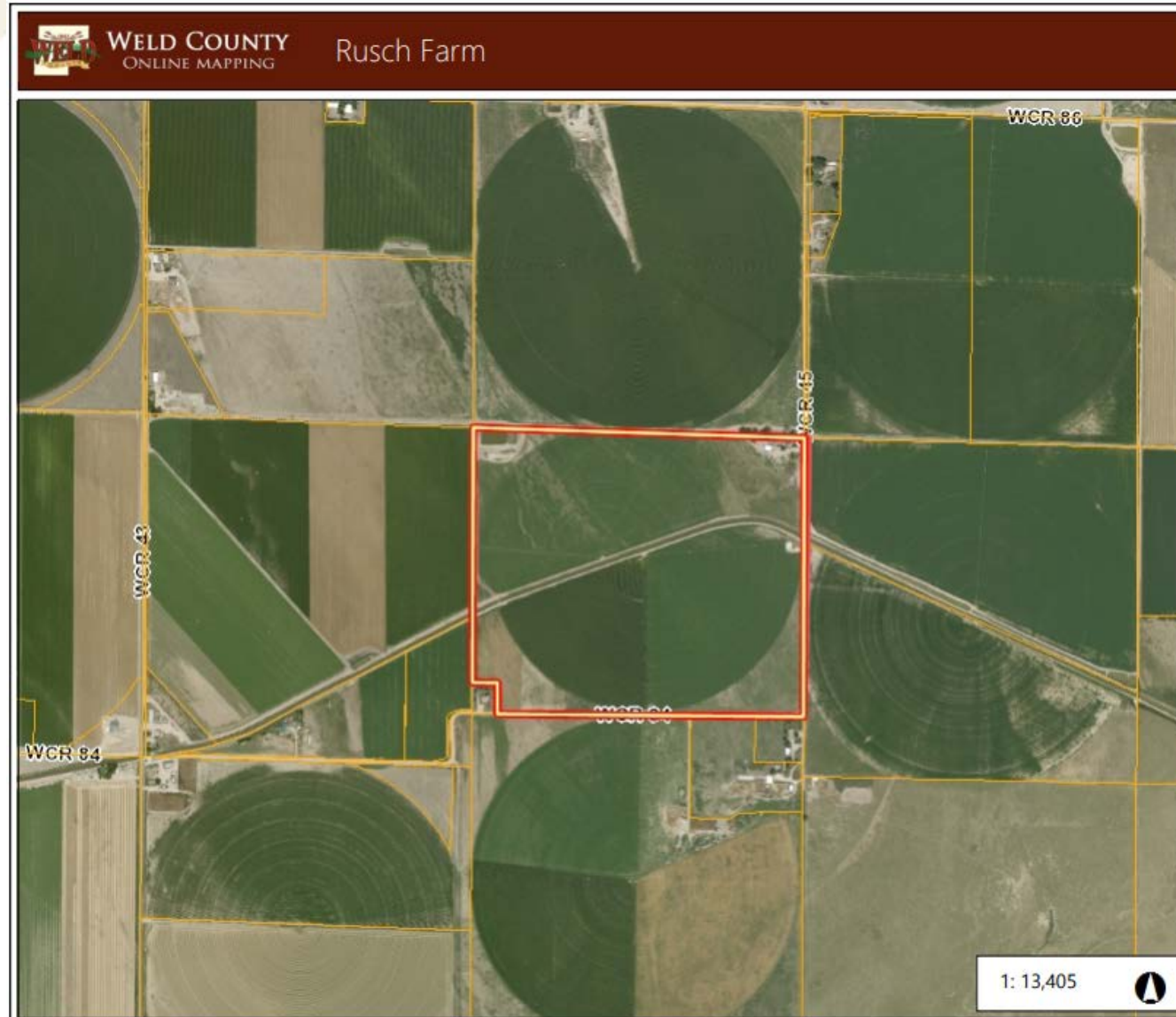


Water Rights Acquisition Rusch (WSSC)

November 18th, 2020



Purchase & Sale Overview



Purchase & Sale Overview

- Water only purchase
 - One share of the Water Supply and Storage Company (WSSC)
 - One share of the Collins Ditch Company (carriage right)
 - One share of the Lone Tree Lateral Company (carriage right)
- Potable supply
- Leaseback
 - 10 year primary leaseback of water rights that may be extended for up to 5, 1-year terms by mutual agreement was part of negotiation.
- Dry up and revegetation covenants are included
- Total Purchase price of \$2,000,000



Due Diligence & Path Forward

- 60 days due diligence
 - Title review
 - Confirmation of dry-up adequacy
 - HCU analysis
- Closing on or before 90 days of mutual execution of contract



Recommendation

W&S staff recommend the acquisition of the one (1) share of WSSC in accordance with the water acquisition strategies set forth in the Department's Master Plan and Future Water Account Plan





Questions?



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 9

TITLE: DANIELSON II FARM DIVESTMENT

RECOMMENDATION: APPROVE AND RECOMMEND APPROVAL TO
CITY COUNCIL THE DIVESTMENT OF THE
DANIELSON II FARM

ADDITIONAL INFORMATION:

In 2017, the City of Greeley purchased a 40+/- acre farm in Weld County known internally as the “Danielson II Farm” along with 1.5 shares of the stock in the Water Supply and Storage Company (“WSSC Water Rights”). Only 0.5 of the 1.5 shares historically irrigated this acreage. Since 2017, the City has leased the Danielson II Farm, along with the WSSC Water Rights, to a tenant farmer in order to maintain the use of the WSSC Water Rights on the historically irrigated land. In 2020, the City received an offer to purchase the Danielson II Farm. A dry-up covenant, revegetation covenant, and a leaseback of the 0.5 share of WSSC Water Rights to the buyer for continued irrigation are part of the agreement. Staff recommends the divestment of the Danielson II Farm to the potential buyer. Additional details will be presented at the Water & Sewer Board Meeting.

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(CBS4-5-19) (Mandatory 7-19)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR
OTHER COUNSEL BEFORE SIGNING.

CONTRACT TO BUY AND SELL REAL ESTATE
(LAND)
(☐ Property with No Residences)
(☐ Property with Residences-Residential Addendum Attached)

Date: _____

AGREEMENT

1. AGREEMENT. Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. PARTIES AND PROPERTY.

2.1. Buyer. _____ (Buyer) will take title to the Property described below as ☐ ~~Joint Tenants~~ ☐ ~~Tenants In Common~~ ☐ ~~Other~~ _____.

2.2. No Assignability. This Contract IS NOT assignable by Buyer unless otherwise specified in **Additional Provisions**.

2.3. Seller. _____ (Seller) is the current owner of the Property described below.

2.4. Property. The Property is the following legally described real estate in the County of _____, Colorado:

~~known as No. _____,~~
~~Street Address City State Zip~~

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. Inclusions. The Purchase Price includes the following items (Inclusions):

2.5.1. Inclusions. The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions**:

If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

~~**2.5.2. Personal Property - Conveyance.** Any personal property must be conveyed at Closing by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except _____.~~
~~Conveyance of all personal property will be by bill of sale or other applicable legal instrument.~~

2.6. Exclusions. The following items are excluded (Exclusions):

~~**2.7. Water Rights, Well Rights, Water and Sewer Taps.**~~

☐ ~~**2.7.1. Deeded Water Rights.** The following legally described water rights:~~

~~Any deeded water rights will be conveyed by a good and sufficient _____ deed at Closing.~~

☐ **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§ 2.7.1, 2.7.3, 2.7.4 and 2.7.5, will be transferred to Buyer at Closing:

☐ **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well" used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is _____.

☐ **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as follows:

2.7.5. Water and Sewer Taps. The parties agree that water and sewer taps listed below for the Property are being conveyed as part of the Purchase Price as follows:

If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider, written confirmation of the amount remaining to be paid, if any, time and other restrictions for transfer and use of the taps.

2.7.6. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), § 2.7.4 (Water Stock Certificates), or § 2.7.5 (Water and Sewer Taps), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

2.8. Growing Crops. With respect to growing crops, Seller and Buyer agree as follows:

3. DATES, DEADLINES AND APPLICABILITY.

3.1. Dates and Deadlines.

| Item No. | Reference | Event | Date or Deadline |
|----------|------------|---|------------------|
| 1 | § 4.3 | Alternative Earnest Money Deadline | |
| | | Title | |
| 2 | § 8.1, 8.4 | Record Title Deadline | |
| 3 | § 8.2, 8.4 | Record Title Objection Deadline | |
| 4 | § 8.3 | Off-Record Title Deadline | |
| 5 | § 8.3 | Off-Record Title Objection Deadline | |
| 6 | § 8.5 | Title Resolution Deadline | |
| 7 | § 8.6 | Right of First Refusal Deadline | |
| | | Owners' Association | |
| 8 | § 7.2 | Association Documents Deadline | |
| 9 | § 7.4 | Association Documents Termination Deadline | |
| | | Seller's Disclosures | |
| 10 | § 10.1 | Seller's Property Disclosure Deadline | |
| 11 | § 10.10 | Lead-Based Paint Disclosure Deadline (if Residential Addendum attached) | |
| | | Loan and Credit | |
| 12 | § 5.1 | New Loan Application Deadline | |
| 13 | § 5.2 | New Loan Termination Deadline | |
| 14 | § 5.3 | Buyer's Credit Information Deadline | |
| 15 | § 5.3 | Disapproval of Buyer's Credit Information Deadline | |
| 16 | § 5.4 | Existing Loan Deadline | |
| 17 | § 5.4 | Existing Loan Termination Deadline | |

| | | | |
|----|--------------|--|--|
| 18 | § 5.4 | Loan Transfer Approval Deadline | |
| 19 | § 4.7 | Seller or Private Financing Deadline | |
| | | Appraisal | |
| 20 | § 6.2 | Appraisal Deadline | |
| 21 | § 6.2 | Appraisal Objection Deadline | |
| 22 | § 6.2 | Appraisal Resolution Deadline | |
| | | Survey | |
| 23 | § 9.1 | New ILC or New Survey Deadline | |
| 24 | § 9.3 | New ILC or New Survey Objection Deadline | |
| 25 | § 9.3 | New ILC or New Survey Resolution Deadline | |
| | | Inspection and Due Diligence | |
| 26 | § 10.3 | Inspection Objection Deadline | |
| 27 | § 10.3 | Inspection Termination Deadline | |
| 28 | § 10.3 | Inspection Resolution Deadline | |
| 29 | § 10.5 | Property Insurance Termination Deadline | |
| 30 | § 10.6 | Due Diligence Documents Delivery Deadline | |
| 31 | § 10.6 | Due Diligence Documents Objection Deadline | |
| 32 | § 10.6 | Due Diligence Documents Resolution Deadline | |
| 33 | § 10.6 | Environmental Inspection Termination Deadline | |
| 34 | § 10.6 | ADA Evaluation Termination Deadline | |
| 35 | § 10.7 | Conditional Sale Deadline | |
| 36 | § 10.10 | Lead-Based Paint Termination Deadline (if Residential Addendum attached) | |
| 37 | § 11.1, 11.2 | Estoppel Statements Deadline | |
| 38 | § 11.3 | Estoppel Statements Termination Deadline | |
| | | Closing and Possession | |
| 39 | § 12.3 | Closing Date | |
| 40 | § 17 | Possession Date | |
| 41 | § 17 | Possession Time | |
| 42 | § 28 | Acceptance Deadline Date | |
| 43 | § 28 | Acceptance Deadline Time | |
| | | | |
| | | | |

85 **3.2. Applicability of Terms.** Any box checked in this Contract means the corresponding provision applies. If any deadline
86 blank in § 3.1 (Dates and Deadlines) is left blank or completed with the abbreviation “N/A”, or the word “Deleted,” such deadline
87 is not applicable and the corresponding provision containing the deadline is deleted. If no box is checked in a provision that contains
88 a selection of “None”, such provision means that “None” applies.

89 The abbreviation “MEC” (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

90 **4. PURCHASE PRICE AND TERMS.**

91 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

| Item No. | Reference | Item | Amount | Amount |
|----------|-----------|-------------------------------|--------|---------------|
| 1 | § 4.1 | Purchase Price | \$ | |
| 2 | § 4.3 | Earnest Money | | \$ |
| 3 | § 4.5 | New Loan | | \$ |
| 4 | § 4.6 | Assumption Balance | | \$ |
| 5 | § 4.7 | Private Financing | | \$ |
| 6 | § 4.7 | Seller Financing | | \$ |
| 7 | | | | |
| 8 | | | | |
| 9 | § 4.4 | Cash at Closing | | \$ |
| 10 | | TOTAL | \$ | \$ |

92 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$_____ (Seller Concession). The Seller
93 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender
94 and is included in the Closing Statement or Closing Disclosure at Closing. Examples of allowable items to be paid for by the Seller

~~Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere in this Contract.~~

4.3. Earnest Money. The Earnest Money set forth in this Section, in the form of a _____, will be payable to and held by _____ (Earnest Money Holder), in its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest Money Holder in this transaction will be transferred to such fund.

4.3.1. Alternative Earnest Money Deadline. The deadline for delivering the Earnest Money, if other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

4.3.2. Return of Earnest Money. If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 25 and, except as provided in § 24 (Earnest Money Dispute), if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three days of Seller's receipt of such form.

4.4. Form of Funds; Time of Payment; Available Funds.

4.4.1. Good Funds. All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

4.4.2. Time of Payment; Available Funds. All funds, including the Purchase Price to be paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer represents that Buyer, as of the date of this Contract, ☐ **Does** ☐ **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

4.5. New Loan.

~~**4.5.1. Buyer to Pay Loan Costs.** Buyer, except as otherwise permitted in § 4.2 (Seller Concession), if applicable, must timely pay Buyer's loan costs, loan discount points, prepaid items and loan origination fees as required by lender.~~

~~**4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing appropriate and acceptable to Buyer, including a different loan than initially sought, except as restricted in § 4.5.3 (Loan Limitations) or § 30 (Additional Provisions).~~

4.5.3. Loan Limitations. Buyer may purchase the Property using any of the following types of loans: ☐ **Conventional** ☐ **Other** _____.

4.6. Assumption. Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption Balance set forth in § 4.1 (Price and Terms), presently payable at \$ _____ per _____ including principal and interest presently at the rate of _____ % per annum and also including escrow for the following as indicated: ☐ **Real Estate Taxes** ☐ **Property Insurance Premium** and ☐ _____.

Buyer agrees to pay a loan transfer fee not to exceed \$ _____. At the time of assumption, the new interest rate will not exceed _____ % per annum and the new payment will not exceed \$ _____ per _____ principal and interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance, which causes the amount of cash required from Buyer at Closing to be increased by more than \$ _____, or if any other terms or provisions of the loan change, Buyer has the Right to Terminate under § 25.1 on or before **Closing Date**.

Seller ☐ **Will** ☐ **Will Not** be released from liability on said loan. If applicable, compliance with the requirements for release from liability will be evidenced by delivery ☐ on or before **Loan Transfer Approval Deadline** ☐ at **Closing** of an appropriate letter of commitment from lender. Any cost payable for release of liability will be paid by _____ in an amount not to exceed \$ _____.

4.7. Seller or Private Financing.

~~**WARNING:** Unless the transaction is exempt, federal and state laws impose licensing, other requirements and restrictions on sellers and private financiers. Contract provisions on financing and financing documents, unless exempt, should be prepared by a licensed Colorado attorney or licensed mortgage loan originator. Brokers should not prepare or advise the parties on the specifics of financing, including whether or not a party is exempt from the law.~~

~~**4.7.1. Seller Financing.** If Buyer is to pay all or any portion of the Purchase Price with Seller financing, ☐ **Buyer** ☐ **Seller** will deliver the proposed Seller financing documents to the other party on or before _____ days before **Seller or Private Financing Deadline**.~~

~~**4.7.1.1. Seller May Terminate.** If Seller is to provide Seller financing, this Contract is conditional upon Seller determining whether such financing is satisfactory to Seller, including its payments, interest rate, terms, conditions, cost and~~

153 compliance with the law. Seller has the Right to Terminate under § 25.1, on or before **Seller or Private Financing Deadline**, if such
154 Seller financing is not satisfactory to Seller, in Seller's sole subjective discretion.

155 **4.7.2. Buyer May Terminate.** If Buyer is to pay all or any portion of the Purchase Price with Seller or private
156 financing, this Contract is conditional upon Buyer determining whether such financing is satisfactory to Buyer, including its
157 availability, payments, interest rate, terms, conditions and cost. Buyer has the Right to Terminate under § 25.1, on or before **Seller**
158 **or Private Financing Deadline**, if such Seller or private financing is not satisfactory to Buyer, in Buyer's sole subjective discretion.

159

| |
|------------------------|
| TRANSACTION PROVISIONS |
|------------------------|

160 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

161 **5.1. New Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New
162 Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable
163 by such lender, on or before **New Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

164 **5.2. New Loan Review.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is conditional
165 upon Buyer determining, in Buyer's sole subjective discretion, whether the New Loan is satisfactory to Buyer, including its
166 availability, payments, interest rate, terms, conditions and cost. This condition is for the sole benefit of Buyer. Buyer has the Right
167 to Terminate under § 25.1, on or before **New Loan Termination Deadline**, if the New Loan is not satisfactory to Buyer, in Buyer's
168 sole subjective discretion. Buyer does not have a Right to Terminate based on the New Loan if the objection is based on the Appraised
169 Value (defined below) or the Lender Requirements (defined below). **IF SELLER IS NOT IN DEFAULT AND DOES NOT**
170 **TIMELY RECEIVE BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S EARNEST MONEY WILL BE**
171 **NONREFUNDABLE**, except as otherwise provided in this Contract (e.g., Appraisal, Title, Survey).

172 **5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional (for the sole benefit
173 of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be in Seller's sole subjective
174 discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's expense, information
175 and documents (including a current credit report) concerning Buyer's financial, employment and credit condition; (2) Buyer consents
176 that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information and documents received by Seller
177 must be held by Seller in confidence and not released to others except to protect Seller's interest in this transaction. If the Cash at
178 Closing is less than as set forth in § 4.1 of this Contract, Seller has the Right to Terminate under § 25.1, on or before Closing. If
179 Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective discretion, Seller has the Right to
180 Terminate under § 25.1, on or before **Disapproval of Buyer's Credit Information Deadline**.

181 **5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver copies of the loan
182 documents (including note, deed of trust and any modifications) to Buyer by **Existing Loan Deadline**. For the sole benefit of Buyer,
183 this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer has the Right to
184 Terminate under § 25.1, on or before **Existing Loan Termination Deadline**, based on any unsatisfactory provision of such loan
185 documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the Property is required, this Contract is
186 conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in § 4.6. If lender's
187 approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will terminate on such deadline. Seller has the Right
188 to Terminate under § 25.1, on or before Closing, in Seller's sole subjective discretion, if Seller is to be released from liability under
189 such existing loan and Buyer does not obtain such compliance as set forth in § 4.6.

190 **6. APPRAISAL PROVISIONS.**

191 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on
192 behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth
193 certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be
194 valued at the Appraised Value.

195 **6.2. Appraisal Condition.** The applicable appraisal provision set forth below applies to the respective loan type set forth
196 in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

197 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the
198 Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal**
199 **Objection Deadline**, notwithstanding § 8.3 or § 13:

200 **6.2.1.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated;
201 or

202 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by either a copy of the
203 Appraisal or written notice from lender that confirms the Appraised Value is less than the Purchase Price (Lender Verification).

204 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before **Appraisal**
205 **Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution**
206 **Deadline**, this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written withdrawal of
207 the Appraisal Objection before such termination, i.e., on or before expiration of **Appraisal Resolution Deadline**.

6.3. Lender Property Requirements. ~~If the lender imposes any written requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following Seller's receipt of the Lender Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Requirements; (2) the Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.~~

6.4. Cost of Appraisal. ~~Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by ☐ Buyer ☐ Seller. The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company, lender's agent or all three.~~

7. OWNERS' ASSOCIATION. ~~This Section is applicable if the Property is located within a Common Interest Community and subject to the declaration (Association).~~

7.1. Common Interest Community Disclosure. ~~THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.~~

7.2. Association Documents to Buyer. ~~Seller is obligated to provide to Buyer the Association Documents (defined below), at Seller's expense, on or before Association Documents Deadline. Seller authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents, regardless of who provides such documents.~~

7.3. Association Documents. ~~Association documents (Association Documents) consist of the following:~~

7.3.1. ~~All Association declarations, articles of incorporation, bylaws, articles of organization, operating agreements, rules and regulations, party wall agreements and the Association's responsible governance policies adopted under § 38-33.3-209.5, C.R.S.;~~

7.3.2. ~~Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or managers' meetings; such minutes include those provided under the most current annual disclosure required under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent minutes, if any (§§ 7.3.1 and 7.3.2, collectively, Governing Documents); and~~

7.3.3. ~~List of all Association insurance policies as provided in the Association's last Annual Disclosure, including, but not limited to, property, general liability, association director and officer professional liability and fidelity policies. The list must include the company names, policy limits, policy deductibles, additional named insureds and expiration dates of the policies listed (Association Insurance Documents);~~

7.3.4. ~~A list by unit type of the Association's assessments, including both regular and special assessments as disclosed in the Association's last Annual Disclosure;~~

7.3.5. ~~The Association's most recent financial documents which consist of: (1) the Association's operating budget for the current fiscal year, (2) the Association's most recent annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the fees and charges (regardless of name or title of such fees or charges) that the Association's community association manager or Association will charge in connection with the Closing including, but not limited to, any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4 and 7.3.5, collectively, Financial Documents);~~

7.3.6. ~~Any written notice from the Association to Seller of a "construction defect action" under § 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation to disclose adverse material facts as required under § 10.2~~

264 (Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition) including any problems or defects in the common
265 elements or limited common elements of the Association property.

266 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer has the Right to
267 Terminate under § 25.1, on or before **Association Documents Termination Deadline**, based on any unsatisfactory provision in any
268 of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after
269 **Association Documents Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to
270 Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive
271 the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing**
272 **Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to
273 Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right
274 to Terminate under this provision, notwithstanding the provisions of § 8.6 (Right of First Refusal or Contract Approval).

275 8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.

276 8.1. Evidence of Record Title.

277 ☐ **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance company
278 to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish to Buyer,
279 a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price, ~~or if this~~
280 ~~box is checked, ☐ an Abstract of Title~~ certified to a current date. Seller will cause the title insurance policy to be issued and
281 delivered to Buyer as soon as practicable at or after Closing.

282 ☐ **8.1.2. Buyer Selects Title Insurance Company.** ~~If this box is checked, Buyer will select the title insurance company~~
283 ~~to furnish the owner's title insurance policy at Buyer's expense. On or before Record Title Deadline, Buyer must furnish to Seller, a~~
284 ~~current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price.~~
285 ~~If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.~~

286 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment ☐ **Will** ☐ ~~Will Not~~ contain Owner's
287 Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard
288 exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens,
289 (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid
290 taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be
291 paid by ☐ ~~Buyer~~ ☐ ~~Seller~~ ☐ **One-Half by Buyer and One-Half by Seller** ☐ ~~Other~~ _____.
292 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over
293 any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below,
294 among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under
295 § 8.5 (Right to Object to Title, Resolution).

296 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats, declarations, covenants,
297 conditions and restrictions burdening the Property and (2) copies of any other documents (or, if illegible, summaries of such
298 documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title
299 Documents).

300 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**, copies of all Title
301 Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county
302 where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the
303 party or parties obligated to pay for the owner's title insurance policy.

304 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title covering all or any
305 portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

306 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the
307 Title Documents as set forth in § 8.5 (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**. Buyer's
308 objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding § 13, or
309 any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title
310 Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment
311 that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to
312 Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any
313 required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or Title Documents,
314 or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection,
315 pursuant to this § 8.2 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to
316 Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required by § 8.1 (Evidence
317 of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline
318 specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title Commitment and Title Documents
319 as satisfactory.

320 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing
321 surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without

322 limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights of
323 first refusal and options) not shown by public records, of which Seller has actual knowledge (Off-Record Matters). This Section
324 excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to
325 investigate if any third party has any right in the Property not shown by public records (e.g., unrecorded easement, boundary line
326 discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any unsatisfactory condition (whether
327 disclosed by Seller or revealed by such inspection, notwithstanding § 8.2 (Record Title) and § 13 (Transfer of Title)), in Buyer's
328 sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter
329 is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer
330 to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant
331 to this § 8.3 (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to Title,
332 Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified
333 above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not shown by public records of which
334 Buyer has actual knowledge.

335 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION**
336 **INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE**
337 **PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK**
338 **FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE**
339 **CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH**
340 **INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE**
341 **SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY**
342 **TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY AND BY OBTAINING**
343 **FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND**
344 **RECORDER, OR THE COUNTY ASSESSOR.**

345 A tax certificate from the respective county treasurer listing any special taxing districts that effect the Property (Tax Certificate)
346 must be delivered to Buyer on or before **Record Title Deadline**. If the Property is located within a special taxing district and such
347 inclusion is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may object, on or before **Record Title Objection**
348 **Deadline**. If the Tax Certificate shows that the Property is included in a special taxing district and is received by Buyer after the
349 **Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to the Property's
350 inclusion in a special taxing district as unsatisfactory to Buyer.

351 **8.5. Right to Object to Title, Resolution.** Buyer's right to object, in Buyer's sole subjective discretion, to any title matters
352 includes those matters set forth in § 8.2 (Record Title), § 8.3 (Off-Record Title), § 8.4 (Special Taxing District) and § 13 (Transfer
353 of Title). If Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

354 **8.5.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title matter (Notice of
355 Title Objection) on or before the applicable deadline and if Buyer and Seller have not agreed to a written settlement thereof on or
356 before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller receives
357 Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and
358 waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
359 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2 (Record Title), § 8.3 (Off-Record Title) or § 8.4
360 (Special Taxing Districts), the Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days
361 after Buyer's receipt of the applicable documents; or

362 **8.5.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under § 25.1, on or before
363 the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole subjective discretion.

364 ~~**8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property or a right to approve~~
365 ~~this Contract, Seller must promptly submit this Contract according to the terms and conditions of such right. If the holder of the right~~
366 ~~of first refusal exercises such right or the holder of a right to approve disapproves this Contract, this Contract will terminate. If the~~
367 ~~right of first refusal is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and effect.~~
368 ~~Seller must promptly notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this~~
369 ~~Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.~~

370 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should be reviewed
371 carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property,
372 including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations,
373 unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property and various
374 laws and governmental regulations concerning land use, development and environmental matters.

375 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
376 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND TRANSFER OF**
377 **THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR WATER**
378 **RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS, GEOTHERMAL**
379 **ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS MAY GIVE THEM**

RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.

8.7.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND RECORDER.

8.7.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING FACILITIES.

8.7.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY, INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL AND GAS CONSERVATION COMMISSION.

8.7.5. Title Insurance Exclusions. Matters set forth in this Section and others, may be excepted, excluded from, or not covered by the owner's title insurance policy.

8.8. Consult an Attorney. Buyer is advised to timely consult legal counsel with respect to all such matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and **Off-Record Title Objection Deadline**).

9. ~~NEW ILC, NEW SURVEY.~~

9.1. ~~New ILC or New Survey.~~ If the box is checked, a: 1) ☐ ~~New Improvement Location Certificate (New ILC); or,~~
2) ☐ ~~New Survey in the form of _____; is required and the following will apply:~~

9.1.1. ~~Ordering of New ILC or New Survey.~~ ☐ ~~Seller~~ ☐ ~~Buyer~~ will order the New ILC or New Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a date after the date of this Contract.

9.1.2. ~~Payment for New ILC or New Survey.~~ The cost of the New ILC or New Survey will be paid, on or before Closing, by: ☐ ~~Seller~~ ☐ ~~Buyer~~ or:

9.1.3. ~~Delivery of New ILC or New Survey.~~ Buyer, Seller, the issuer of the Title Commitment (or the provider of the opinion of title if an Abstract of Title) and _____ will receive a New ILC or New Survey on or before **New ILC or New Survey Deadline**.

9.1.4. ~~Certification of New ILC or New Survey.~~ The New ILC or New Survey will be certified by the surveyor to all those who are to receive the New ILC or New Survey.

9.2. ~~Buyer's Right to Waive or Change New ILC or New Survey Selection.~~ Buyer may select a New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

9.3. ~~New ILC or New Survey Objection.~~ Buyer has the right to review and object to the New ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3 or § 13:

9.3.1. ~~Notice to Terminate.~~ Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated; or

9.3.2. ~~New ILC or New Survey Objection.~~ Deliver to Seller a written description of any matter that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.

9.3.3. ~~New ILC or New Survey Resolution.~~ If a **New ILC or New Survey Objection** is received by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**.

DISCLOSURE, INSPECTION AND DUE DILIGENCE

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND SOURCE OF WATER.

10.1. Seller's Property Disclosure. On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of this Contract.

434 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller must disclose to Buyer
435 any adverse material facts actually known by Seller as of the date of this Contract. Seller agrees that disclosure of adverse material
436 facts will be in writing. In the event Seller discovers an adverse material fact after the date of this Contract, Seller must timely
437 disclose such adverse fact to Buyer. Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing
438 or five days after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges that
439 Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

440 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections
441 (by one or more third parties, personally or both) of the Property and Inclusions (Inspection), at Buyer's expense. If (1) the physical
442 condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing,
443 HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions, (3) service to the Property
444 (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any
445 proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the
446 Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion,
447 Buyer may:

448 **10.3.1. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to Seller a written
449 description of any unsatisfactory condition that Buyer requires Seller to correct; or

450 **10.3.2. Terminate.** On or before the **Inspection Termination Deadline**, notify Seller in writing, pursuant to § 25.1,
451 that this Contract is terminated due to any unsatisfactory condition. **Inspection Termination Deadline will be on the earlier of**
452 **Inspection Resolution Deadline or the date specified in § 3.1 for Inspection Termination Deadline.**

453 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before **Inspection Objection**
454 **Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**,
455 this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection
456 Objection before such termination, i.e., on or before expiration of **Inspection Resolution Deadline**.

457 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other written agreement
458 between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at
459 Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer
460 must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify,
461 protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such
462 Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against
463 any such liability, damage, cost or expense, or to enforce this Section, including Seller's reasonable attorney fees, legal fees and
464 expenses. The provisions of this Section survive the termination of this Contract. This § 10.4 does not apply to items performed
465 pursuant to an Inspection Resolution.

466 **10.5. Insurability.** Buyer has the right to review and object to the availability, terms and conditions of and premium for
467 property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or before **Property Insurance**
468 **Termination Deadline**, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

469 **10.6. Due Diligence.**

470 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver copies of the following
471 documents and information pertaining to the Property (Due Diligence Documents) to Buyer on or before **Due Diligence Documents**
472 **Delivery Deadline**:

- 473 ☐ **10.6.1.1.** All contracts relating to the operation, maintenance and management of the Property;
474 ☐ ~~**10.6.1.2.** Property tax bills for the last _____ years;~~
475 ☐ ~~**10.6.1.3.** As-built construction plans to the Property and the tenant improvements, including architectural,~~
476 ~~electrical, mechanical and structural systems; engineering reports; and permanent Certificates of Occupancy, to the extent now~~
477 ~~available;~~
478 ☐ ~~**10.6.1.4.** A list of all Inclusions to be conveyed to Buyer;~~
479 ☐ ~~**10.6.1.5.** Operating statements for the past _____ years;~~
480 ☐ ~~**10.6.1.6.** A rent roll accurate and correct to the date of this Contract;~~
481 ☐ **10.6.1.7.** All current leases, including any amendments or other occupancy agreements, pertaining to the
482 Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing are as follows (Leases):

483 **None. Seller shall terminate the existing lease with Leland Lebsack in advance of Closing.**

- 484 ☐ ~~**10.6.1.8.** A schedule of any tenant improvement work Seller is obligated to complete but has not yet~~
485 ~~completed and capital improvement work either scheduled or in process on the date of this Contract;~~
486 ☐ ~~**10.6.1.9.** All insurance policies pertaining to the Property and copies of any claims which have been made~~
487 ~~for the past _____ years;~~
488 ☐ **10.6.1.10.** Soils reports, surveys and engineering reports or data pertaining to the Property (if not delivered
489 earlier under § 8.3);
490 ☐ **10.6.1.11.** Any and all existing documentation and reports regarding Phase I and II environmental reports,
491 letters, test results, advisories and similar documents respective to the existence or nonexistence of asbestos, PCB transformers, or
492

493 other toxic, hazardous or contaminated substances and/or underground storage tanks and/or radon gas. If no reports are in Seller's
494 possession or known to Seller, Seller warrants that no such reports are in Seller's possession or known to Seller;
495 ☐ ~~10.6.1.12. Any Americans with Disabilities Act reports, studies or surveys concerning the compliance of the~~
496 ~~Property with said Act;~~
497 ☐ ~~10.6.1.13. All permits, licenses and other building or use authorizations issued by any governmental authority~~
498 ~~with jurisdiction over the Property and written notice of any violation of any such permits, licenses or use authorizations, if any; and~~
499 ☐ ~~10.6.1.14. Other documents and information;~~

500
501
502 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and object to Due Diligence
503 Documents. If the Due Diligence Documents are not supplied to Buyer or are unsatisfactory, in Buyer's sole subjective discretion,
504 Buyer may, on or before **Due Diligence Documents Objection Deadline**:

505 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated;
506 or

507 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any
508 unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

509 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection is received by
510 Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement
511 thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence Documents**
512 **Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection before such
513 termination, i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**.

514 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 25.1, on or before **Due Diligence Documents Objection**
515 **Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any governmental agency with jurisdiction over
516 the Property, in Buyer's sole subjective discretion.

517 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental inspections of the
518 Property including Phase I and Phase II Environmental Site Assessments, as applicable. ☐ ~~Seller~~ ☐ ~~Buyer~~ will order or provide
519 ☐ ~~Phase I Environmental Site Assessment~~, ☐ ~~Phase II Environmental Site Assessment~~ (compliant with most current version
520 of the applicable ASTM E1527 standard practices for Environmental Site Assessments) and/or ☐ _____,
521 at the expense of ☐ ~~Seller~~ ☐ ~~Buyer~~ (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an
522 evaluation whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and
523 evaluations must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's
524 tenants' business uses of the Property, if any.

525 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the **Environmental**
526 **Inspection Termination Deadline** will be extended by _____ days (Extended Environmental Inspection
527 Termination Deadline) and if such Extended Environmental Inspection Termination Deadline extends beyond the **Closing Date**, the
528 **Closing Date** will be extended a like period of time. In such event, ☐ ~~Seller~~ ☐ ~~Buyer~~ must pay the cost for such Phase II
529 Environmental Site Assessment.

530 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this § 10.6.4, Buyer has the
531 Right to Terminate under § 25.1, on or before **Environmental Inspection Termination Deadline**, or if applicable, the Extended
532 Environmental Inspection Termination Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole
533 subjective discretion.

534 Buyer has the Right to Terminate under § 25.1, on or before **ADA Evaluation Termination Deadline**, based on any
535 unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

536 ~~10.7. Conditional Upon Sale of Property.~~ This Contract is conditional upon the sale and closing of that certain property
537 ~~owned by Buyer and commonly known as _____.~~ Buyer has the Right
538 ~~to Terminate under § 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before Conditional Sale Deadline if~~
539 ~~such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller does not receive Buyer's~~
540 ~~Notice to Terminate on or before Conditional Sale Deadline, Buyer waives any Right to Terminate under this provision.~~

541 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer ☐ ~~Does~~ ☐ ~~Does Not~~
542 acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water Addendum disclosing the source of potable water for
543 the Property. ☐ There is No Well. Buyer ☐ ~~Does~~ ☐ ~~Does Not~~ acknowledge receipt of a copy of the current well permit.
544 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE GROUND**
545 **WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE DESCRIBED SOURCE) TO**
546 **DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.**

547 ~~10.9. Existing Leases; Modification of Existing Leases; New Leases.~~ Seller states that none of the Leases to be assigned
548 ~~to the Buyer at the time of Closing contain any rent concessions, rent reductions or rent abatements except as disclosed in the Lease~~
549 ~~or other writing received by Buyer. Seller will not amend, alter, modify, extend or cancel any of the Leases nor will Seller enter into~~
550 ~~any new leases affecting the Property without the prior written consent of Buyer, which consent will not be unreasonably withheld~~
551 ~~or delayed.~~

552 **11. ESTOPPEL STATEMENTS.**

553 ~~11.1. Estoppel Statements Conditions. Buyer has the right to review and object to any Estoppel Statements. Seller must~~
554 ~~request from all tenants of the Property and if received by Seller, deliver to Buyer on or before Estoppel Statements Deadline,~~
555 ~~statements in a form and substance reasonably acceptable to Buyer, from each occupant or tenant at the Property (Estoppel Statement)~~
556 ~~attached to a copy of the Lease stating:~~

557 ~~11.1.1. The commencement date of the Lease and scheduled termination date of the Lease;~~

558 ~~11.1.2. That said Lease is in full force and effect and that there have been no subsequent modifications or~~
559 ~~amendments;~~

560 ~~11.1.3. The amount of any advance rentals paid, rent concessions given and deposits paid to Seller;~~

561 ~~11.1.4. The amount of monthly (or other applicable period) rental paid to Seller;~~

562 ~~11.1.5. That there is no default under the terms of said Lease by landlord or occupant; and~~

563 ~~11.1.6. That the Lease to which the Estoppel Statement is attached is a true, correct and complete copy of the Lease~~
564 ~~demising the premises it describes.~~

565 ~~11.2. Seller Estoppel Statement. In the event Seller does not receive from all tenants of the Property a completed signed~~
566 ~~Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement setting forth the information and documents~~
567 ~~required §11.1 above and deliver the same to Buyer on or before Estoppel Statements Deadline.~~

568 ~~11.3. Estoppel Statements Termination. Buyer has the Right to Terminate under § 25.1, on or before Estoppel~~
569 ~~Statements Termination Deadline, based on any unsatisfactory Estoppel Statement, in Buyer's sole subjective discretion, or if~~
570 ~~Seller fails to deliver the Estoppel Statements on or before Estoppel Statements Deadline. Buyer also has the unilateral right to~~
571 ~~waive any unsatisfactory Estoppel Statement.~~

572

CLOSING PROVISIONS

573 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

574 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing Company to enable
575 the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If Buyer is
576 obtaining a loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing Company, in a
577 timely manner, all required loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any
578 additional information and documents required by Closing Company that will be necessary to complete this transaction. Buyer and
579 Seller will sign and complete all customary or reasonably-required documents at or before Closing.

580 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions ☐ Are ☐ Are Not executed with
581 this Contract.

582 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as
583 the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing will be as designated by
584 _____.

585 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent of service vary between
586 different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

587 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract, including the tender
588 of any payment due at Closing, Seller must execute and deliver the following good and sufficient deed to Buyer, at Closing:

589 ☐ special warranty deed ☐ ~~general warranty deed~~ ☐ ~~bargain and sale deed~~ ☐ ~~quit claim deed~~ ☐ ~~personal representative's~~
590 ~~deed~~ ☐ _____ deed. Seller, provided another deed is not selected, must execute and deliver a good
591 and sufficient special warranty deed to Buyer, at Closing.

592 Unless otherwise specified in §30 (Additional Provisions), if title will be conveyed using a special warranty deed or a general
593 warranty deed, title will be conveyed "subject to statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

594 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts owed on any liens
595 or encumbrances securing a monetary sum, including, but not limited to, any governmental liens for special improvements installed
596 as of the date of Buyer's signature hereon, whether assessed or not and previous years' taxes, will be paid at or before Closing by
597 Seller from the proceeds of this transaction or from any other source.

598 **15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

599 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required
600 to be paid at Closing, except as otherwise provided herein.

601 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by ☐ Buyer ☐ Seller
602 ☐ One-Half by Buyer and One-Half by Seller ☐ Other _____.

15.3. Status Letter and Record Change Fees. At least fourteen days prior to **Closing Date**, Seller agrees to promptly request the Association to deliver to Buyer a current Status Letter. Any fees incident to the issuance of Association's Status Letter must be paid by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller. Any Record Change Fee must be paid by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.4. Local Transfer Tax. ☐ The Local Transfer Tax of _____ % of the Purchase Price must be paid at Closing by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.5. Private Transfer Fee. Private transfer fees and other fees due to a transfer of the Property, payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at Closing by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller. The Private Transfer fee, whether one or more, is for the following association(s): _____ in the total amount of _____ % of the Purchase Price or \$ _____.

15.6. Water Transfer Fees. The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$ _____ for:

☐ Water Stock/Certificates ☐ Water District
☐ Augmentation Membership ☐ Small Domestic Water Company ☐ _____
and must be paid at Closing by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.7. Sales and Use Tax. Any sales and use tax that may accrue because of this transaction must be paid when due by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.8. FIRPTA and Colorado Withholding.

15.8.1. FIRPTA. The Internal Revenue Service (IRS) may require a substantial portion of the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this Section is checked, Seller represents that Seller ☐ IS a foreign person for purposes of U.S. income taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

15.8.2. Colorado Withholding. The Colorado Department of Revenue may require a portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

16. PRORATIONS AND ASSOCIATION ASSESSMENTS. The following will be prorated to the **Closing Date**, except as otherwise provided:

16.1. Taxes. Personal property taxes, if any, special taxing district assessments, if any and general real estate taxes for the year of Closing, based on ☐ Taxes for the Calendar Year Immediately Preceding Closing ☐ Most Recent Mill Levy and Most Recent Assessed Valuation, ☐ Other _____.

16.2. Rents. Rents based on ☐ Rents Actually Received ☐ Accrued. At Closing, Seller will transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful deductions and notify all tenants in writing of such transfer and of the transferee's name and address. Seller must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such Leases.

16.3. Association Assessments. Current regular Association assessments and dues (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of ☐ Buyer ☐ Seller. Except however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller. Seller represents there are no unpaid regular or special assessments against the Property except the current regular assessments and _____. Association Assessments are subject to change as provided in the Governing Documents.

16.4. Other Prorations. Water and sewer charges, propane, interest on continuing loan and _____.

16.5. Final Settlement. Unless otherwise agreed in writing, these prorations are final.

17. POSSESSION. Possession of the Property will be delivered to Buyer on **Possession Date** at **Possession Time**, subject to the Leases as set forth in § 10.6.1.7.

If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable to Buyer for payment of \$ _____ per day (or any part of a day notwithstanding § 18.1) from **Possession Date** and **Possession Time** until possession is delivered.

660 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

661 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States Mountain Time
662 (Standard or Daylight Savings, as applicable).

663 **18.2. Computation of Period of Days, Deadline.** In computing a period of days (e.g., three days after MEC), when the
664 ending date is not specified, the first day is excluded and the last day is included. If any deadline falls on a Saturday, Sunday or
665 federal or Colorado state holiday (Holiday), such deadline ☐ **Will** ☐ ~~Will Not~~ be extended to the next day that is not a Saturday,
666 Sunday or Holiday. Should neither box be checked, the deadline will not be extended.

667 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND**
668 **WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the
669 condition existing as of the date of this Contract, ordinary wear and tear excepted.

670 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss
671 prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the
672 damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds,
673 will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 25.1, on or
674 before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect to
675 carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were
676 received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any
677 deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received
678 the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to
679 Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's
680 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney
681 requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such
682 damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.

683 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication services),
684 system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date
685 of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion
686 or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or
687 replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by
688 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before
689 Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, or, at the
690 option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must
691 not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive
692 Closing.

693 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may
694 result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation
695 action. Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, based on such condemnation action, in Buyer's
696 sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and
697 Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value
698 of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.

699 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the
700 Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

701 ~~**19.5. Home Warranty. [Intentionally Deleted]**~~

702 ~~**19.6. Risk of Loss - Growing Crops.** The risk of loss for damage to growing crops by fire or other casualty will be borne~~
703 ~~by the party entitled to the growing crops as provided in § 2.8 and such party is entitled to such insurance proceeds or benefits for~~
704 ~~the growing crops.~~

705 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge that
706 the respective broker has advised that this Contract has important legal consequences and has recommended the examination of title
707 and consultation with legal and tax or other counsel before signing this Contract.

708 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines in this
709 Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid,
710 honored or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting
711 party has the following remedies:

712 **21.1. If Buyer is in Default:**

713 ☐ **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money (whether or not paid
714 by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty and the Parties agree the
715 amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect to
716 treat this Contract as being in full force and effect and Seller has the right to specific performance, or damages, or both.

717 **21.1.2. Liquidated Damages, Applicable.** This § 21.1.2 applies unless the box in § 21.1.1. is checked. Seller may
718 cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that
719 the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES and not a penalty, which amount the parties agree is fair and
720 reasonable and (except as provided in §§ 10.4, 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for
721 Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and
722 additional damages.

723 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received
724 hereunder will be returned to Buyer and Buyer may recover such damages as may be proper. Alternatively, Buyer may elect to treat
725 this Contract as being in full force and effect and Buyer has the right to specific performance, or damages, or both.

726 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of any arbitration
727 or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must award to the prevailing party all
728 reasonable costs and expenses, including attorney fees, legal fees and expenses.

729 **23. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not resolved, the parties
730 must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps
731 to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is
732 binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator
733 and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire
734 dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at that
735 party's last known address (physical or electronic as provided in § 27). Nothing in this Section prohibits either party from filing a
736 lawsuit and recording a *lis pendens* affecting the Property, before or after the date of written notice requesting mediation. This
737 Section will not alter any date in this Contract, unless otherwise agreed.

738 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must release the Earnest
739 Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding
740 the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole subjective
741 discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest
742 Money into a court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
743 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money Holder receives a copy of
744 the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the lawsuit (Lawsuit) within one
745 hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest
746 Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time
747 of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the
748 obligation of § 23 (Mediation). This Section will survive cancellation or termination of this Contract.

749 **25. TERMINATION.**

750 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to Terminate), the
751 termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written
752 notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or
753 before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as satisfactory
754 and waives the Right to Terminate under such provision.

755 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received hereunder will be returned
756 to Buyer and the parties are relieved of all obligations hereunder, subject to §§ 10.4, 22, 23 and 24.

757 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and specified
758 addenda, constitute the entire agreement between the parties relating to the subject hereof and any prior agreements pertaining
759 thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the terms
760 of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right or
761 obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the same.
762 Any successor to a party receives the predecessor's benefits and obligations of this Contract.

763 **27. NOTICE, DELIVERY AND CHOICE OF LAW.**

764 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing, except as provided in
765 § 27.2 and is effective when physically received by such party, any individual named in this Contract to receive documents or notices

766 for such party, Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after Closing must be
767 received by the party, not Broker or Brokerage Firm).

768 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in electronic form to Buyer or
769 Seller, any individual named in this Contract to receive documents or notices for such party, Broker or Brokerage Firm of Broker
770 working with such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage Firm)
771 at the electronic address of the recipient by ~~facsimile~~, email or _____.

772 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email at the email address
773 of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to access the
774 documents, or (3) ~~facsimile at the facsimile number (Fax No.) of the recipient.~~

775 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed in accordance with
776 the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property
777 located in Colorado.

778 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by Buyer and
779 Seller, as evidenced by their signatures below and the offering party receives notice of such acceptance pursuant to § 27 on or before
780 **Acceptance Deadline Date and Acceptance Deadline Time.** If accepted, this document will become a contract between Seller and
781 Buyer. A copy of this Contract may be executed by each party, separately and when each party has executed a copy thereof, such
782 copies taken together are deemed to be a full and complete contract between the parties.

783 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not limited
784 to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations; Title Insurance,**
785 **Record Title and Off-Record Title; New ILC, New Survey; and Property Disclosure, Inspection, Indemnity, Insurability, Due**
786 **Diligence, and Source of Water.**

ADDITIONAL PROVISIONS AND ATTACHMENTS

788 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate
789 Commission.)

790 30.1 - Buyer shall deliver, or cause to be delivered, at or before Closing duly executed and acknowledged copies of the Restrictive Covenants (No Irrigation and Revegetation)
791 attached hereto as Exhibit A and the Irrigation Water Lease attached hereto as Exhibit B. The Restrictive Covenants (No Irrigation and Revegetation) shall be recorded in the real
792 property records of Weld County immediately after the deed conveying the property to Buyer is recorded.

793 30.2 - The obligations of the Seller herein, including the obligation to convey the Property to Buyer, are expressly subject to the authorization of this divestment of real property by
794 the City of Greeley Water & Sewer Board and the City of Greeley City Council. In the event that the Board and City Council do not approve this agreement and authorize the
divestment on or before January 27, 2021, this Contract is of no legally binding effect, the Earnest Money shall be returned to the Buyer, and neither party shall have any further
obligation to the other regarding the subject matter herein.

795 **31. OTHER DOCUMENTS.**

796 **31.1.** The following documents are a part of this Contract:

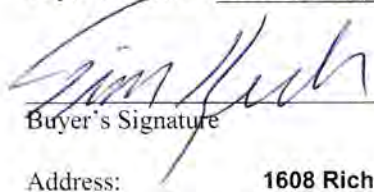
797 Exhibit A - Restrictive Covenants (No Irrigation and Revegetation)
798 Exhibit B - Irrigation Water Lease Agreement

800 **31.2.** The following documents have been provided but are **not** a part of this Contract:

SIGNATURES

805 Buyer's Name: **Kindred Properties, LLC**

Buyer's Name: _____

Buyer's Signature 

Date 11/10/20

Buyer's Signature _____

Date _____

Address: **1608 Richards Lake Road**

Fort Collins, Colorado 80524

Address: _____

Phone No.: **N/A (970) 567-0376**

Phone No.: _____

Fax No.: **N/A**

Fax No.: _____

Email Address: **taherbs@gmail.com**

Email Address: _____

806 [NOTE: If this offer is being countered or rejected, do not sign this document.

Seller's Name: _____

~~Seller's Name:~~ _____

[SEE ATTACHED SIGNATURE PAGE]

Seller's Signature _____ Date _____

~~Seller's Signature~~ _____ ~~Date~~ _____

Address: _____

~~Address:~~ _____

Email Address: _____

~~Phone No.:~~ _____

Email Address: _____

~~Fax No.:~~ _____

Email Address: _____

~~Email Address:~~ _____

807

808

END OF CONTRACT TO BUY AND SELL REAL ESTATE

~~32. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.~~

~~(To be completed by Broker working with Buyer)~~

~~Broker ☐ Does ☐ Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.~~

~~Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.~~

~~Broker is working with Buyer as a ☐ Buyer's Agent ☐ Transaction-Broker in this transaction. ☐ This is a Change of Status.~~

~~☐ Customer. Broker has no brokerage relationship with Buyer. See § 33 for Broker's brokerage relationship with Seller.~~

~~Brokerage Firm's compensation or commission is to be paid by ☐ Listing Brokerage Firm ☐ Buyer ☐ Other _____.~~

~~Brokerage Firm's Name:~~ _____

~~Brokerage Firm's License #:~~ _____

~~Broker's Name:~~ _____

~~Broker's License #:~~ _____

Broker's Signature

Date

Address: _____

Phone No.: _____

Fax No.: _____

Email Address: _____

~~33. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.~~

~~(To be completed by Broker working with Seller)~~

~~Broker ☐ Does ☐ Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written~~

~~mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.~~

~~Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.~~

Broker is working with Seller as a ☐ **Seller's Agent** ☐ **Transaction Broker** in this transaction. ☐ This is a **Change of Status**.

☐ **Customer**. Broker has no brokerage relationship with Seller. See § 32 for Broker's brokerage relationship with Buyer.

Brokerage Firm's compensation or commission is to be paid by ☐ **Seller** ☐ **Buyer** ☐ **Other** _____.

Brokerage Firm's Name:

Brokerage Firm's License #:

Broker's Name:

Broker's License #:

Broker's Signature

Date

Address:

Phone No.:

Fax No.:

Email Address:

CITY OF GREELEY SIGNATURE PAGE
Contract to Buy and Sell Real Estate
Between Kindred Properties, LLC, Buyer, and City of Greeley, Seller

THE CITY OF GREELEY, COLORADO

By: _____

Mayor

Dated: _____

ATTEST:

By: _____

City Clerk

APPROVED AS TO SUBSTANCE:

By: _____

City Manager

APPROVED AS TO LEGAL FORM:

By: _____

City Attorney

AVAILABILITY OF FUNDS:

By: _____

Director of Finance

FORM DO NOT EXECUTE

RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, and in order to provide the City of Greeley, a Colorado home rule municipal corporation ("Greeley"), with the maximum benefit available from the present and future use of water pursuant to the water rights acquired or to be acquired by Greeley and described in Exhibit 1 attached hereto and incorporated herein ("Water Rights"), KINDRED PROPERTIES, LLC, a Colorado limited liability company ("Declarant"), agrees, warrants and covenants, and the undersigned leaseholder and lienholder, if any, acknowledge and approve, on Declarant's own behalf and on behalf of all successors in interest, that upon notice from Greeley, Declarant shall cease irrigation on the lands owned by Declarant and described in Exhibit 2 attached hereto and incorporated herein ("Land").

Upon receipt of one hundred and eighty (180) days prior written notice from Greeley, thereafter Declarant and Declarant's successor in interest shall not irrigate the Land. These covenants shall not prohibit Declarant or Declarant's successor in interest from irrigating the Land (i) with other water rights which may in the future be transferred to such lands and judicially approved for such use through an appropriate Water Court proceeding, and in accordance with any future water rights applications filed by Greeley or a successor in interest to the Water Rights; (ii) with water from an existing well or wells to be constructed in the future which are authorized to pump pursuant to a Water Court-approved plan for augmentation; (iii) with water which is not tributary to the South Platte River or any of its tributaries; (iv) or with treated potable water supplied by a municipal or quasi-municipal government water provider ("Alternate Water Rights").

Unless so irrigated, then within two and one half (2½) years from the date Declarant ceases to irrigate the Land or any portion thereof with Alternate Water Rights, Declarant or Declarant's successors in interest shall establish, at Declarant's or Declarant's successors in interest's expense, a ground cover of plant life, as such is defined in C.R.S. § 37-92-103(10.5), on the previously irrigated portions of the Land to satisfy any applicable revegetation and noxious weed management provisions as may be required in a final decree obtained by Greeley, or a successor in interest to the Water Rights, from the District Court for Water Division No. 1, State of Colorado, or a successor court, changing certain water rights from agricultural irrigation purposes to other beneficial purposes, pursuant to C.R.S. § 37-92-305(4.5). Previously irrigated portions of the Land means portions of the Land not occupied by roads, buildings, or other structures, which land was cultivated with crops in accordance with these covenants. Declarant, or Declarant's successors in interest, shall provide notice to Greeley when such revegetation of the Land has been established. Declarant agrees the Land subject to these covenants shall not be planted with crops that are capable of extending roots into the underlying groundwater, including, but not limited to, alfalfa.

Should Declarant or Declarant's successor in interest fail to comply with its obligations hereunder, Greeley shall have the right to come upon the Land and take all measures necessary to accomplish the Declarant's obligations hereunder, including but not limited to revegetation and/or noxious weed management on the Land, provided that Greeley shall also have the right to receive full reimbursement of all of its expenses of accomplishing such revegetation or weed management from Declarant or Declarant's successor in interest. Any and all fees and costs incurred in any necessary action to enforce these covenants by Greeley, including reasonable attorney fees, shall be paid by Declarant. Additionally, Greeley shall have the right to come upon the Land to verify Declarant's compliance with its obligations hereunder, with any such inspections being at the sole expense of Greeley. All rights to enter upon the Land granted herein shall terminate upon a final determination by the District Court for Water Division No. 1, State of Colorado, under the court's retained jurisdiction, that no further actions will be necessary in order to satisfy Declarant's revegetation obligations.

EXHIBIT A

The foregoing covenants shall burden, attach to, and run with the Land and shall be binding upon Declarant and Declarant's successors, assigns and any other person who acquires an ownership or leasehold interest in all or part of the Land; such covenants also shall benefit, attach to, and run with the Water Rights and shall inure to the benefit of Greeley's successors, assigns, and any other person who acquires an ownership interest in the Water Rights. Declarant warrants and represents such covenants shall entitle Greeley to the first and prior right to claim credit for the dry-up or non-irrigation of the Land.

The terms and provisions of these covenants shall not expire and shall be perpetual unless specifically released in writing by Greeley or its successors in interest. The terms and provisions of these covenants may not be terminated, modified, or amended without prior written consent of Greeley or its successors in interest. Any notice may be sent to the Declarant by prepaid U.S. Mail to the Declarant at: 1608 Richards Lake Road, Fort Collins, Colorado 80524.

IN WITNESS WHEREOF, the Declarant have executed this instrument on the _____ day of _____, 2020.

Declarant
KINDRED PROPERTIES, LLC

By: _____

Name: _____

Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 2021 by _____, as an authorized representative of Kindred Properties, LLC.

Witness my hand and official seal.

Notary Public
My commission expires: _____

EXHIBIT A

EXHIBIT 1
RESTRICTIVE COVENANT (NO IRRIGATION AND REVEGETATION)
(Description of the Water Rights)

All water and water rights, ditches and ditch rights, reservoirs and reservoir rights, and all other rights and interests represented by one-half (0.5) share of capital stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. 6769.

EXHIBIT A

EXHIBIT 2
RESTRICTIVE COVENANT (NO IRRIGATION AND REVEGETATION)
(Description of the Land)

Lot B, Recorded Exemption No. 0707-16-1 RECX17-0100, according to the map recorded August 31, 2017 at Reception No. 4331717, being a part of the East 1/2 of Section 16, Township 7 North, Range 66 West of the 6th P.M.; also known as Parcel No. 070716100006 and consisting of approximately 40.377 acres, more or less.

FORM DO NOT EXECUTE

IRRIGATION WATER LEASE AGREEMENT

This IRRIGATION WATER LEASE AGREEMENT ("Agreement") is entered into this ____ day of _____ 2021, by and between the CITY OF GREELEY, a Colorado home rule municipal corporation acting by and through its Water Enterprise, whose address is 1001 11th Avenue, Second Floor, Greeley, Colorado 80631 ("Greeley"), and KINDRED PROPERTIES, LLC, a Colorado limited liability company whose address is 1608 Richards Lake Road, Fort Collins, Colorado 80524 ("Lessee").

RECITALS

WHEREAS, Greeley owns those certain water rights represented by one-half (0.5) share of capital stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. 6769 ("Water Rights"); and

WHEREAS, Lessee desires to lease the Water Rights from the Greeley for agricultural irrigation on a parcel of real property consisting of approximately 40.377 acres located in Weld County and more particularly described as Lot B, Recorded Exemption No. 0707-16-1 RECX17-0100, according to the map recorded August 31, 2017 at Reception No. 4331717, being a part of the East 1/2 of Section 16, Township 7 North, Range 66 West of the 6th P.M. and also known as Parcel No. 070716100006 ("Property"); and

WHEREAS, Greeley is willing to lease the Water Rights to Lessee for agricultural irrigation on the Property;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Greeley and Lessee agree as follows.

AGREEMENT

1. **Water Rights Lease.** Greeley hereby leases to Lessee, and Lessee hereby leases from the Greeley, the above-described Water Rights for the purpose of agricultural irrigation on the Property.

2. **Term of Lease.** The term of this Agreement begins on the date of mutual execution and ends after a period of ten (10) years ("Initial Term"). At the end of this Initial Term, this Agreement shall renew automatically on an annual basis for five (5) subsequent terms of one (1) year each. ("Renewal Terms"), unless Greeley or Lessee transmits written notice of nonrenewal on or before November 1 of the preceding calendar year. Lessee may terminate this Agreement during the Initial Term, prior to any irrigation season, for any reason by delivering two years' advance written notice to Greeley. Greeley may terminate this Agreement during the Initial Term, prior to any irrigation season, by delivering advance written notice to Lessee on or before November 1 of the preceding calendar year, if Greeley determines in its sole discretion that the Water Rights are needed for any municipal purpose, or if Greeley is required to cease irrigation with the Water Rights by the terms and conditions of a water court decree. Additionally, refer to Section 12 for provisions relating to termination for cause.

3. **Annual Lease Amount and Administrative Fee.** Lessee shall pay to Greeley an Annual Lease Amount equal to all assessments, charges, and other expenses due and attributable to the Water Rights paid by Greeley to The Water Supply and Storage Company. The Annual Lease Amount shall not be reduced to reflect rebates or other credits attributable to leasing transmountain return flows associated with the Water Rights. Lessee shall also pay to Greeley an Annual Administrative Fee equal to ten percent of that year's Annual Lease Amount,

EXHIBIT B

provided, however, that the Annual Administrative Fee shall not exceed five-hundred dollars (\$500.00). Greeley will provide an invoice of the Annual Lease Amount and Annual Administrative Fee to Lessee, and Lessee shall deliver payment of that total amount to Greeley no later than (i) May 15 of the then current irrigation year, or (ii) within fifteen days of receipt of such invoice from Greeley. Lessee shall also remit to Greeley an additional charge equal to fifteen percent of the Annual Lease Amount for every thirty days that payment required under this Agreement is late.

4. Use of Water Rights. Lessee shall use the water delivered pursuant to the Water Rights only for agricultural irrigation on the Property. Lessee shall not use the Water Rights for any other uses. Lessee shall not use the water delivered pursuant to the Water Rights on any land other than the Property. Lessee shall use the Water Rights in accordance with all rules, regulations, bylaws and policies of The Water Supply and Storage Company. Lessee shall comply with Title 14 (or any successor section) of the Greeley Municipal Code, and all rules, regulations, and laws of the State of Colorado pertaining to use of the Water Rights. Lessee shall take and use the water delivered pursuant to the Water Rights to the fullest extent possible, and shall undertake no action that could be construed as abandonment of the Water Rights or could cause in part or in whole a reduction in the use of the Water Rights. Lessee shall provide advance written notice to Greeley of at least thirty days if they no longer intend to irrigate the entirety of the Property with the Water Rights. Absent written consent from Greeley, Lessee shall not use any water, water rights, ditches, ditch rights, wells, well rights, well permits, carriage rights, reservoirs, or reservoir rights to irrigate the Property, other than water yielded pursuant to the Water Rights.

5. Affidavit of Beneficial Use and Water Court Proceedings. Lessee agrees to deliver to Greeley, on or before May 15 of each calendar year, a completed Beneficial Use Affidavit and Questionnaire, in the form attached hereto as Exhibit A. Lessee acknowledges that Greeley may file an application to change the use of the Water Rights with the Division 1 Water Court for the State Colorado during the term of this Agreement. Lessee agrees to cooperate with Greeley and its agents or representatives in the review and analysis of the historical use of the Water Rights. Upon request from Greeley, Lessee shall provide information regarding use of the Water Rights and reasonable access to the Property during and in preparation for any proceeding before the Division 1 Water Court.

6. Restriction on Sublease and Assignment. Lessee shall not rent, sublet, or otherwise convey the right to use the Water Rights. Lessee shall not assign this Agreement, except to a successive owner or operator of the Property for agricultural irrigation of the Property, and only with written consent from Greeley. Lessee shall request consent from Greeley prior to any purported assignment of this Agreement by advance written notice of at least thirty days. Such consent may be given or withheld in the sole discretion of Greeley.

7. No Vested Interest in Shares or Joint Venture. This Agreement is made expressly subject to Section 17-4 of the Charter of the City of Greeley. Greeley grants no interest in the Water Rights to the Lessee other than as explicitly set forth in this Agreement. Lessee shall make no claim to any rights, title, or interest in the Water Rights other than as explicitly set forth in this Agreement. This Agreement does not create a partnership or joint venture of any kind between the parties, and the Lessee shall bear the entirety of any loss, cost, or expense incurred through their use of the Water Rights on the Property.

8. No Guarantee of Yield. Lessee is entitled to receive the amount of water yielded by the Water Rights, subject to the terms and conditions in this Agreement. Greeley makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered pursuant to the Water Rights. Lessee shall not hold Greeley liable for any failure in delivery of the water pursuant to the Water Rights, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

9. Maintenance of Infrastructure. Lessee shall maintain the lateral ditches, headgates, and other personal property necessary to deliver water pursuant to the Water Rights at Lessee's own cost and expense. Lessee

EXHIBIT B

shall make all repairs and restorations necessary to keep the lateral ditches, headgates, and other personal property in good working condition during the term of this Agreement.

10. Indemnification; Immunity. Lessee agrees to exercise Lessee's rights under this Agreement at Lessee's own risk. Lessee shall indemnify and hold harmless Greeley from and against any cost, expense, or liability arising out of this Agreement or related activities. Nothing in this Agreement is intended to constitute a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 et seq., as applicable now or hereafter amended.

11. Notice. All notices to be given under this Agreement shall be (1) sent by certified or registered mail, return receipt requested, or (2) hand-delivered at the addresses set forth above. Lessee shall provide written notice to Greeley if the appropriate contact information changes.

12. Default and Termination. If either Greeley or Lessee fails to comply with a term or condition herein, such failure constitutes a default of this Agreement. The non-defaulting party may declare the default by providing written notice to the defaulting party in accordance with Paragraph 11 above. Upon receipt of this notice of default, the defaulting party will have fifteen days within which to cure the default. If, in the sole discretion of the non-defaulting party, the default remains uncured after the aforementioned fifteen-day cure period, or after any written extension thereof mutually agreed upon by the parties, the non-defaulting party may declare the Agreement terminated by written notice in accordance with Paragraph 11 above.

(a) Notwithstanding the above, failure by the Lessee to comply with the terms and conditions of Paragraphs 3, 4 or Paragraph 6 of this Agreement constitutes a material breach. In the event that the Lessee commits a material breach, Greeley may immediately terminate this Agreement by written notice to Lessee.

(b) The failure of either party to declare a default or material breach does not establish a precedent or constitute an implied waiver of any subsequent breach of the terms and conditions in this Agreement.

13. Cessation of Irrigation. Upon expiration or termination of this Agreement, Lessee shall immediately cease agricultural irrigation of the Property with the Water Rights.

14. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies upon any parties other than Lessee and Greeley, or their respective permissible successors in interest.

15. Recovery of Costs and Fees. In addition to any remedies otherwise available, a party that is successful in a legal action commenced against the other due to a default or material breach of this Agreement may recover from the defaulting party reasonable costs and attorneys' fees incurred during the course of such legal action.

16. Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any action arising out of this Agreement is the District Court for Weld County, Colorado, or the Division 1 Water Court for the State of Colorado.

17. Severability. In the event a provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding will not invalidate any other provision herein, and the remainder of the Agreement should be interpreted in accordance with the intent of the parties.

18. Integration. This Agreement constitutes a complete integration of the understanding and agreement between Greeley and Lessee with respect to the subject matter herein, and supersedes all other lease agreements regarding the Water Rights. No representations, negotiations, or warranties, express or implied, exist between

EXHIBIT B

Greeley and Lessee except as explicitly set forth in this Agreement. This Agreement may only be modified in a written form duly authorized, approved, and executed by Greeley and Lessee.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by electronic means. The parties agree to accept and be bound by signatures hereto delivered by electronic means.

20. Recording. Lessee shall not record this Agreement in the real property records of any jurisdiction. This Agreement is not intended to run with the land as a covenant burdening real property.

IN WITNESS WHEREOF, the undersigned parties have executed this Irrigation Water Lease Agreement on the date first set forth above.

LESSEE
KINDRED PROPERTIES, LLC

By: _____

Date: _____

CITY OF GREELEY,
a Colorado home rule municipal corporation
acting by and through its Water Enterprise

By: _____
Mayor

Date: _____

ATTEST

By: _____
City Clerk

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____ 20__ by _____, as an authorized representative of Lessee.

Witness my hand and official seal.

Notary Public
My commission expires: _____

EXHIBIT B

EXHIBIT A
IRRIGATION WATER LEASE AGREEMENT
(Beneficial Use Affidavit and Questionnaire)

ANNUAL AFFIDAVIT OF BENEFICIAL USE OF WATER RIGHTS

DESCRIPTION OF WATER RIGHTS:

Ditch or Reservoir Company: _____
 Shares or Interest: _____

Name and address of owner and user of water rights:

Owner: City of Greeley
Water and Sewer Department
1001 11th Avenue, Second Floor
Greeley, Colorado 80631

User(s): _____

Year water rights were used as described: _____

DESCRIPTION OF IRRIGATED LAND:

Legal description and size/acreage of land irrigated by above-mentioned water rights:

Name and address of owner(s) of above-mentioned irrigated land if different from owner or user of the water rights:_____.

I have not intended to abandon the aforementioned water rights during my period of use. I state that the information contained here and in the attached Questionnaire Regarding Use of Water Shares, which is incorporated herein by reference, is known to me and is correct.

The undersigned _____, having personal knowledge of the irrigation of the above described lands by virtue of being the owner and/or person who has farmed and irrigated those lands, being first duly sworn, hereby states that the information provided in this statement is true and accurate.

Signed and dated this _____ day of _____, 20__.

[AFFIANT]

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF)

EXHIBIT B

The foregoing instrument was acknowledged before me this ____ day of _____ 20__ by _____.

Witness my hand and official seal.

Notary Public

My commission expires: _____

QUESTIONNAIRE REGARDING USE OF WATER SHARES

*The person completing this questionnaire need not necessarily be the Lessee,
but must have personal knowledge of the information provided*

1. Name: _____
Mailing Address: _____

Telephone: _____
Facsimile: _____
Email Address: _____
2. The information provided below pertains to ____ shares of the _____ Company, represented by Certificate No. _____ (hereinafter "Shares").
3. Did you use the Shares pursuant to a Lease Agreement? _____
Date of the Lease: _____
Name of Lessee (if different from Question 1): _____
Name of Lessor: _____
4. The information in this questionnaire relates to my use of the Shares during the [20__] irrigation season (hereinafter "Lease Year").
5. Do you still own the farm or parcel irrigated by these Shares? _____
6. Was your use of the Shares during the Lease Year consistent with all terms and conditions of the Lease Agreement and with the bylaws, rules, regulations, and policies of the ditch company? _____
7. What is the legal description of the farm or parcel on which these Shares were used?
8. What is the total size of the farm or parcel? _____ acres.
9. What is the size of the area(s) on the farm or parcel that was irrigated? _____ acres.
10. What is the size of the area(s) on the farm or parcel that was irrigated using water from the Shares? _____ acres.

EXHIBIT B

11. Please provide the following information regarding how the water from these Shares is delivered.

- Location and ID Number of the head gate at the main ditch: _____
_____.
- Name and general location of any lateral(s) delivering the water to the land historically irrigated: _____
_____.
- Identification of any carrier or lateral ditch stock required to deliver these rights: _____
_____.
- Approximate location of pumps, if used: _____
_____.
- Approximate location and size of storage ponds or reservoirs, including tail water ponds, if used: _____
_____.

12. How was water applied during the Lease Year? Sprinkler _____ Furrow _____ Flood _____
Other/Combination (Describe): _____.

13. What was the irrigation season for the Lease Year? Start Date: _____ Stop Date: _____

14. During the Lease Year, did you divert and irrigate with all water available under the Shares? _____.
If no, please explain the reason why all water was not taken, approximately how much was not taken, and for how long: _____

_____.

15. Other than the Shares leased, was any other water (including other shares that are in the same Company as the Shares that are the subject of this questionnaire) used to irrigate the farm or parcel on which the Shares are/were used during the Lease Year? If so, please provide the following information.

- Number of shares: _____
- Ditch Company: _____
- Number of any Irrigation Wells: _____
- Identification and Permit No. of any Irrigation Wells: _____
_____.
- Capacity of Irrigation Wells: _____
- Approximate location of Irrigation Wells: _____
_____.
- Any other water used: _____

16. Describe how the water has been used, including the estimated percentage of the total irrigation supply provided by such water: _____
_____.

17. During the Lease Year, what crops were grown on the land irrigated by the Shares?

1. Crop: _____ Percentage: _____ Location: _____
2. Crop: _____ Percentage: _____ Location: _____

EXHIBIT B

3. Crop: _____ Percentage: _____ Location: _____
4. Crop: _____ Percentage: _____ Location: _____
5. Crop: _____ Percentage: _____ Location: _____
6. Crop: _____ Percentage: _____ Location: _____

18. Were the lands on which the Shares were used subirrigated? Yes _____ No _____

19. If possible, please provide a map, sketch, or aerial photograph showing locations of (*check if included*):

- _____ Farm or Parcel
_____ Areas irrigated by the Shares during the Lease Year
_____ Areas irrigated with other water
_____ Lateral ditches, wells, pumps, pipelines, storage reservoirs, or tail water ponds

I understand that I may be required to sign an affidavit attesting to the accuracy, to the best of my knowledge, of the information provided herein.

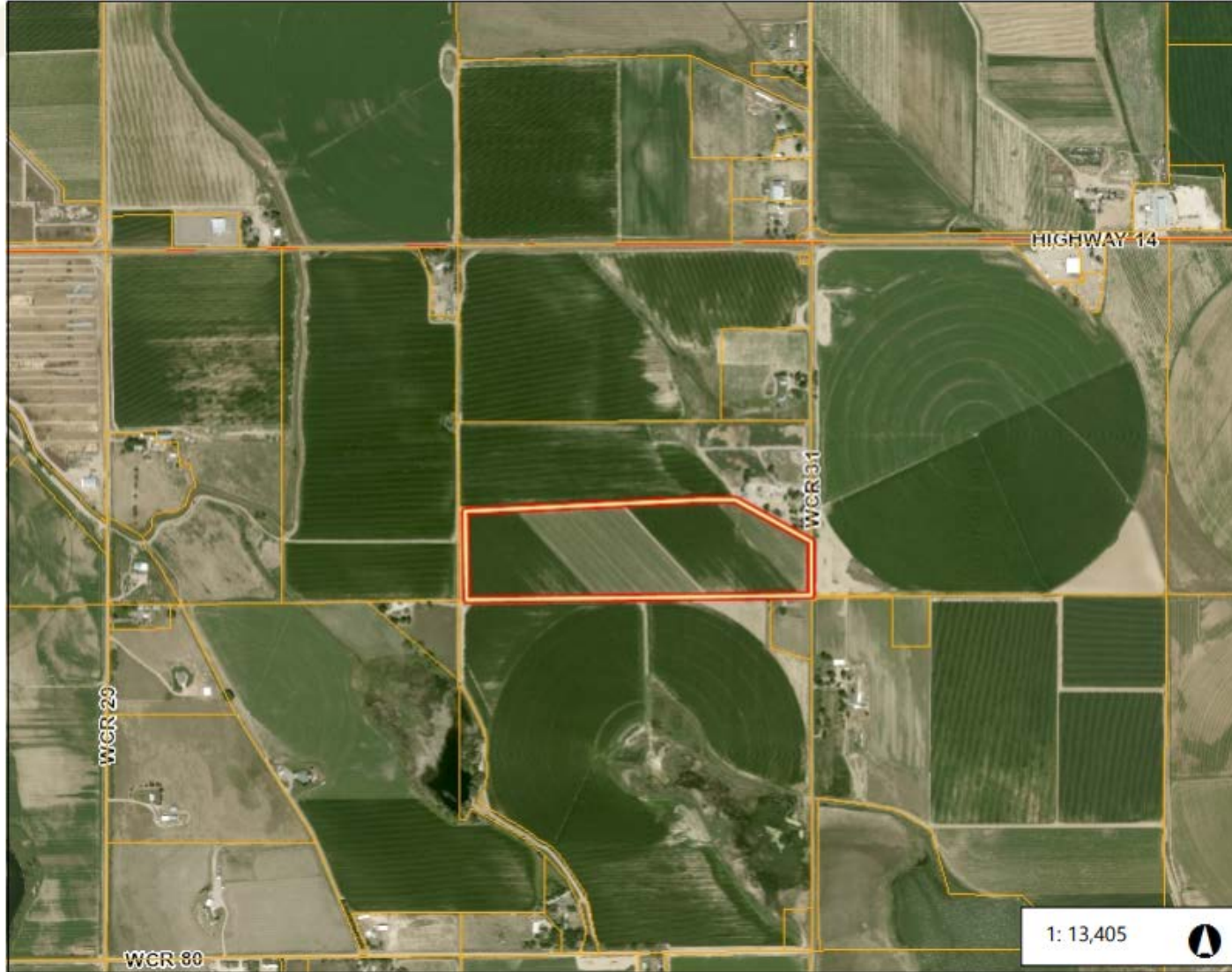
Signature: _____ Date: _____

Danielson II Farm Property Divestment



November 18th, 2020

Danielson II Farm Property Divestment



Danielson II Farm Property Divestment

- Greeley acquired 40 +/- acres of farm land with 1.5 shares of Water Supply and Storage (WSSC) \$ \$1,241,920.00 in 2017.
 - \$1,012,500 for water
 - \$229,420 for land (\$5,700 per acre)
- 2020 dry land appraisal: \$242,000 (\$6,000/Acre)
- Offer from Tim Kerbs, \$242,000



Danielson II Farm Property Divestment

- Buyer is a farmer and will continue to use the property for agriculture
- \$10,000 earnest money
- No brokerage commission
- Buyer pays for diligence
- City obtains dry-up and revegetation covenants
- Leaseback
 - 10 year primary lease of water rights
 - Lease may be extended for up to 5, 1-year terms



Recommendation

- Benefits of divestment:
 - Land is maintained in agriculture
 - Reduces maintenance overhead
 - Could seek to re-appropriate sale proceeds for additional water acquisition
- W&S Staff recommend divestment of the Danielson II Farm





Questions?



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 10

TITLE: NON-POTABLE DEVELOPMENT POLICY
UPDATE

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

Greeley has a long history of utilizing non-potable water to irrigate its turfed areas using the extensive ditch systems within the City. The City has expanded non-potable usage and has significant planned capital investments to further use its non-potable water supplies. However, in order to meet the long-term water supply needs of Greeley's growth, non-potable usage needs to be approximately four times larger than the current annual non-potable volume used. Reaching that goal will require that new development utilize non-potable water to a much greater extent than it has in the past. Current non-potable policies financially discourage non-potable expansion and need to be revised to facilitate the use of this critical water resource supply. Staff has developed a proposal to accelerate the use of non-potable water in new development that Greeley needs in order to reach its long-term water resource supply goal.

Non-Potable Water Supply

Program Policies

November, 2020

Non-Potable Supply Required

Developments shall have non-potable irrigation unless all of the following conditions are met:

- The cost of installing non-potable irrigation is greater than 100% of potable service. The cost comparisons should include all necessary infrastructure, raw water dedication, plant investment fees, and any other costs or credits deemed relevant. Any costs borne by the City under the cost sharing protocols outlined below will not be included in these calculations.

For residential developments only, the development shall use non-potable water for irrigation of:

- Common spaces unless the residential development has less than 3 acres of irrigated common space
- Individual lots unless the average lot size of the residential development is less than 0.5 acres

For commercial or industrial developments only, the development shall use non-potable water for irrigation unless the commercial or industrial development has less than 3 acres of common space irrigation

For developments that are not feasible to immediately connect to the City's non-potable system, but that the City has identified as being feasible for non-potable service with 5 years, land will be identified and set aside for the installation of non-potable infrastructure when the City deems it feasible.

Special consideration may be made for development projects where engineering limitations make including infrastructure for non-potable water infeasible. The evaluation and all calculations must be provided to the City of Greeley for approval in order to waive the requirement.

Cash-In-Lieu (CIL)

Non-potable CIL is equal to potable CIL.

- New single-family residential non-potable requirements are calculated on the pervious area of the lot and the lot size minus the footprint of the house and other impervious areas. The development HOA or Metro District will be served by master meters as determined by the City of Greeley.

Credit for Irrigation Company Shares

Non-potable credits for dedicated shares on land that has been historically irrigated are:

- Greeley Loveland Irrigation Company: 12 AF/share
- Loveland and Greeley Reservoir Company: 40 AF/share
- Seven Lakes Reservoir Company: 20 AF/share
- Greeley Irrigation Company: 10.3 AF/share (With Dry up Covenant/Agreement)

Cost of Connection & Cost Sharing

The cost of developing non-potable infrastructure shall be borne by the developer.

However, the City, at the discretion of the Water and Sewer Director, may cost-share non-potable system development. This would apply in cases when the cost borne by the developer of installing non-potable irrigation is greater than 100% of potable service.

- Furthermore, the City, at the discretion of the Water and Sewer Director, shall pay to upsize non-potable facilities in cases when the non-potable system can be used to serve more areas than a single development.

Water Budget

All newly installed non-potable accounts shall be assigned a Water Budget.

Drought Restrictions

During times of drought declaration, non-potable developments will be subject to the same watering restrictions and surcharges as potable, Water Budget accounts.

Public Ownership of Non-Potable Systems

No private ownership of non-potable systems in new development is allowed south of the Poudre River.

Private non-potable systems north of the Poudre River will be allowed if the City chooses not to be the non-potable provider, however the non-potable system shall be constructed according to City of Greeley construction standards. The City, at the discretion of the Water and Sewer Director, shall become the owner and operator of the non-potable system when financially prudent and desirable to do so.

Plant Investment Fees (PIFs)

No Plant Investment Fees are charged for non-potable taps.

Shoulder Season Taps

The City shall furnish, without raw water fees or PIFs, potable water taps to supply the non-potable irrigation system during times when the non-potable supply is unavailable (i.e., early spring and late fall shoulder seasons). Shoulder taps will be removed or retired from service if the non-potable system is expanded to serve shoulder seasons. Shoulder season taps are generally provided for parks, large HOAs, and large commercial customers. It is not intended for residential use.

- If potable water is used during periods when non-potable supplies are available, the potable supplies will be subject to the potable raw water surcharge.

Water Rates

Each non-potable system is provided a tiered annual water budget. (Implemented when new utility billing software is live.)

- Water tier volumes for non-potable systems will be the same as the potable water budget program.
 - Water Budget tier = up to 100% of water budget
 - Inefficient Use tier = 101%-130% of water budget
 - Excessive Use tier = 131%-150% of water budget
 - Unsustainable Use tier = >150% of water budget
- Tiered rates for use of non-potable water supplies will be 70% of the residential water budget rates, which are determined annually by the Water & Sewer Board.

Raw Water Dedication

| Type of Water Use* | Vegetation Type |
|--|--|
| High Water Use | Bluegrass, Turf, Annuals, Willow Trees, etc. |
| Medium Water Use | Drip Irrigation, Fruit Trees, Common Ornamentals, etc. |
| Low Water Use | Native Plants, Succulents, Drought Tolerant Plants, etc. |
| *Refer to water use information for plant watering needs from “Greeley WaterWise Landscaping Criteria” | |

| Type of Water Use | Dedication Requirement |
|-------------------|------------------------|
| High Water Use | 3.0 acre feet/acre |
| Medium Water Use | 2.3 acre feet/acre |
| Low Water Use | 1.6 acre feet/acre |

- A service commitment will be recorded with the Weld County Clerk and Recorder that specifies the volume of raw water dedicated (or paid through cash-in-lieu) for the non-potable water use.
 - Because the establishment of landscaping may require extra watering, exceeding the service commitment during the first full calendar year of water service for the new non-potable customer will not be considered as an overage and no raw water surcharge payment will be due.
- If water use for a new non-potable customer exceeds its service commitment in any calendar year, the owner will be required to pay a raw water surcharge for the volume of water exceeding the service commitment.
- If water use in a new non-potable customer exceeds its service commitment in any two consecutive years, the owner will be required to purchase additional water through a Cash-in-Lieu payment.
 - The Cash-in-Lieu payment will be for the two-year average volume of water used above the service commitment.
 - Service commitment pricing is based on the current Cash-in-Lieu of water prices for Greeley.

Non-Potable Development Policy

Water & Sewer Board | November 18, 2020



Background

- 1870: Greeley uses Canal No. 3 to water parks and gardens
- 1961: Greeley begins using Greeley-Loveland water
- Early to mid-1990s: Plans for replacing potable water at City parks to reduce peak demands at treatment plants
- 1998 - 2008: Rapid expansion of non-potable system
- 2000: City purchases Poudre Ponds storage facility
- 2004: Non-Potable Master Plan
- 2008 - 2019: Minor expansions & robust maintenance but no new major developments

Background

- Non-potable supplies projected to provide up to 10,000 acre feet of Greeley's water supply by 2065
 - Approximately 16% of the overall water demand
 - Numbers will be refined in the new Non-Potable Master Plan
- Current non-potable use is approximately 2,500 feet annually



Background

- 2004 Non-Potable Master Plan
 - Created a methodology for non-potable PIFs that resulted in higher overall PIFs for development – created a disincentive for non-potable expansion
 - Non-potable expansion was not mandatory
 - Non-potable water cheaper for customers (70% of potable)
 - No incentives for developers to install non-potable systems
- Voluntary connections to non-potable system by new development limited



Non-Potable Development Policy Goal

- Facilitate the expansion of the non-potable system as development occurs
 - Non-potable water rights cheaper than potable
 - Allows use of sources currently impracticable to treat for potable use (e.g lower Poudre rights, wastewater effluent)
 - Installing non-potable infrastructure during development cheaper and more effective than retrofitting
 - Increased non-potable use **essential to meeting future demands**

Non-Potable Proposal

- Make non-potable system expansion mandatory for new development
- Policy question: Should non-potable be mandated for development even if it results in higher development cost?
 - Alternatives:
 - City covers costs that exceed potable water development
 - Or, city covers cost over 110% of potable water development
- No PIF
- Allow dedication of other water sources historically irrigating developed land

Non-Potable Proposal – cont.

- All new non-potable accounts will be on a water budget tiered rate structure
 - Rates will be 70% of residential water budget rates
 - Cannot implement water budget until the new utility billing software goes live
- Graduated raw water requirements for lower water use landscaping
 - Consistent with potable raw water requirements



Path Forward

- Seeking Board feedback
- Revise city code
 - Not extensive changes
 - Targeting early 2021



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 11

TITLE: NON-POTABLE, WATER AND SEWER
MASTER PLAN UPDATES

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

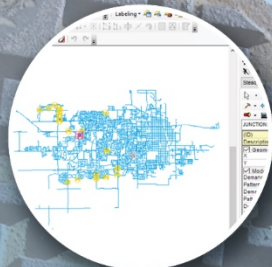
Staff will provide presentations.



Greeley Master Plans - *Progress Update*

November 18, 2020

Sanitary Sewer Collection System Master Plan
Water Transmission and Distribution Master Plan
Non-Potable Water Master Plan



**CDM
Smith**

Outline

- CDM Smith's Master Plan (MP) Experience
- MP Goals and Mission Statement
- Master Plans Development and Integration
- Sewer/Water/Non-Potable Systems MPs
 - Approach
 - Demands
 - Existing/Future Systems
 - Next Steps
- Community Engagement



Relevant Experience – CDM Smith

CDM Smith Experience

- CDM Smith has successfully completed over 500 Master Plans in the past 10 years
- CDM Smith has over 40 years of national experience in master planning
- Firmwide modeling capabilities include more than 200 professionals versed in hydraulic modeling
- Local team led by a PM who has worked on over 20 water/sewer master plans



Greeley Master Plans Development and Integration



CDM Smith

Project Goals

- ***Coordinated, Consistent, Integrated*** Master Plans
- Collaboration with City Staff and regional stakeholders
- Project within schedule/budget
- Quality assurance/control



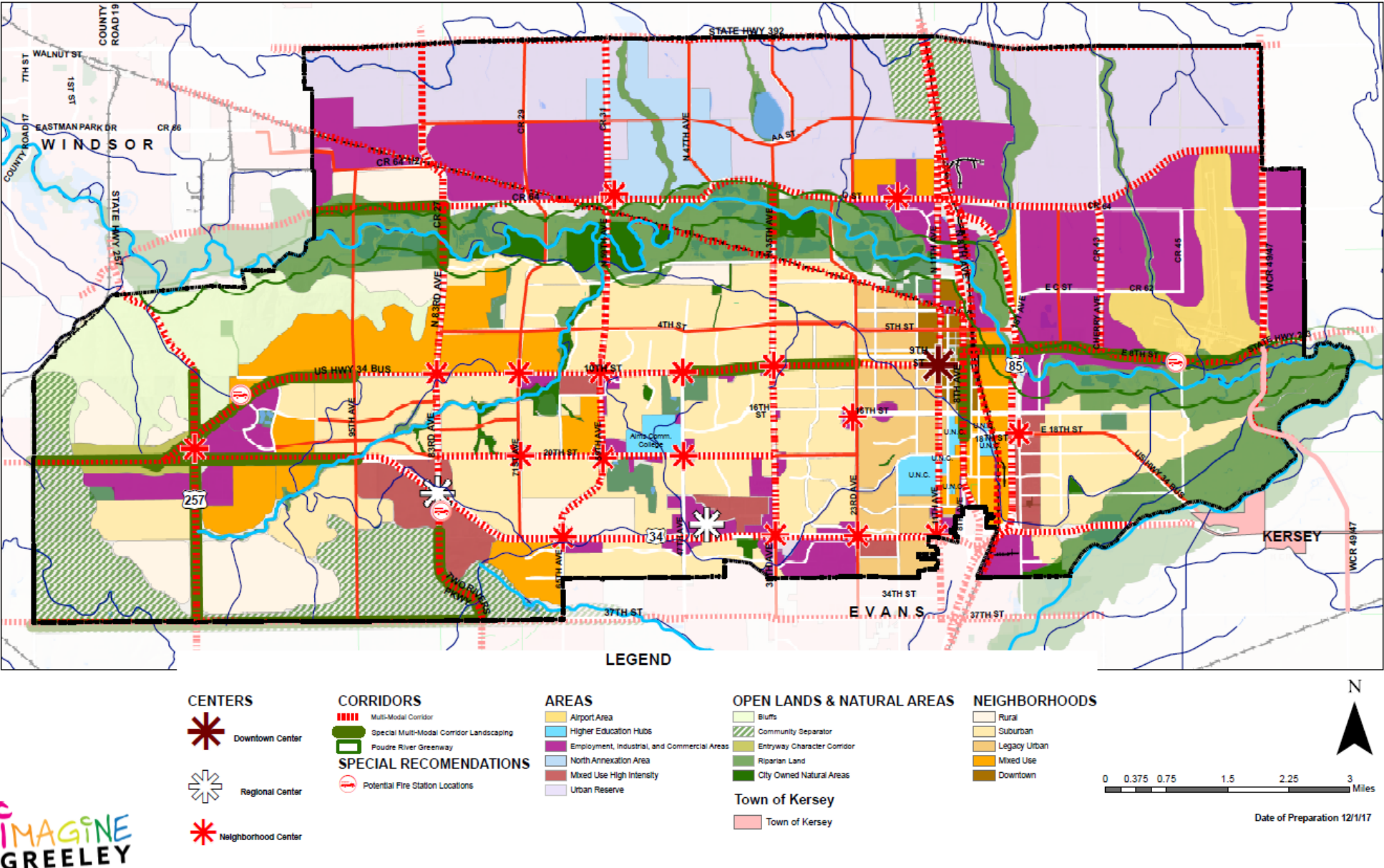
Mission Statement

Provide City of Greeley a *reliable, defensible, and accurate* Master Plan that will serve as a 20-year planning guide by analyzing the infrastructure needed to improve system operations, serve population growth areas, and to integrate water, sewer, and non-potable water systems to make it a *cohesive plan*.

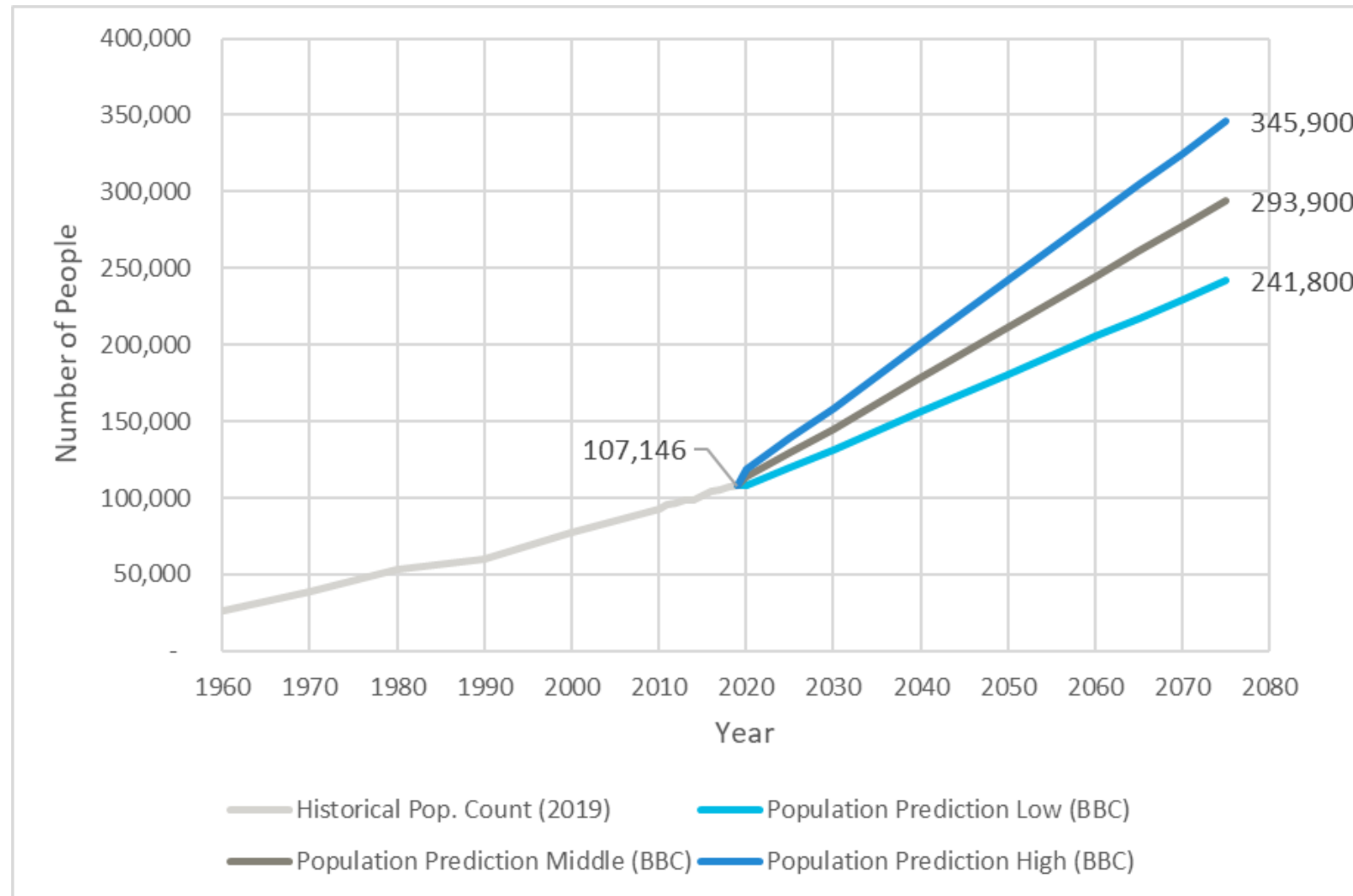
Demand Projections

- Projected future land use developed using:
 - Greeley Comprehensive Plan (with Planning input/customization)
 - Planned development reports
 - 2019 Zoning
- Determine flow rates by land use category from historic billing data
- Coordinate with other sources, including:
 - Planning Department and Parks Department (non-pot)
 - BBC-RAS population projections
 - Typical data from other Front Range communities
- Coordination & integration between all three MPs

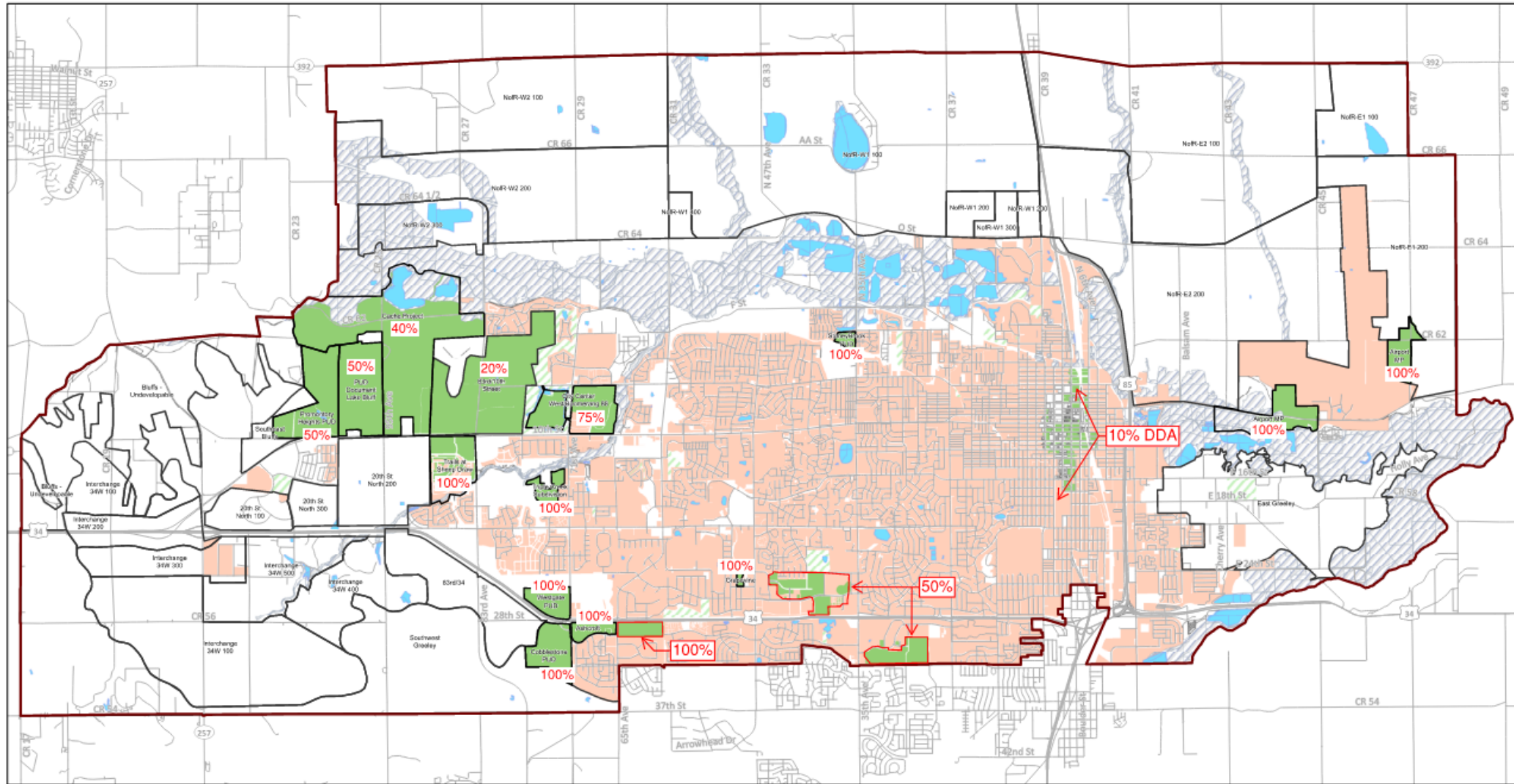
Comprehensive Plan – Land Use Guidance Map



Population Projections



2025 Development



Legend

- Long Range Expected Growth Area (LREGA)
 - Demand Projection Area
 - Flood Zone
 - Lake
 - Future Development
 - Existing Service Area
 - No Development
 - Park
- % = Percent of Development Completed

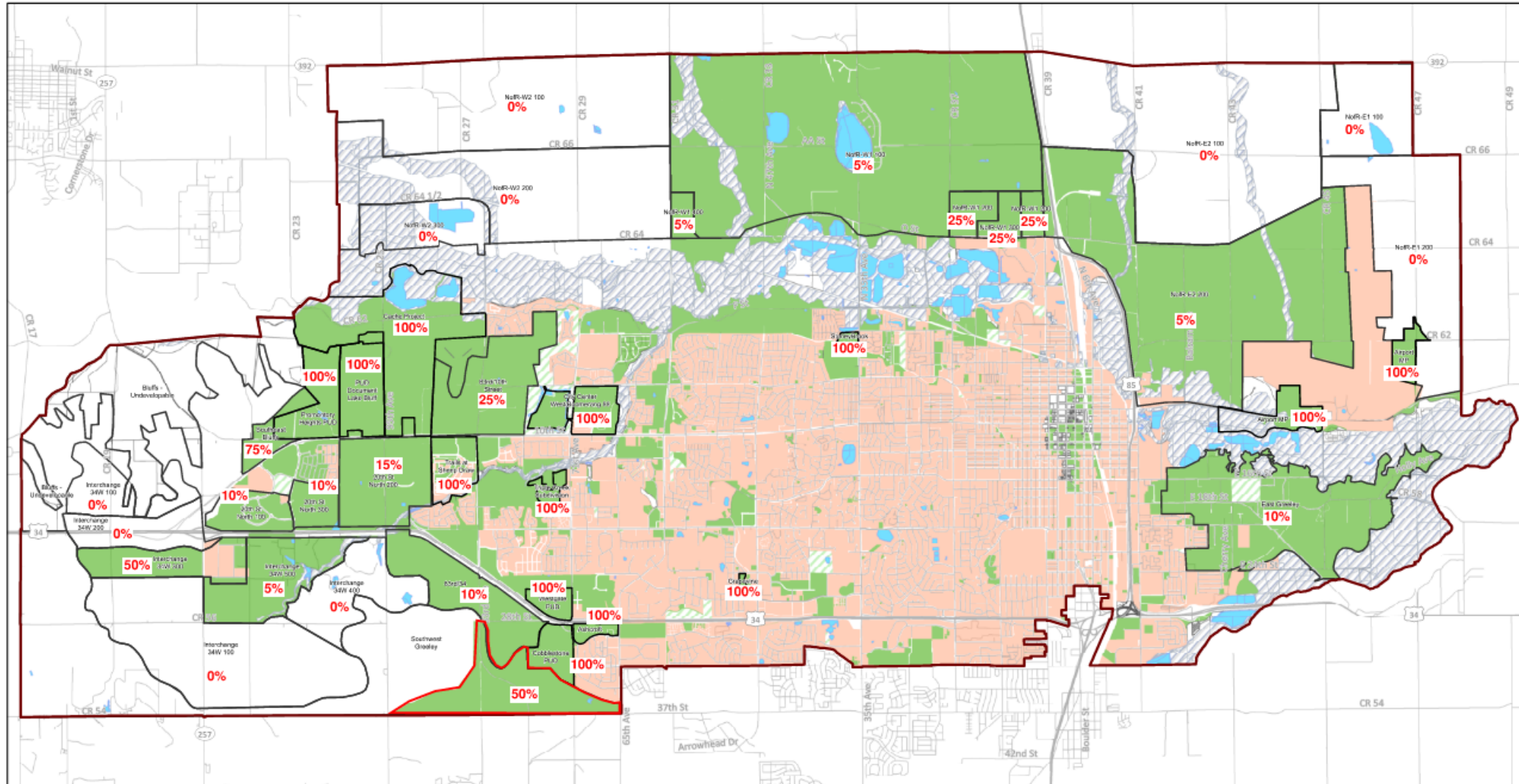
5 Year Development Area
% Complete Projections

Figure 6

Greeley Water System
Master Plan



2040 Development



Legend

- Long Range Expected Growth Area (LREGA)
- Demand Projection Area
- Flood Zone
- Lake

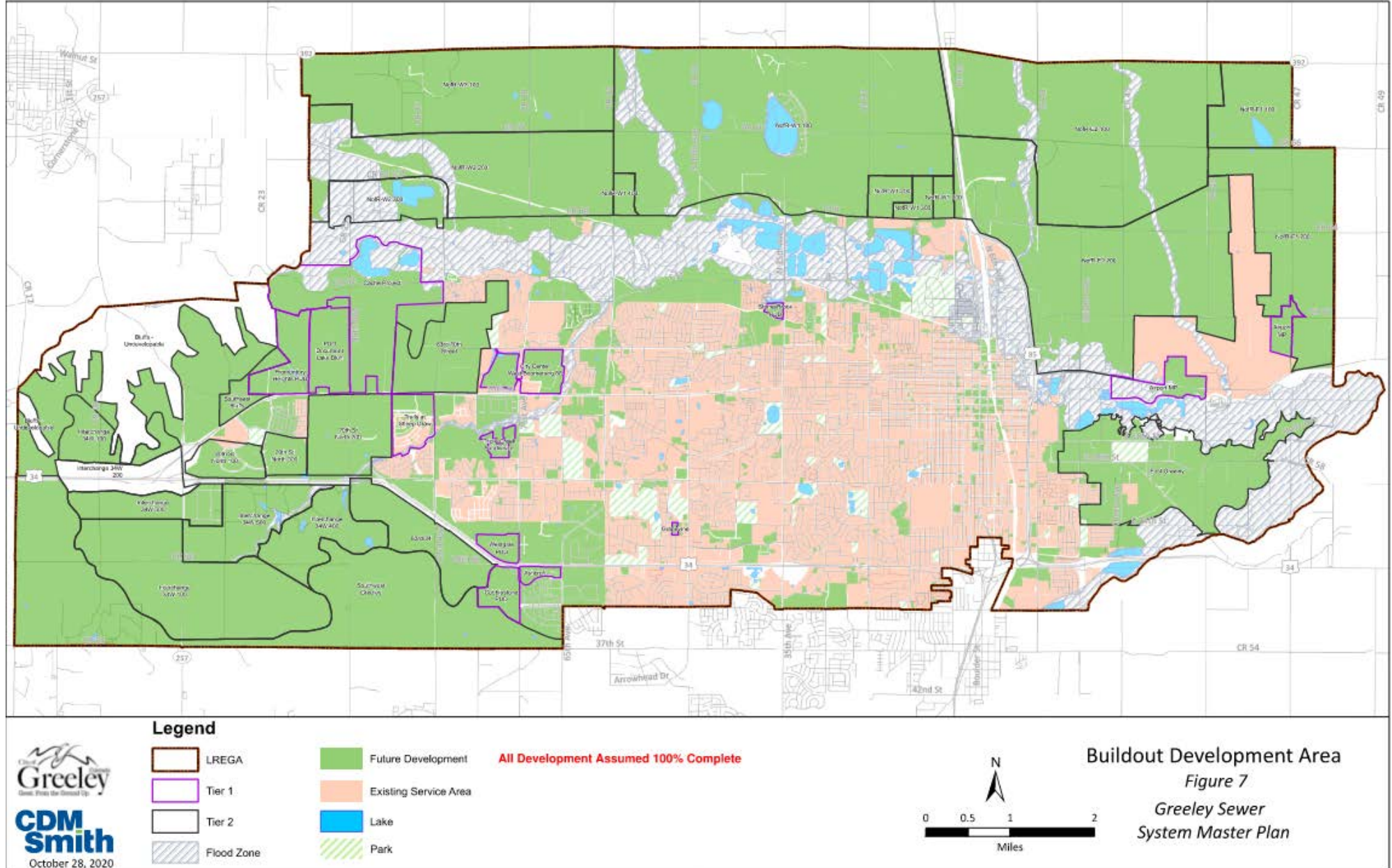
% = Percent of Development Completed

- Future Development
- Existing Service Area
- No Development
- Park



20 Year Development Area
% Complete Projections
Figure 7
Greeley Water System
Master Plan

Buildout Development





Stakeholder Engagement

Stakeholder Engagement Approach



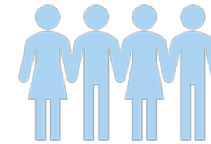
Interactive Workshop 1:

- Build collaborative environment
- Inform ALL stakeholder
- Share information between stakeholders
- Brainstorm additional areas of collaboration



Interactive Workshop 2:

- Stakeholder input on alternatives and challenges
- Discuss alternatives (map)
- Finalize regional solutions



One on Ones

- Collaborate on specific ideas between Greeley and stakeholders

Stakeholders

- Other: Community engagement (covered later)

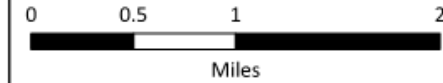
| Stakeholder | Wastewater | Water | Non-Pot |
|---------------|------------|-------|---------|
| Evans* | ✓ | ✓ | ✓ |
| Kersey* | ✓ | ✓ | |
| Johnstown | ✓ | ✓ | |
| Eaton* | ✓ | ✓ | |
| Windsor* | ✓ | ✓ | ✓ |
| Milliken* | ✓ | ✓ | |
| Severance | | ✓ | |
| Loveland | | ✓ | |
| Elco | | ✓ | |
| North Weld | | ✓ | |
| Denver Water* | | | ✓ |
| Westminster* | | | ✓ |

*One-on-one meeting held



Sanitary Sewer Master Plan

Greeley Sanitary Sewer System Master Plan



Legend

- Rain Gauge
- Lift Station
- WPCF

Sewer Mains

- Trunk Line
- Force Main
- Collector Line
- Overflow Line

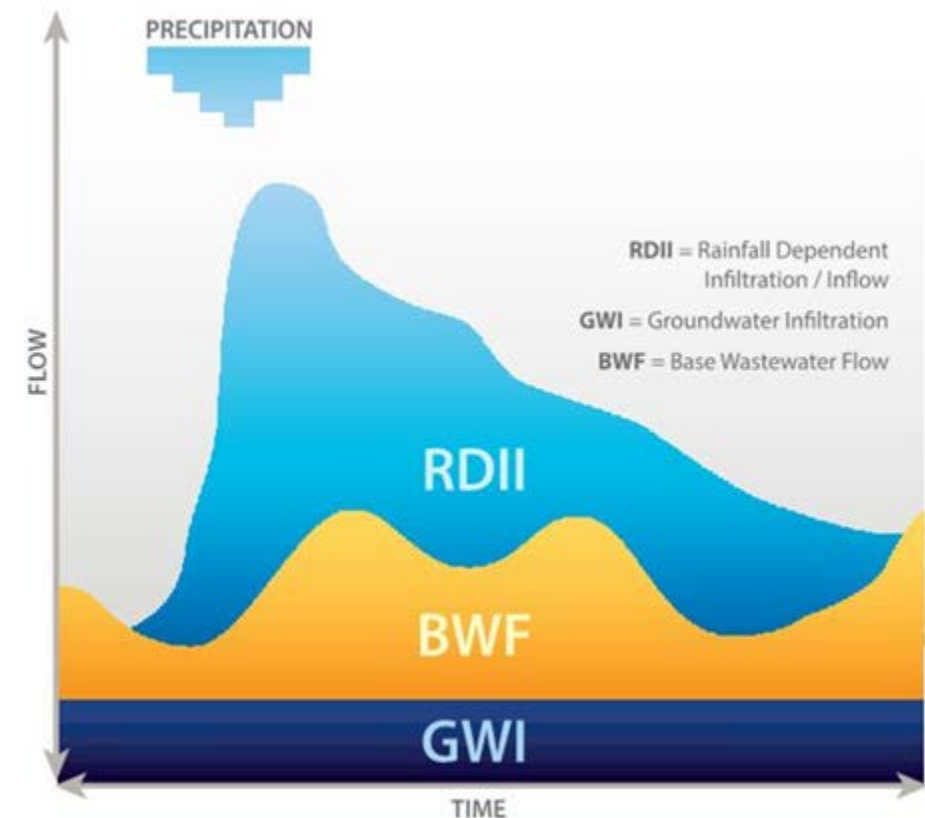
Temporary Flow Meter and Basin

- FM01 Sheep Draw Basin
- FM02 Sheep Draw Basin
- FM03 Hilltop Basin
- FM04 Highland Hills Basin
- FM05 Highland Hills Basin
- FM06 Belair Basin
- FM07 Monfort Basin
- FM08 North Basin
- FM09 Eight Street Basin
- FM10 Central Basin
- FM11 South Basin
- FM12 South Basin

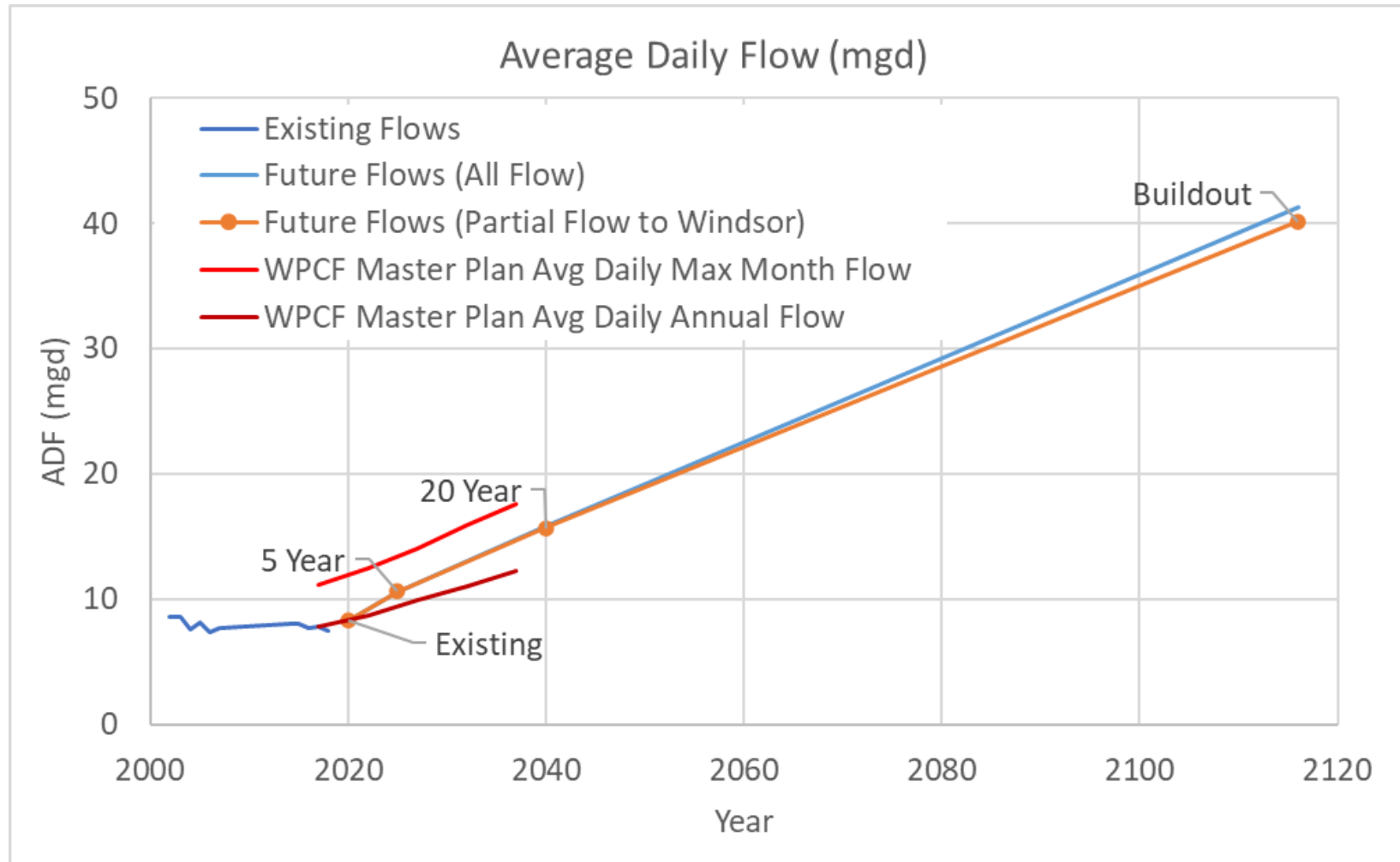
12 temporary flow meters & 9 permanent meters
60 days monitoring, 2 rain gauges

Wastewater Projection Criteria

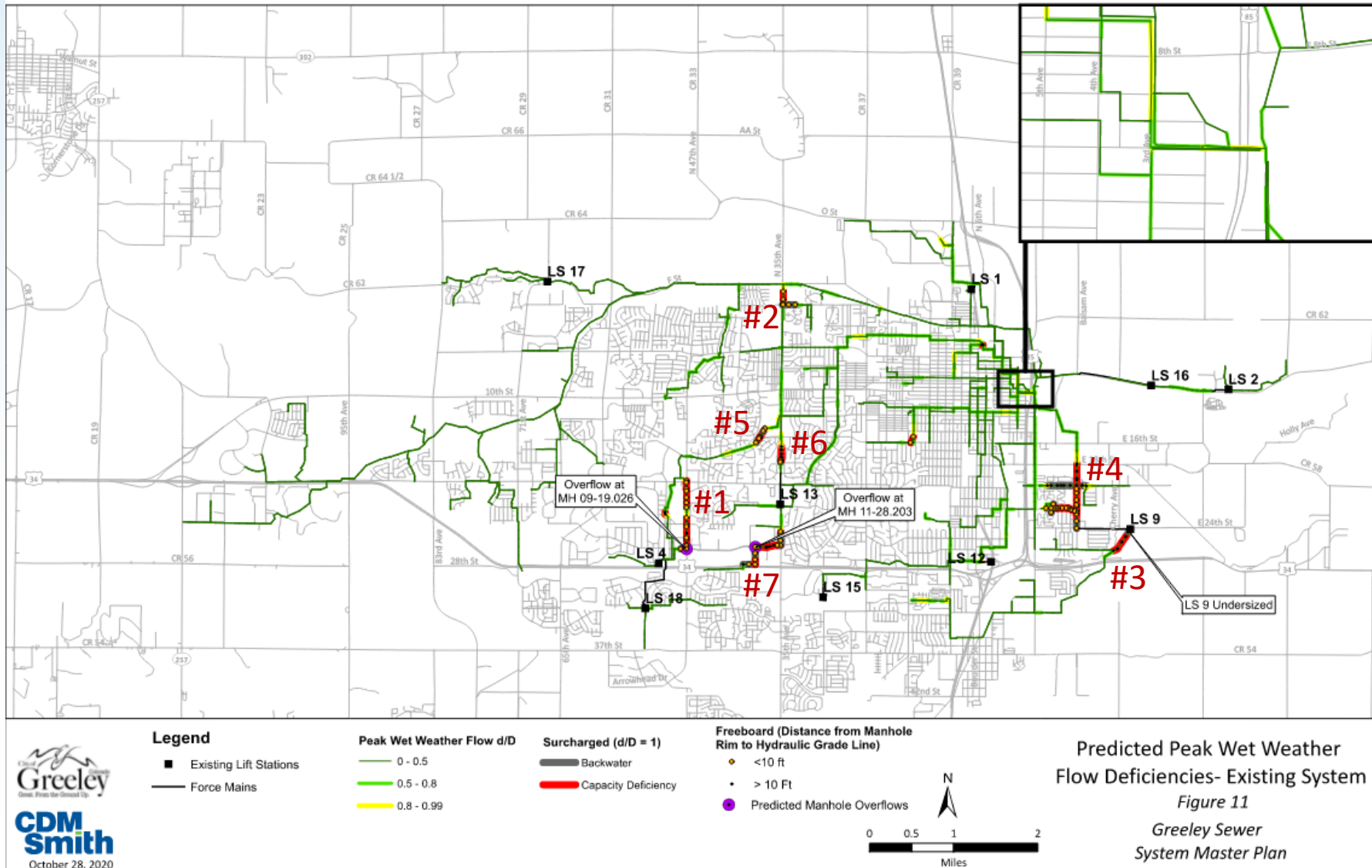
- Residential Flow – 60 gal/person-day
- Non-Residential Flow
 - Commercial Low 650 gal/acre-day
 - Commercial High 1,500 gal/acre-day
 - Industrial 500 gal/acre-day
- Groundwater Infiltration – 100 gal/acre-day
- RDII – 1000 gal/day-acre peak inflow
- 5 Year, 24-hour Design Storm
 - Peak hour rainfall of 1.13 inches



Wastewater Flow Projections

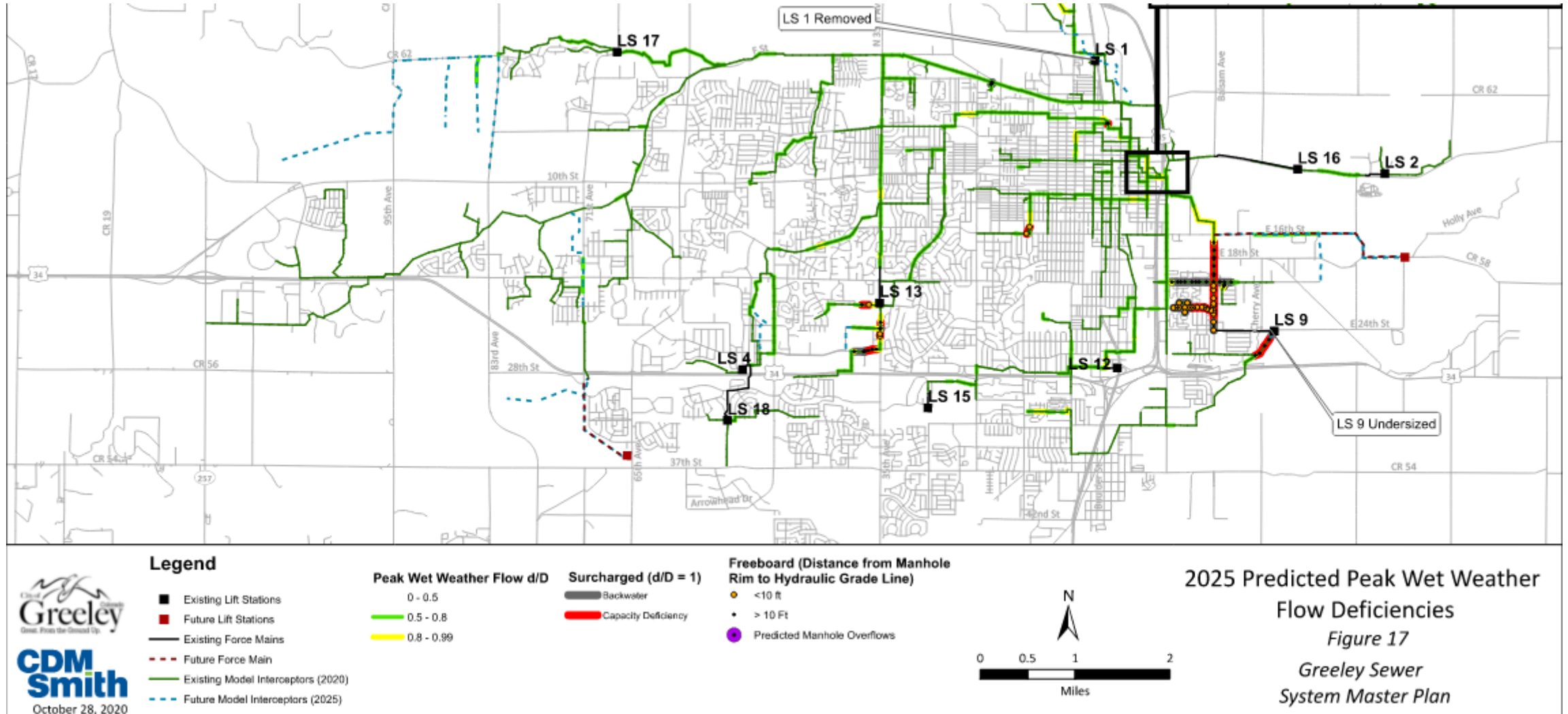


Existing System Capacity

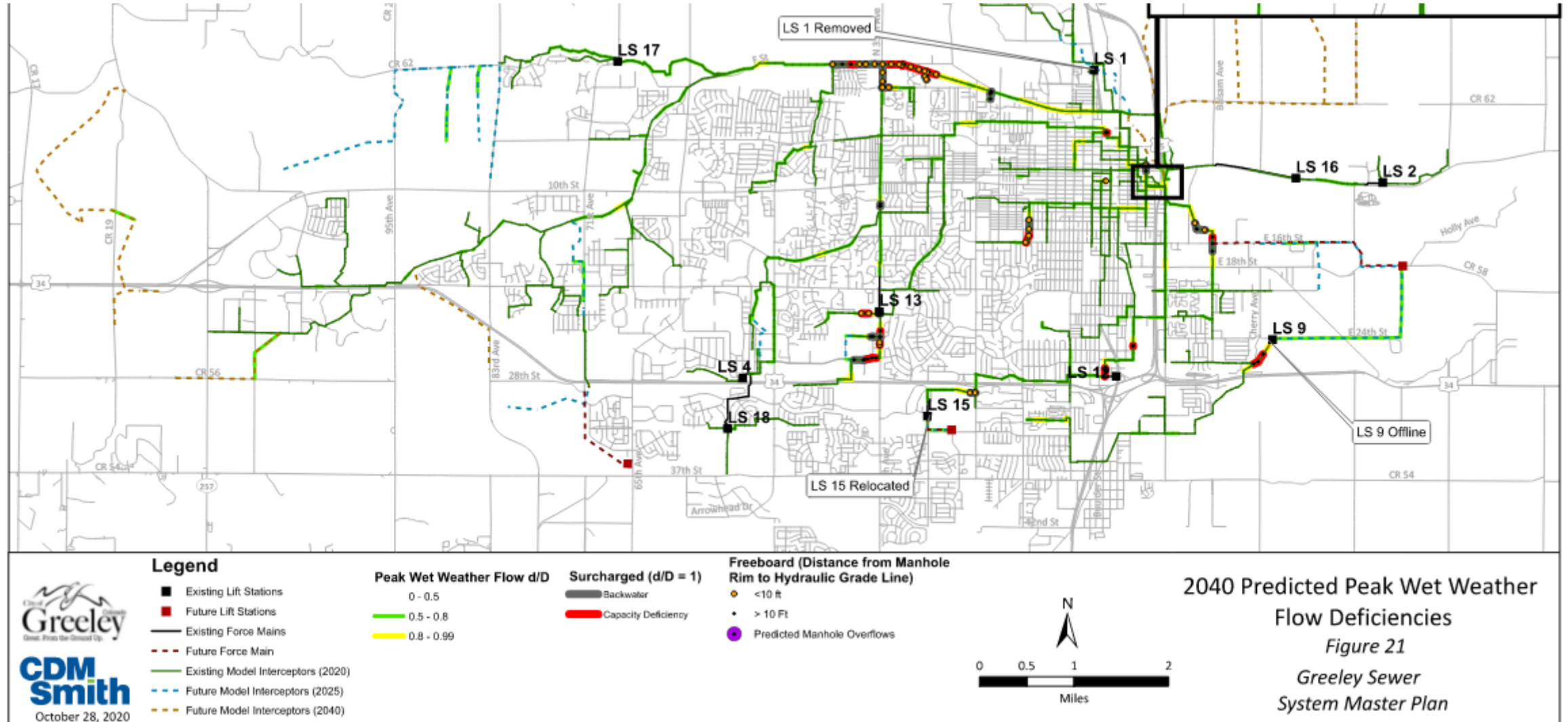


1. 47th Ave
2. 35th Ave (C St to F St)
3. Upstream of LS 9
4. Downstream of LS 9 (Balsam)
5. Bittersweet Park
6. 35th Ave (19th St Rd to 17 St)
7. Centerplace Dr & 25th St

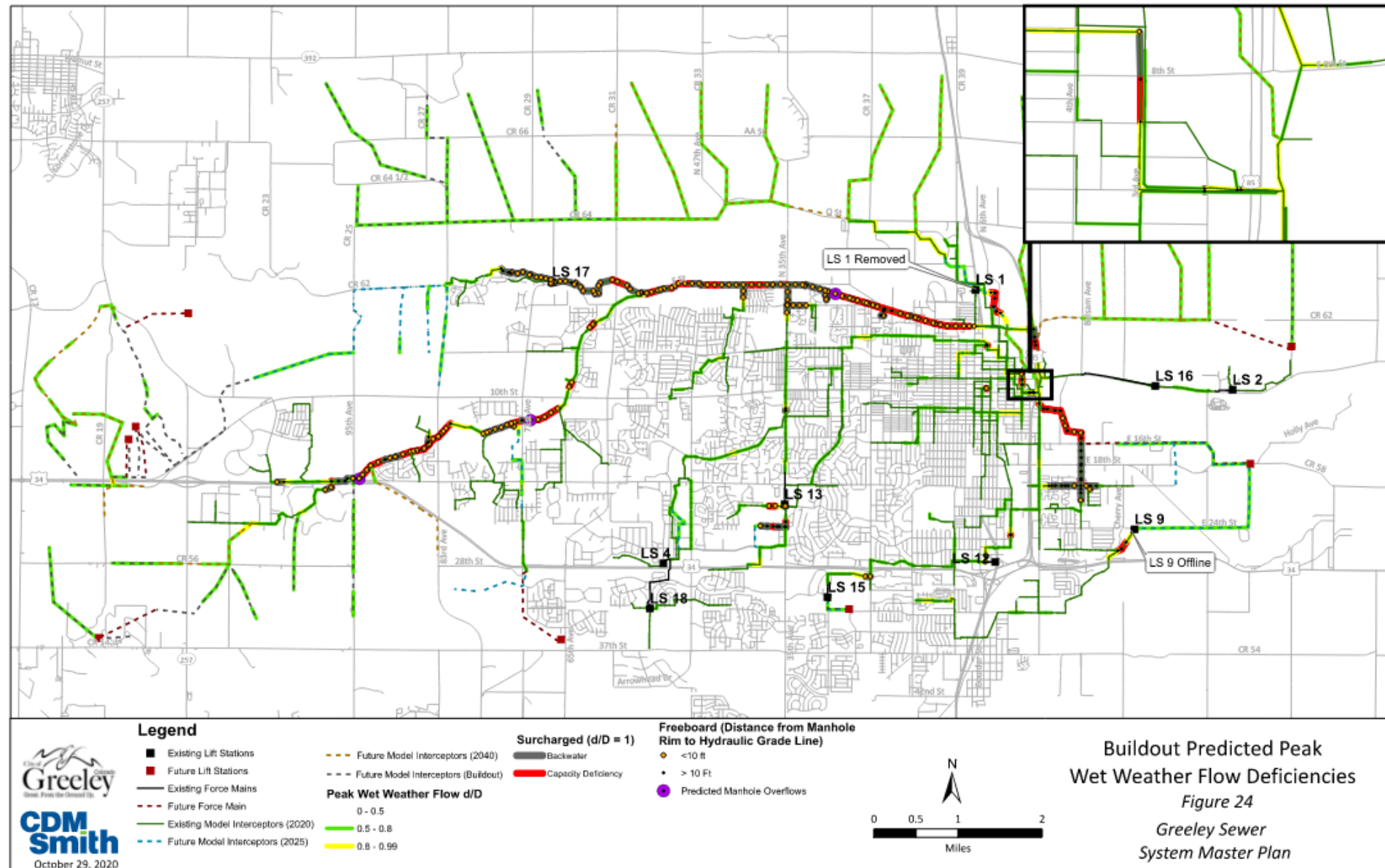
2025 Sewer System Capacity



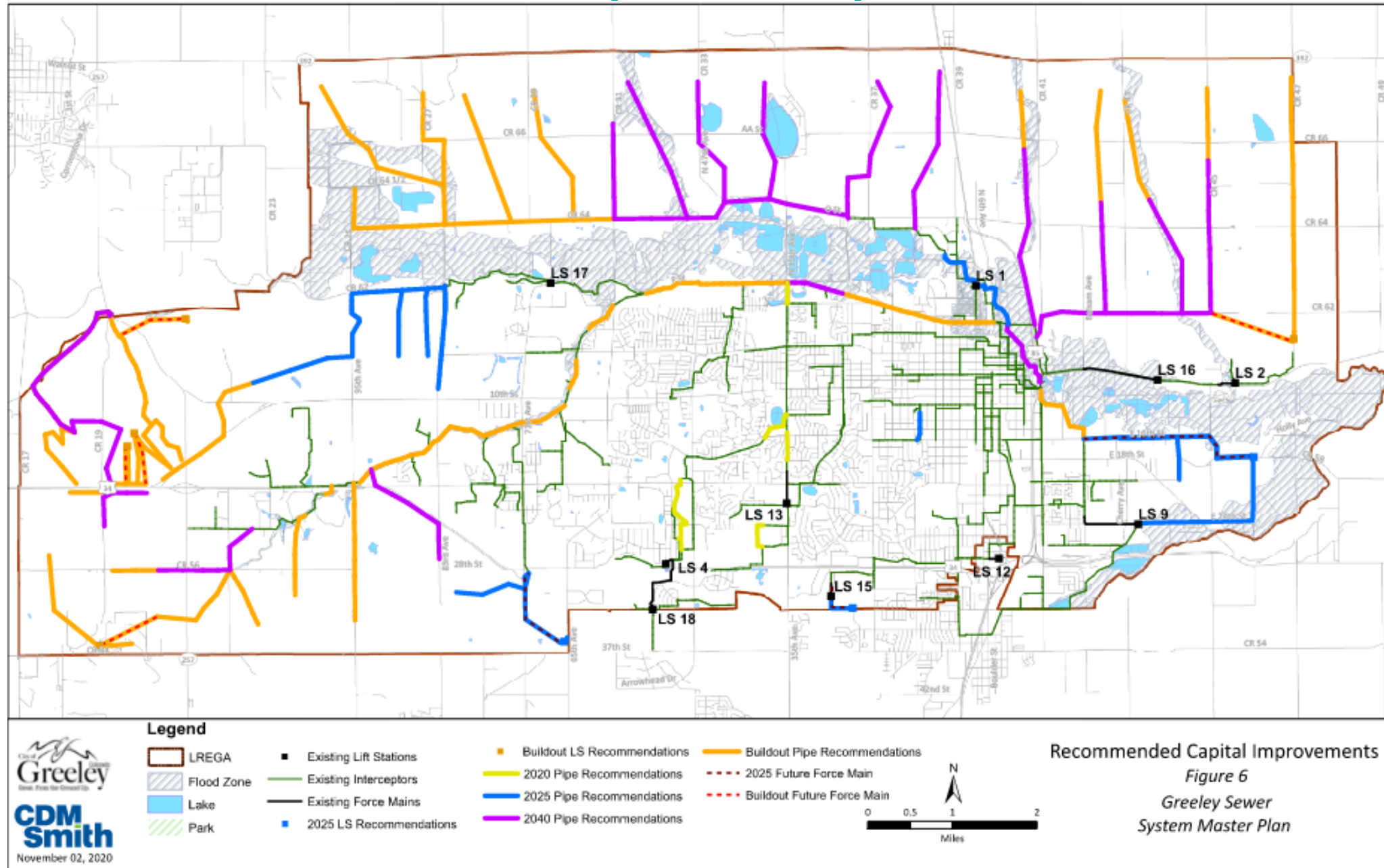
2040 Sewer System Capacity



Buildout Sewer System Capacity



Recommended Capital Improvements

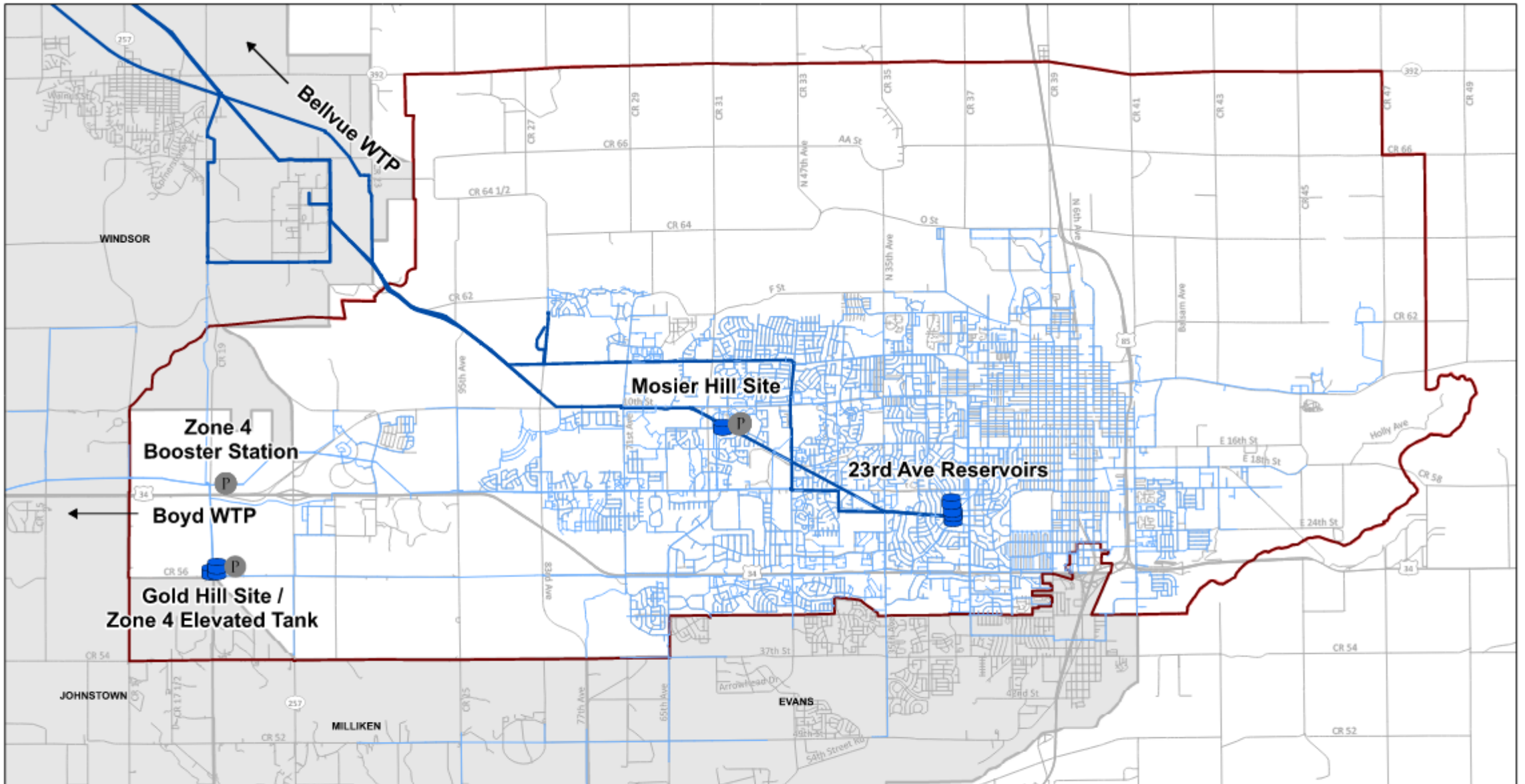


Next Steps

- Finalize CIP projects and scheduling
- Sewer Model Training
- Draft Master Plan Report
- Community Engagement
- Final Master Plan Report and acceptance
- Update Wastewater Utility Plan
 - North Front Range Water Quality Planning Association

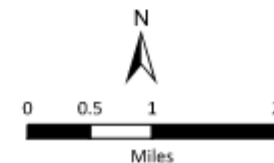


Water Transmission and Distribution Master Plan



Legend

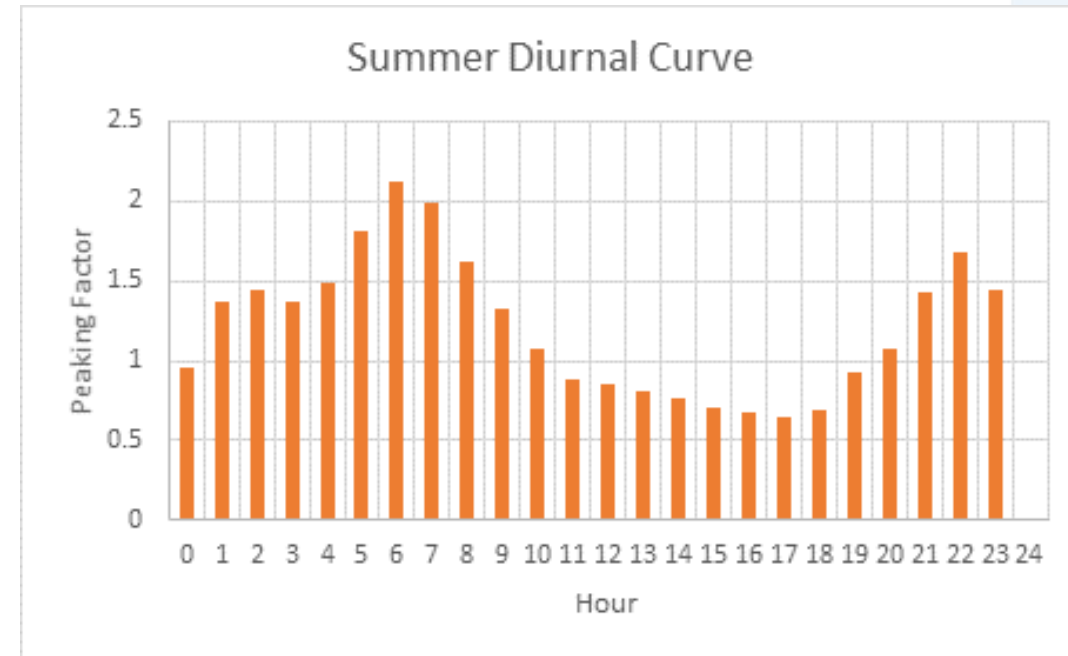
- Existing Pump Stations
- Existing Storage
- Neighboring Towns
- Long Range Expected Growth Area (LREGA)
- Existing Water Mains
- Distribution Mains
- Transmission Mains



Water Master Plan Area
Figure 2
Greeley Water System
Master Plan

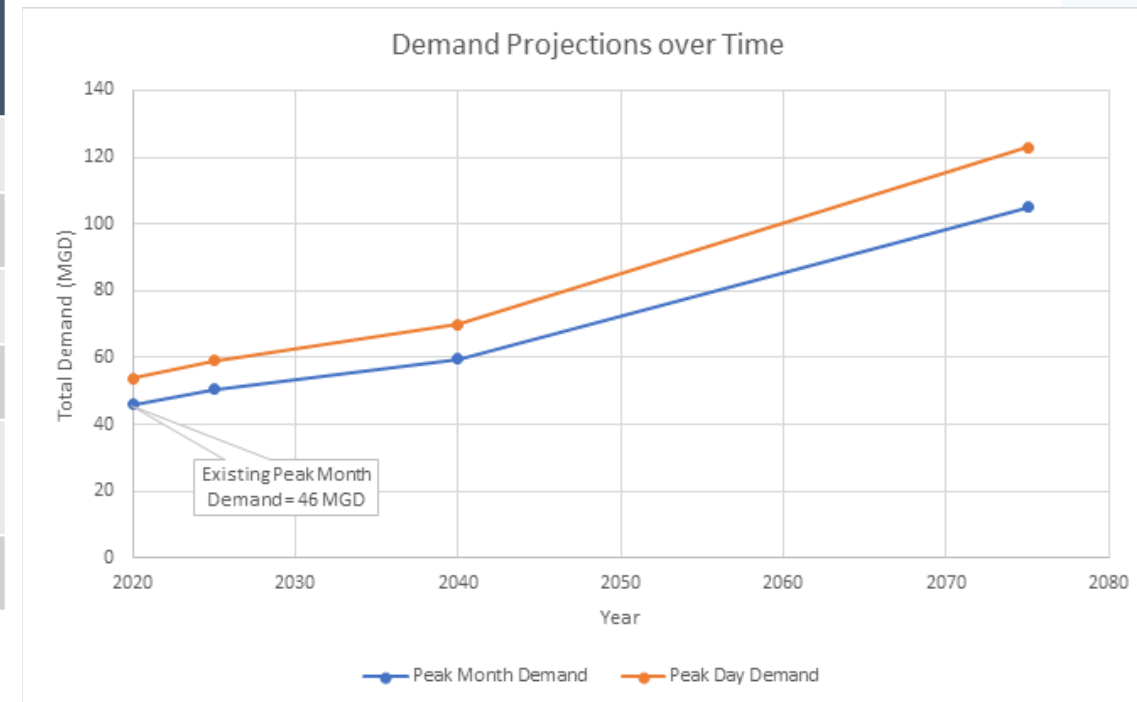
Future Water Projection Criteria

- All criteria represents summer demands
 - Note: These values do not take into account potential NP offsets
- Residential Flow – 113 gal/person-day
- Non-Residential Flow
 - Commercial Low 2,800 gal/acre-day
 - Commercial High 3,000 gal/acre-day
 - Industrial Low 1,500 gal/acre-day
 - Industrial Medium 750 gal/acre-day

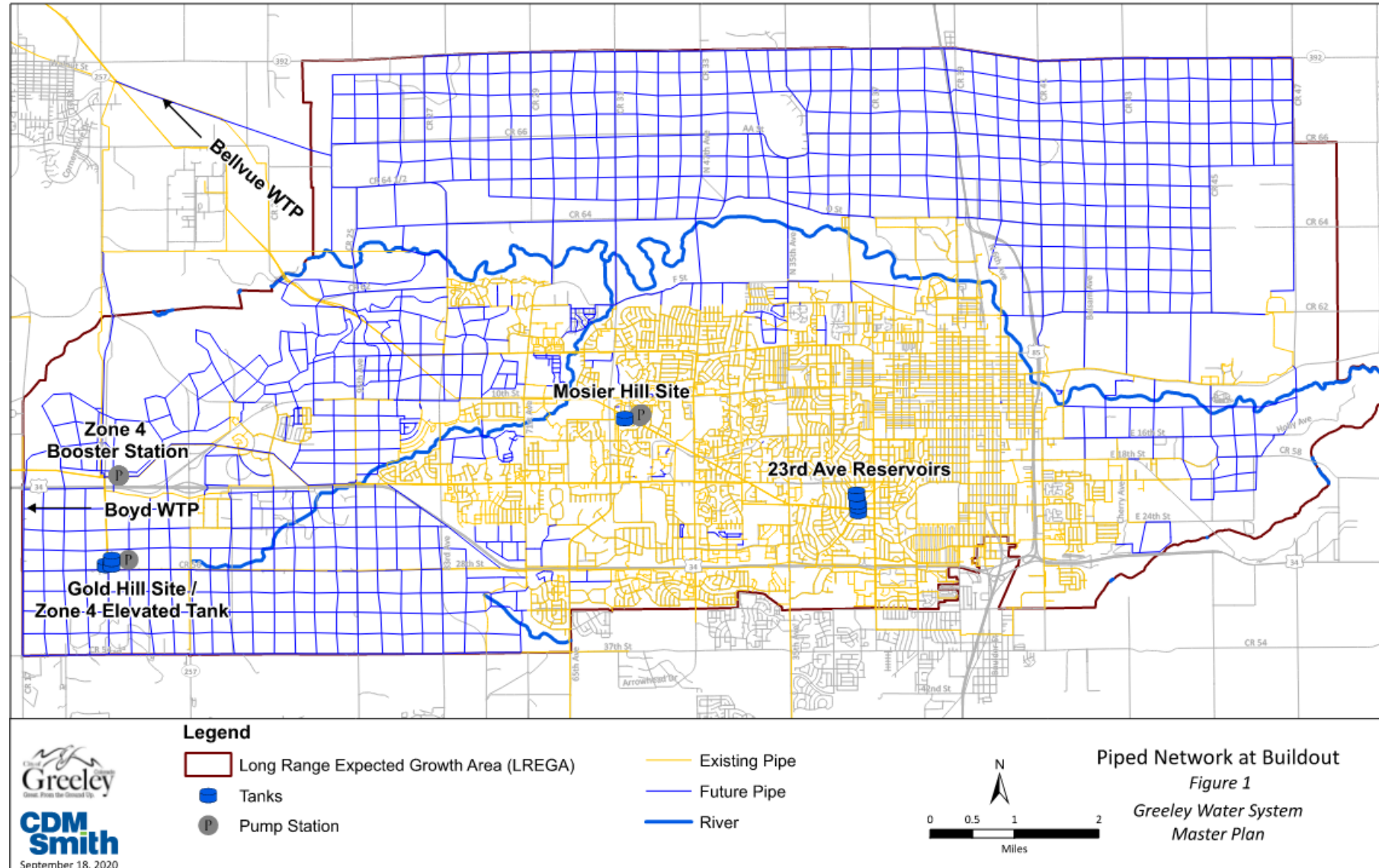


Water Demand Projections

| Planning Horizon | Total Future (additional) Water Demand (MGD) | With NP Offsets | |
|------------------|--|-----------------------------------|---------------------------------------|
| | | Future Potable Water Demand (MGD) | Future Non-Potable Water Demand (MGD) |
| <i>Existing</i> | <i>47.3</i> | <i>46.0</i> | <i>1.3</i> |
| 2025 | 4.5 | 3.4 | 1.1 |
| 2040 | 13.7 | 10.9 | 2.8 |
| Buildout | 56.4 | 47.15 | 9.25 |
| Conversion | | -2.29 | 2.29 |
| Total | 103.7 | 90.86 | 12.84 |



Proposed Pipe Network (Buildout)



Next Steps

- Finalize future 5- and 20-year models
 - Fire flows, Water Quality, System Optimization, Storage, Distribution pipe
- Buildout Recommendations
 - Impacts of North Weld IGA
 - Fire flows, Water Quality, System Optimization
- Develop and Analyze Non-Potable Demand Scenario Models
- CIP Development
- Water Model Training
- Draft Master Plan Report
- Community Engagement
- Final Master Plan Report and acceptance



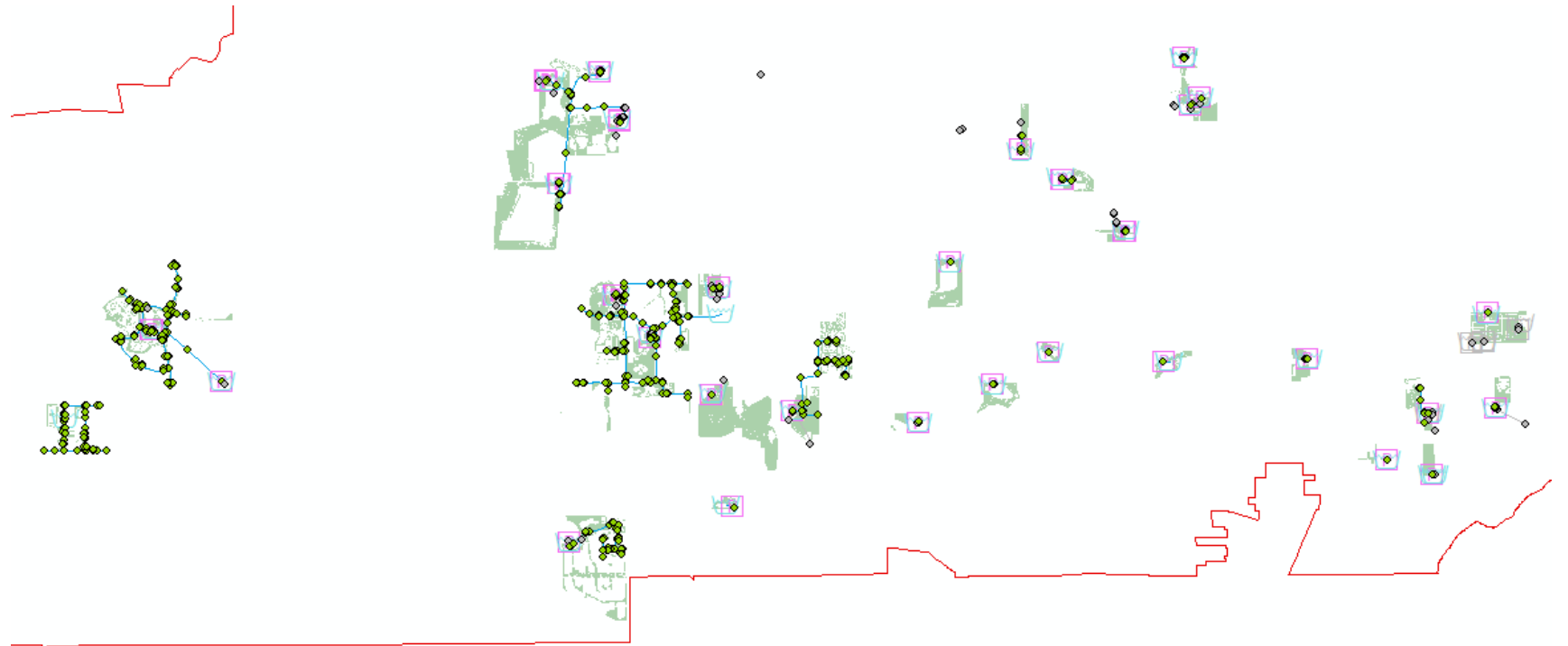
Non-Potable Water Master Plan

Existing NP System

- Field inventory conducted to identify key infrastructure
- Typically, water goes from a ditch, into a pond, into a pumped system
- System summary:
 - 31 pump stations
 - Over 100 customers
 - 24 unique service areas
- Stakeholder research confirmed that Greeley's system is state-of-the-art

Existing System Modeling

- Hydraulic model built in InfoWater
- Demands from billing and pumping records
- Incorporation of O&M and SCADA data



Demands Overview

- Undeveloped land = land with future demands
 - Based on water/sewer demand projections
 - Same land use categories, with unique NP flow factors
- Conversion areas = areas already developed that could convert to NP
- Flow factors based on historic billing data
 - Established for irrigated land and total land (including impervious areas)
- Adoption rates coordinated with BBC-RAS report
- Economic feasibility study conducted for implementing NP for a development

Peak Month Flow Factors and Adoption Rates

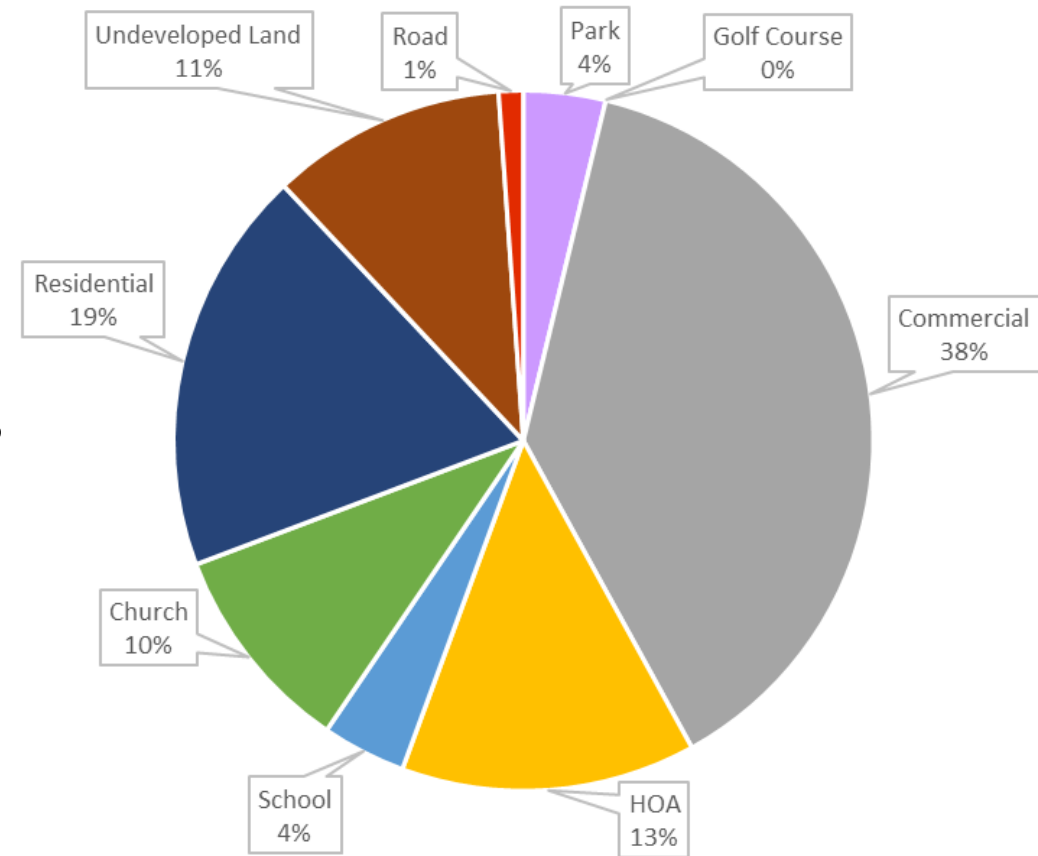
| Category | Bulk Land Flow Factor (gpd/ac) | Irrigated Land Flow Factor (gpd/ac) | Adoption Rate |
|-------------------|--------------------------------|-------------------------------------|---------------|
| Park | 1,600 | 3,500 | 90% |
| Commercial | 1,300 | 3,200 | 20% |
| Multifamily HOA | 1,500 | 4,400 | 15% |
| School | 2,100 | 4,300 | 75% |
| Church | 1,300 | 2,000 | 75% |
| I-L | 500 | NA | 20% |
| I-M | 125 | NA | 20% |
| R-L | 1,200 | 4,700 | 20% |
| Residential (R-M) | 900 | 5,200 | 15% |
| R-E | 100 | NA | 15% |

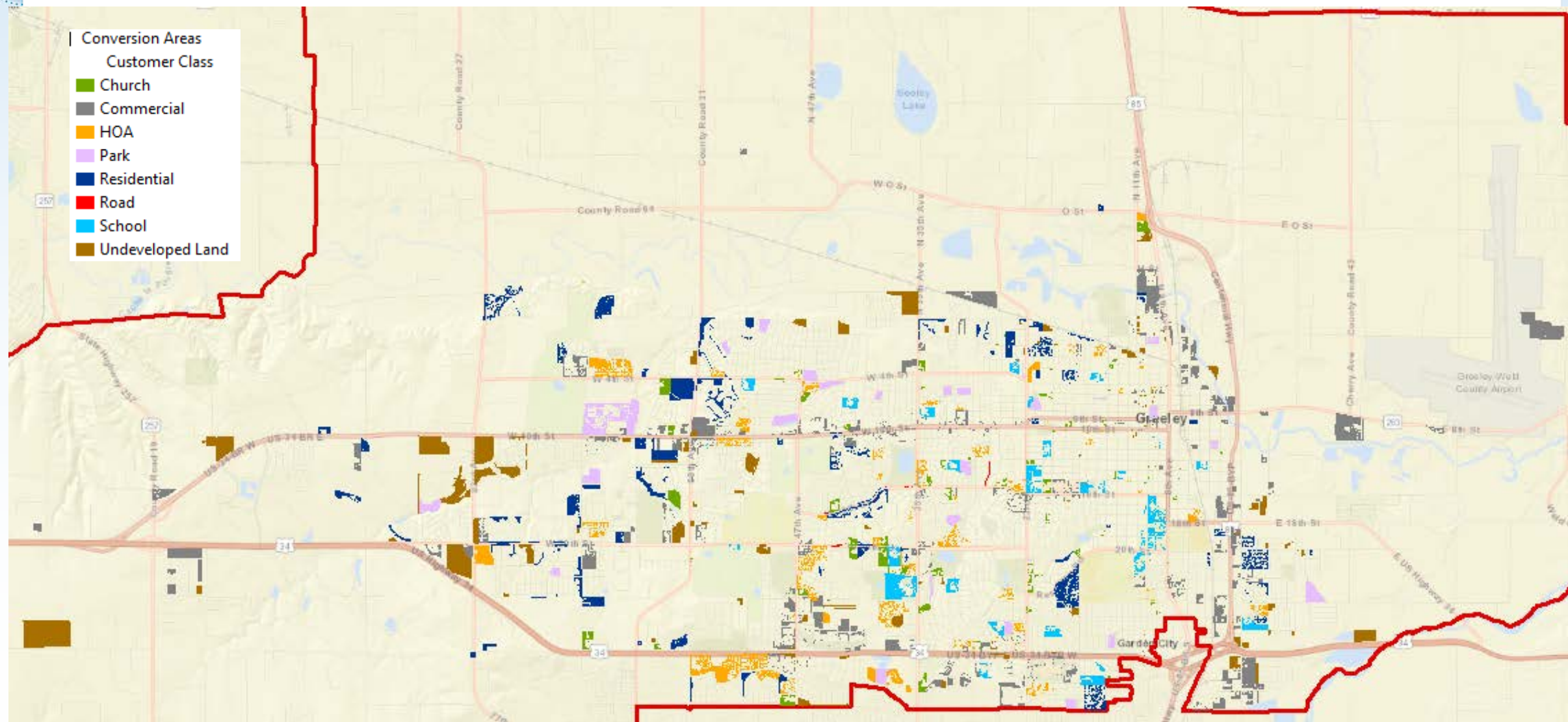
Total without Adoption Rates = 7.16 MGD
Total with Adoption Rates = 2.35 MGD

Note: Future adoption is highly dependent on policy decisions and enforcement

Conversion Areas

- **Potential** areas identified for conversion to NP irrigation
 - Over 400 locations at roughly 2,280 acres
- Applied irrigated area flow factors + adoption rates to calculate total demands
- Conversion areas from Potable to NP is 2.29 MGD





Demands Summary (peak month)

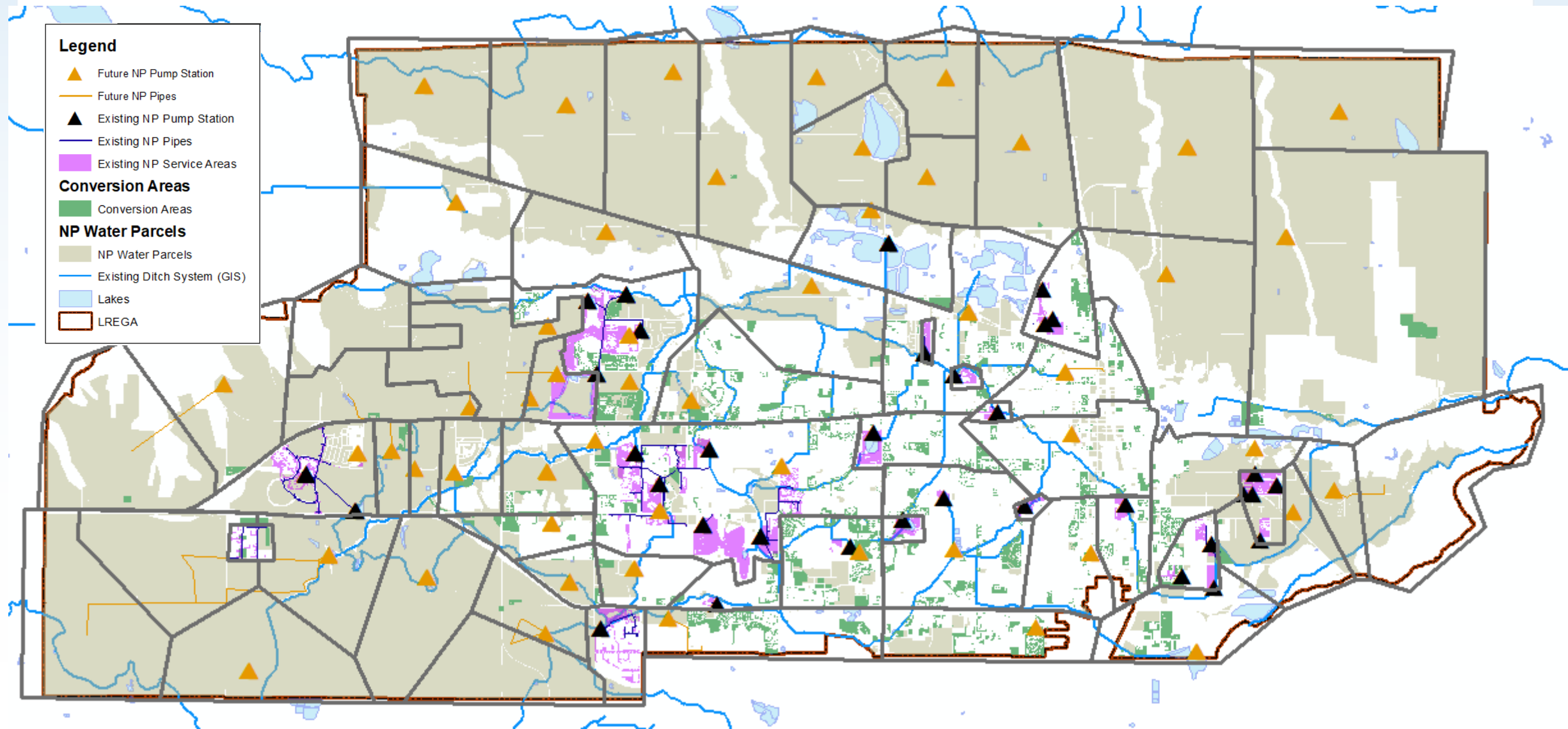
- Future Development NP irrigation accounts for 20% of water demand (12% of total system)

| Development Type | Total Water Demand (MGD) | Potable Water Demand (MGD) | Non-Potable Water Demand (MGD) |
|-------------------------------|--------------------------|----------------------------|--------------------------------|
| Existing Demand | 47.3 | 46 | 1.3 |
| Future Development (Buildout) | 56.40 | 47.15 | 9.25 |
| Potable to NP Conversion | 0 | -2.29 | 2.29 |
| Total | 103.7 | 90.86 | 12.84 |

Future System – Service Areas

- Parks locations will be “hubs” of the future systems
 - Each will have a pond and pump station
 - Park locations coordinated with Parks Department
- Guiding principles and assumptions:
 - Loop systems where possible
 - Gravity into ponds (in parks), then pressure pipe from pump stations

Proposed NP Infrastructure



Next Steps

- Existing and Future Systems Modeling and Evaluation
 - Storage Desktop Study
- CIP Development
- Integrate Non-Pot Model with the Water Model
- Water Model Training
- Draft Master Plan Report
- Community Engagement
- Final Master Plan Report and Acceptance

The background is a collage. On the left, there are teal-colored textures: a vertical strip with a pebbled surface and a circular area with a brick-like pattern. A large, faint, circular seal with a grid of squares is centered behind the text. The right side of the image features a landscape with a town, bare trees, and snow-capped mountains under a clear sky.

Community Engagement

Community Engagement

- Community engagement with engineers, planners, developers, and citizens
- Does W&S Board members have interest in participating
- Seeking participation teams for each master plan that will include:
 - Virtual meetings to introduce MP and development work completed
 - Participants will review draft MP's and provide comments
 - Follow up virtual meeting to discuss comments and responses
 - Participants will review potential NP policy changes



Questions

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____ NO ENCLOSURE X

ITEM NUMBER: 12

TITLE: TERRY RANCH PROJECT DILIGENCE
UPDATE

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

In June 2020, Greeley entered into a Master Agreement for acquisition of groundwater rights and associated storage underlying the Terry Grazing Association Ranch in northwest Weld County (the “Terry Ranch Project”). Since that time, staff and consultants have undertaken extensive inspection and diligence activities on the ranch. Such diligence is required per the Master Agreement, and will inform the City whether to close on the project. This item presents a summary update of diligence activities conducted to date for the Terry Ranch Project, along with preliminary findings.

Terry Ranch Project



Water and Sewer Board Meeting



Agenda

- Welcome & introductions
- Inspection Activities Update – WOTUS, T&E, and Permitting
- Concept Design – Update
- Inspection Activities Update – Terry Ranch Aquifer Characterization
- Terry Ranch Water Quality
- Water Treatment Update
- Comparison of Terry Ranch and Centennial Uranium Project Areas
- Questions

WOTUS, T&E, Permitting

Waters of the United States (WOTUS) and Threatened and Endangered (T&E) Species

| Wellhead Area | Pipeline Route and Greenfield Sites | Results |
|--|---|-----------|
| T&E: Completed desktop and field verification WOTUS: Completed desktop and field verification | T&E: Completed desktop WOTUS: Completed desktop Field verification ongoing. | Mitigable |

No fatal flaws identified.

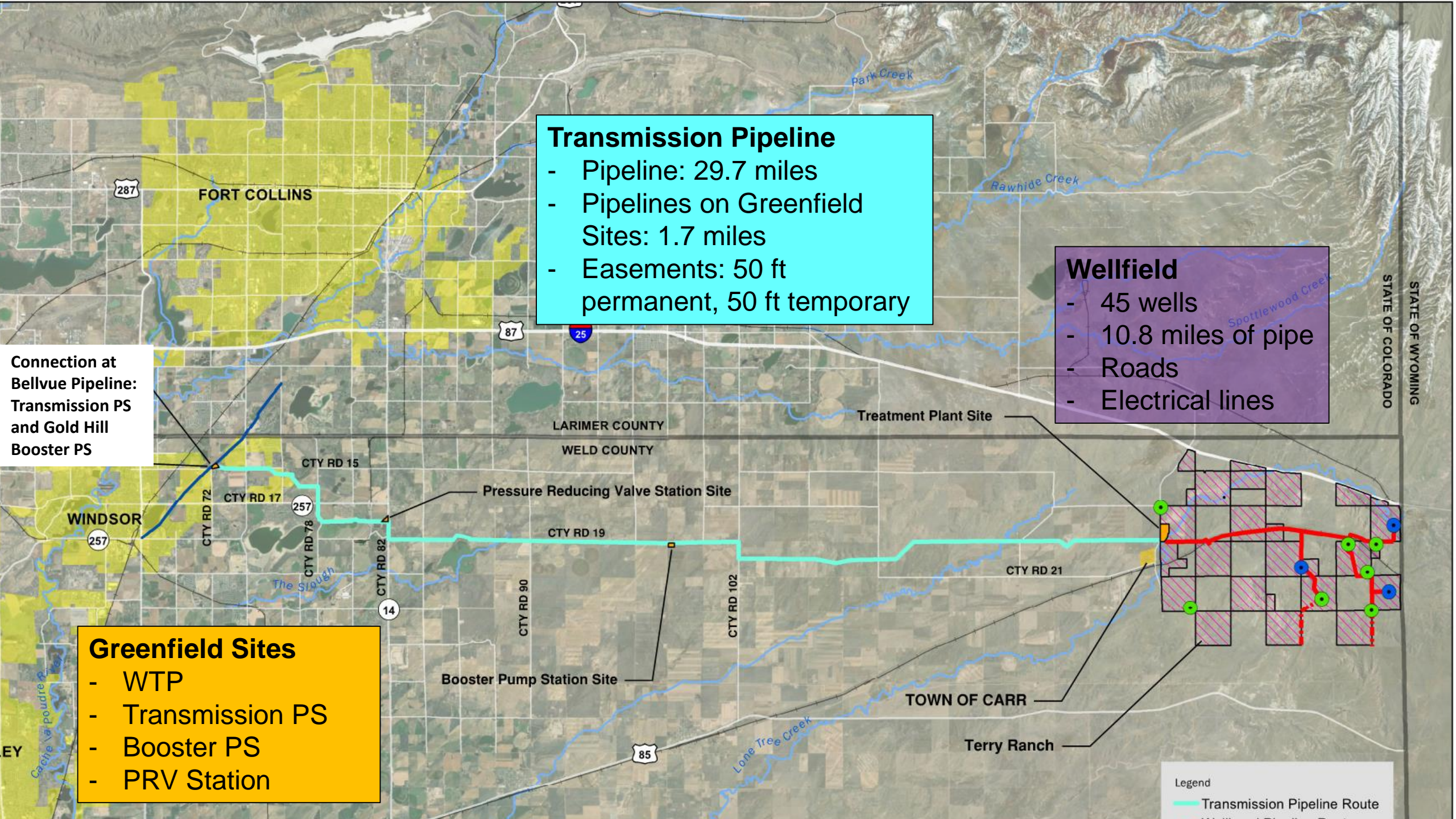
Permitting Priorities – Key Permits to Progress

| Agency | Permit/Activity | Timeframe |
|--|---|---------------------------------------|
| Weld County | Use by Special Review Permit | Preliminary Design* |
| Rights of Way, Crossings, and/or Easements | Colorado State Land Board Colorado Department of Transportation Union Pacific Railroad Rail Crossing Right-of-Way Use Agreement Kinder Morgan: Right-of-Way Use Agreement Public Service Company of Colorado Platte River Power Authority Ditch Crossings | Final Design (prior to construction)* |
| State Historic Preservation Office | Historic Preservation / Cultural Resources | Preliminary Design** |

* Consultation with agency/stakeholder ASAP

** May be covered under discussions regarding Use by Special Review Permit

Concept Design



Transmission Pipeline

- Pipeline: 29.7 miles
- Pipelines on Greenfield Sites: 1.7 miles
- Easements: 50 ft permanent, 50 ft temporary

Wellfield

- 45 wells
- 10.8 miles of pipe
- Roads
- Electrical lines

Connection at
Bellvue Pipeline:
Transmission PS
and Gold Hill
Booster PS

Greenfield Sites

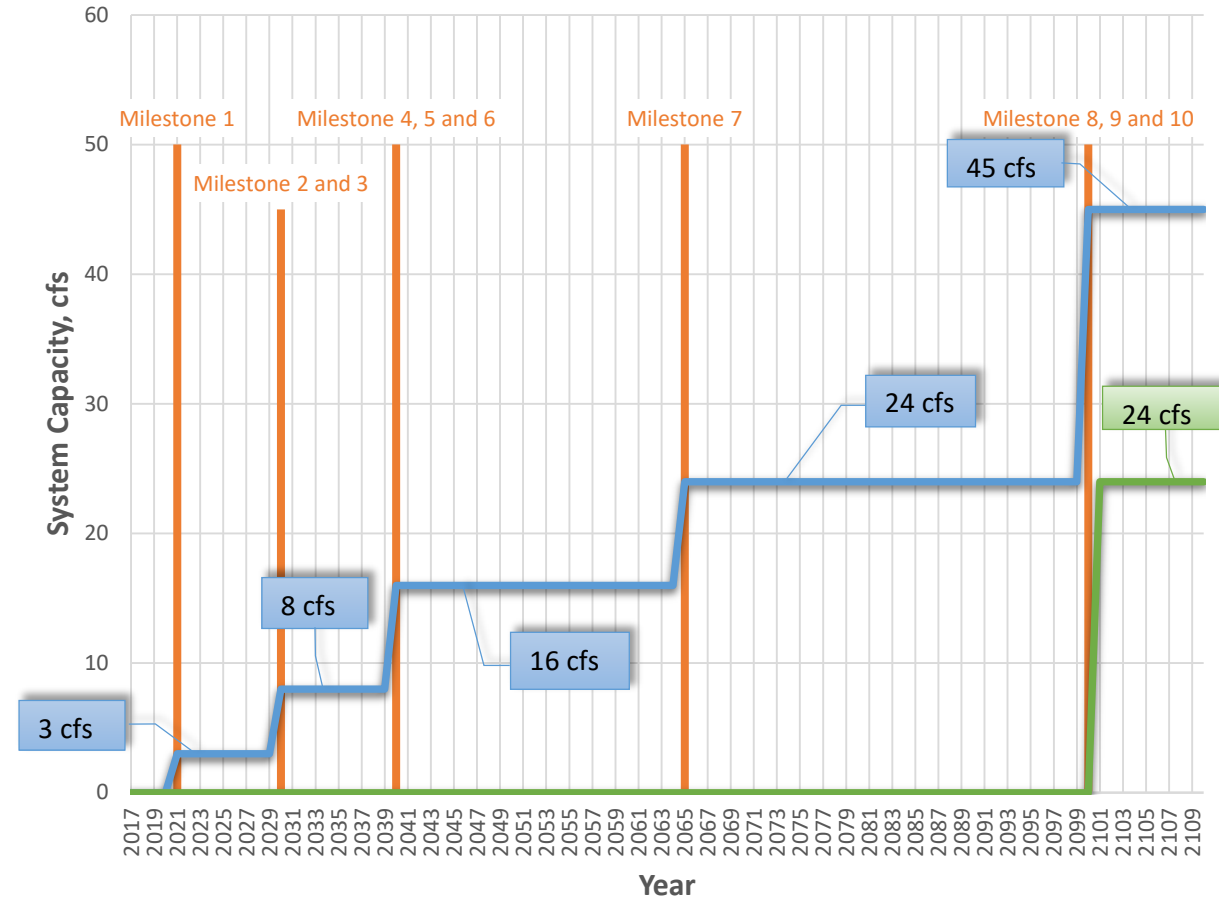
- WTP
- Transmission PS
- Booster PS
- PRV Station

Legend

Transmission Pipeline Route

Terry Ranch Water Supply - Milestones

| No. | Milestone Name | Date | Wells | Flowrate | Remark |
|-----|--------------------------------|------------|-------|----------------------------|-------------------------------------|
| 1 | Local supply (near-term) | 2021 | 3 | 3 cfs | develop and equip existing well 1-3 |
| 2 | Additional three to five wells | 2030 | 8 | 8 cfs | |
| 3 | Water supply to city | 2030 | 8 | 8 cfs | |
| 4 | Capacity building | 2040 | 16 | 16 cfs | |
| 5 | Power generation | 2040 | 16 | 16 cfs | As viable |
| 6 | Gold Hill booster | 2040 | 16 | 16 cfs | |
| 7 | Capacity building | 2065 | 24 | 24 cfs | Existing wells 4 and 5 |
| 8 | Reverse flow and storage | 2100 | 45 | 45 cfs (and 24 cfs return) | Buildout |
| 9 | Gold Hill booster flows | after 2100 | 45 | 45 cfs | Expansion |
| 10 | Operations | after 2100 | 45 | 45 cfs | |



Concept Report – Status

Overall Program

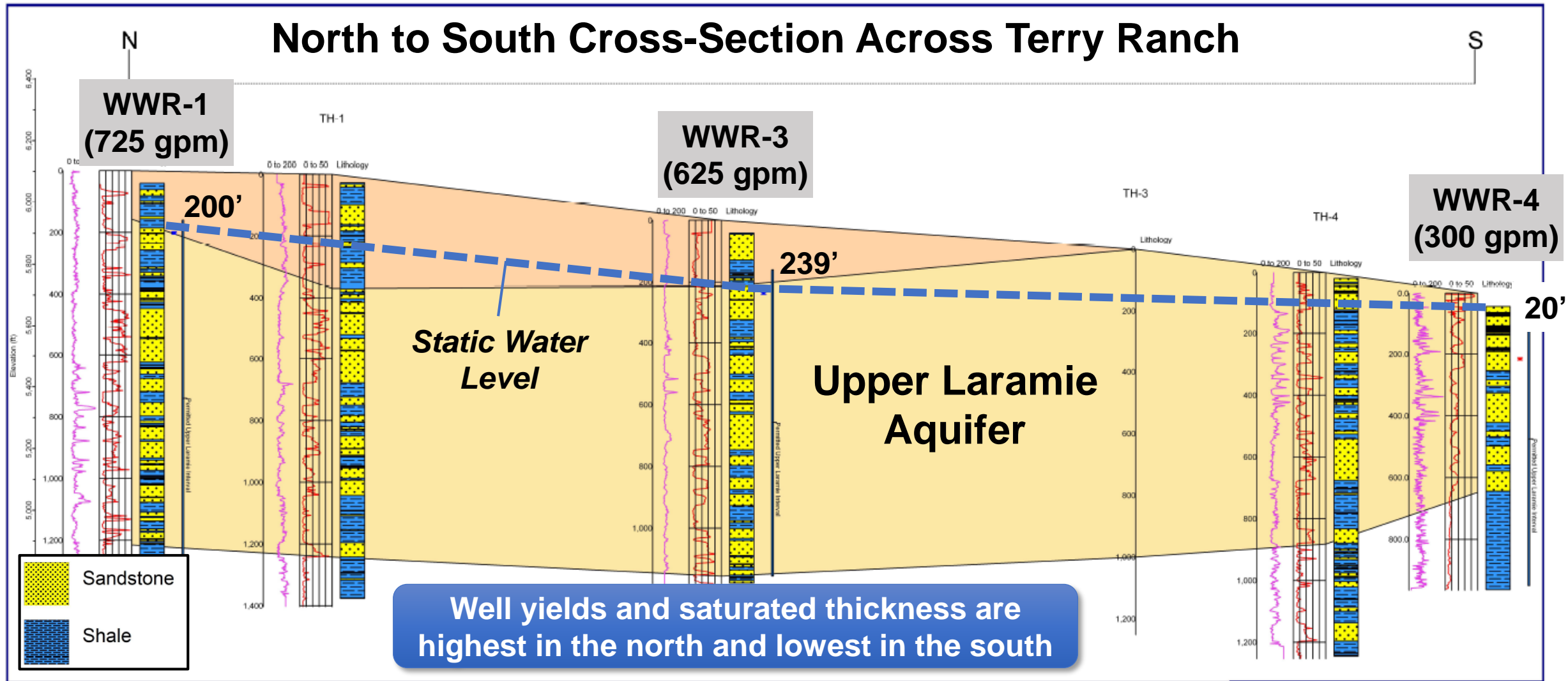
- Now includes 45 wells implemented over the next 80 years
- 4 major work milestones to implement the WTP, total 10 overall milestones
- 42 miles of pipeline (wellhead, sites and transmission)
- First milestone includes 3 wells and 6 miles of pipeline

Ongoing Work Items

- Draft report to be submitted Dec 7th
- Survey and Geotech in progress
- Recent meetings for procurement processes and staffing

Terry Ranch Aquifer Characterization

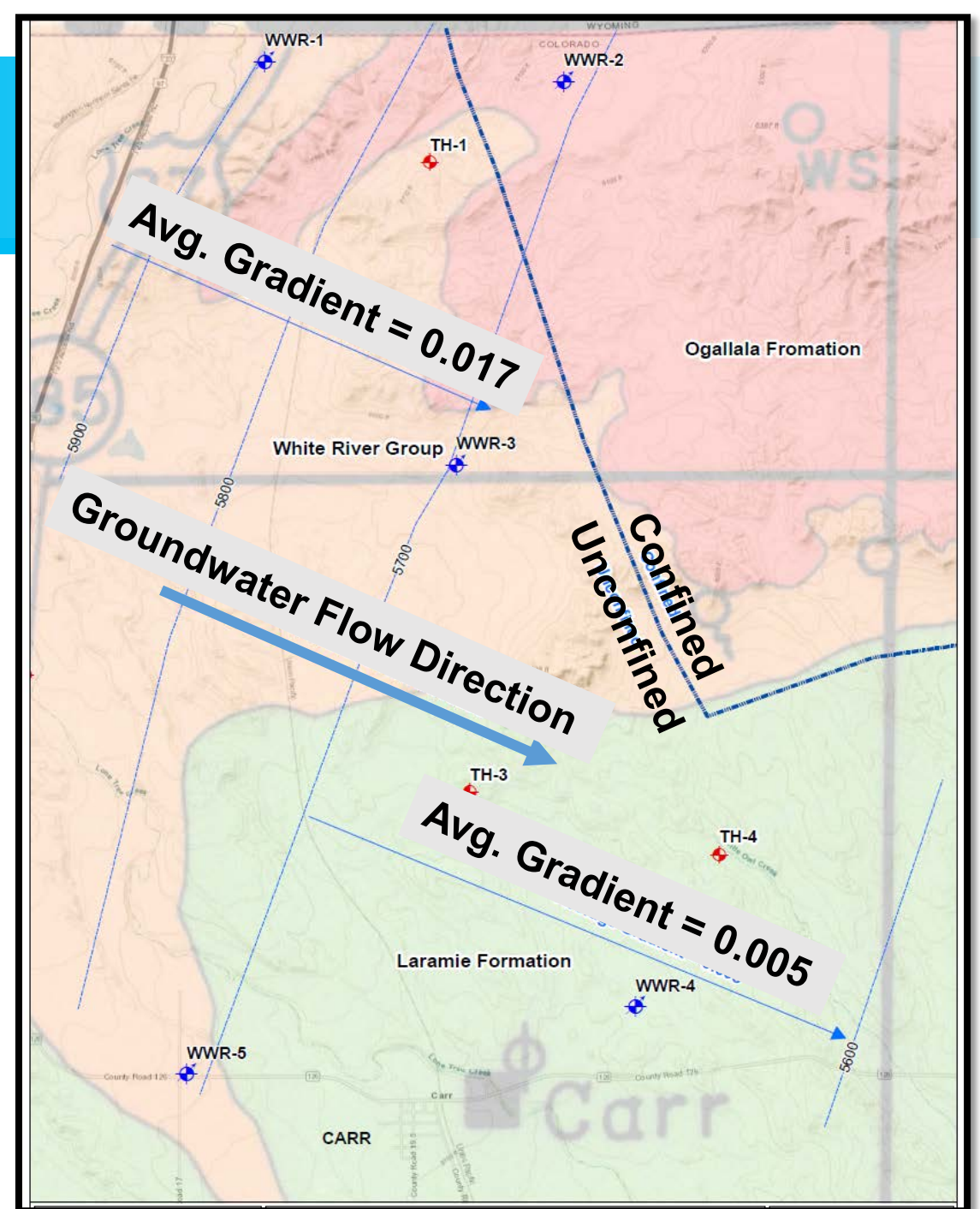
Terry Ranch Aquifer Characterization



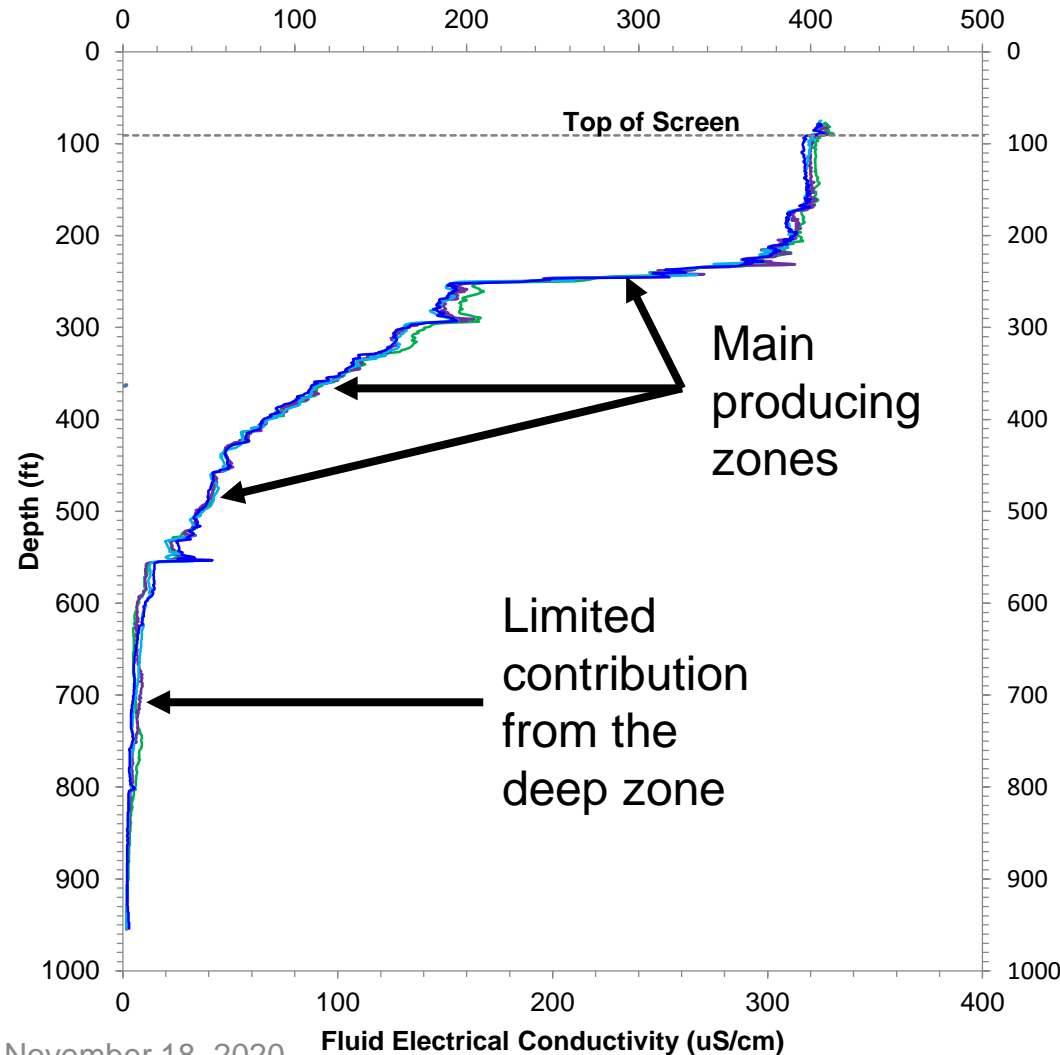
Groundwater Conditions

- Groundwater generally flows from west-northwest to east-southeast across the property
- Gradient is steeper on the west and shallows to the east
- Aquifer appears to be **Unconfined** to the west and south, and transitions to **Confined** in the northeast

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WWR-4 Flow Profile



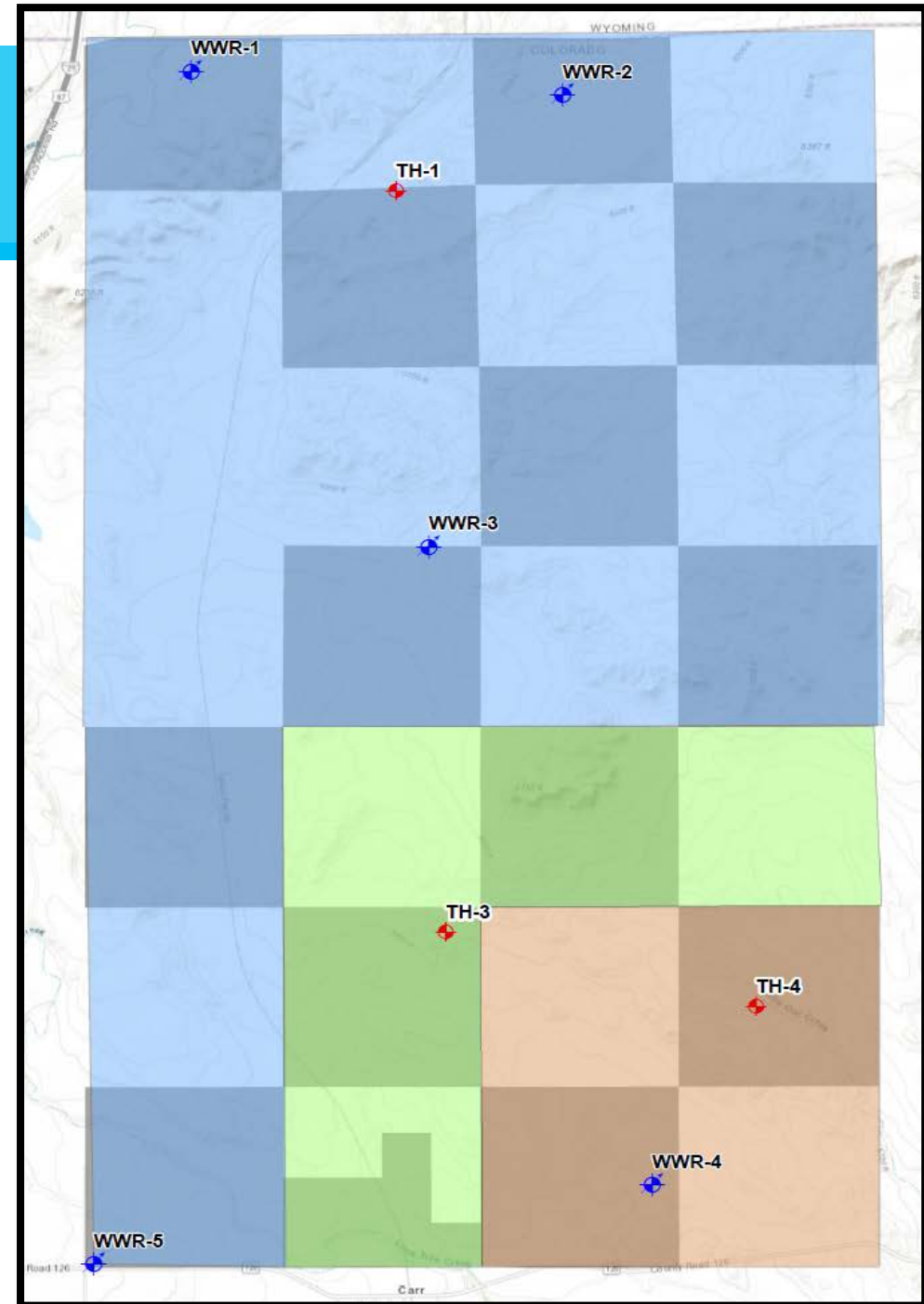
- Aquifer has 2 to 3 unique producing zones
- Majority of production comes from the shallow aquifer zone(s)

Suitability for ASR

- **Blue** – suitable; water levels appear to be deep enough
- **Green** – marginal; additional water level data are needed
- **Orange** – potentially unsuitable; water levels might be too shallow

Modeling suggests Greeley may be able to recharge up to 14,500 AF/yr for 5 years or more in the northern area while limiting groundwater mounding to acceptable levels in the south.

November 18, 2020



Aquifer Storage Potential

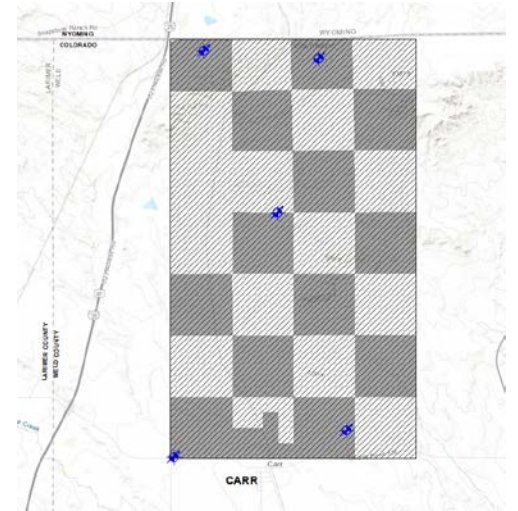
- ASR is feasible
- The aquifer has sufficient storage capacity

Scaled diagram represents effective pore space volume relative to recharge volumes

Estimated Effective Pore Space Volume: ~1.9 Million AF

(Includes Terry Ranch and Intervening State Land Parcels)

Assumed Aquifer Area (approx. 28 m²)



5-year recharge volume: 72,500 AF



1-year recharge volume: 14,500 AF



Opportunities to Learn More

- Unknowns:
 - Water quality changes from storing Bellvue WTP water in the aquifer
 - Water quality changes from mixing treated groundwater with Bellvue WTP water
- Investigations and Testing Activities:
 - Geochemical modeling
 - Bench-scale testing
 - Mineralogy of aquifer materials (complete)
 - Physical mixing of Bellvue WTP water and groundwater (complete)
 - Mixing of Bellvue WTP water with aquifer materials (in process)
 - Short-term ASR test (inject/store/recover Bellvue WTP water)

Physical Mixing of Waters

Observations after 21 days at 68°F after 60 minutes of agitation

| Fluid 1 | Fluid 2 | Fluid Ratio | pH | Color | Clarity | Precipitates | Reactivity | Emulsion | Comments |
|-------------------------|-------------------------|-------------|------|-----------|---------|--------------|------------|----------|--|
| Bellvue Treatment Plant | Terry Ranch Groundwater | 90% : 10% | 8.21 | colorless | clear | no | no | no | no reaction between fluids no reaction between fluids no reaction between fluids no reaction between fluids no reaction between fluids |
| Bellvue Treatment Plant | Terry Ranch Groundwater | 70% : 30% | 8.20 | colorless | clear | no | no | no | |
| Bellvue Treatment Plant | Terry Ranch Groundwater | 60% : 40% | 8.20 | colorless | clear | no | no | no | |
| Bellvue Treatment Plant | Terry Ranch Groundwater | 42% : 58% | 8.19 | colorless | clear | no | no | no | |
| Bellvue Treatment Plant | Terry Ranch Groundwater | 30% : 70% | 8.23 | colorless | clear | no | no | no | |



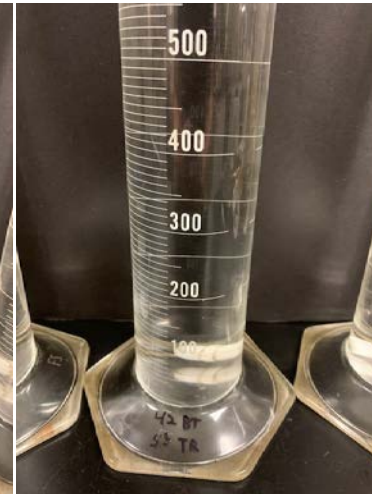
90% Bellvue
10% Terry Ranch



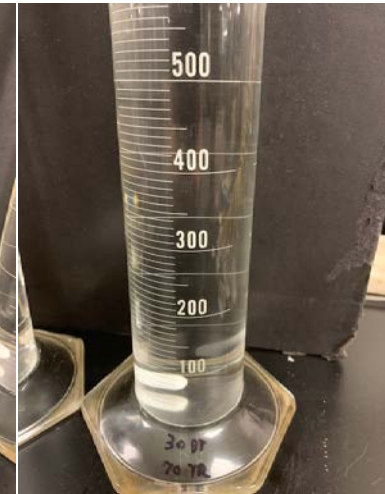
70% Bellvue
30% Terry Ranch



60% Bellvue
40% Terry Ranch



42% Bellvue
58% Terry Ranch



30% Bellvue
70% Terry Ranch

Aquifer Mineralogy (X-Ray Diffraction)

- Upper Laramie Aquifer is dominated by silicate minerals such as quartz, K-feldspar, etc. (typical of a granite source).
- Non-detect of iron-bearing sulfides

Table 2. XRD Results

| Client ID | EB1-130-150 | EB1-530-540 | EB1-790-1030 | EB2-420-520 | EB2-610-670 | EB2-770-1010 |
|-------------|-------------|-------------|--------------|-------------|-------------|--------------|
| Phase ID | Weight % | Weight % | Weight % | Weight % | Weight % | Weight % |
| Quartz | 37.9 | 65.9 | 63.9 | 55.0 | 55.1 | 59.1 |
| K-Feldspar | 17.7 | 23.8 | 20.5 | 18.6 | 18.5 | 17.2 |
| Plagioclase | 19.3 | 3.3 | 5.1 | 5.5 | 4.0 | 4.6 |
| Muscovite | 2.4 | 1.9 | 7.6 | 9.5 | 11.0 | 10.5 |
| Biotite | 1.4 | 1.1 | nd | Nd | nd | nd |
| Smectite | 11.8 | nd | nd | 9.9 | 10.4 | 7.8 |
| Heulandite | nd | 3.1 | 1.6 | 1.5 | 1.0 | 0.8 |
| Calcite | 4.3 | nd | nd | Nd | nd | nd |
| Dolomite | 1.9 | 0.9 | 1.3 | Nd | nd | nd |
| Magnetite | 0.7 | nd | nd | Nd | nd | nd |
| Actinolite | 2.6 | nd | nd | Nd | nd | nd |

Note: Crystalline phases are normalized to 100%
nd = none detected

Trace Metal Analysis (ICP-MS)

| Lab Sample ID | Customer Sample ID | Arsenic $\mu\text{g/g}$ | Barium $\mu\text{g/g}$ | Cadmium $\mu\text{g/g}$ | Chromium $\mu\text{g/g}$ | Lead $\mu\text{g/g}$ | Mercury $\mu\text{g/g}$ | Selenium $\mu\text{g/g}$ | Silver $\mu\text{g/g}$ | Uranium $\mu\text{g/g}$ |
|---------------|--------------------|-------------------------|------------------------|-------------------------|--------------------------|----------------------|-------------------------|--------------------------|------------------------|-------------------------|
| 20H01743-001 | EBI-130-150 | 1.2 | 925 | 0.2 | 60 | 15.8 | 0.01 | < 0.4 | < 0.1 | 1.9 |
| 20H01743-002 | EBI-130-150 | 0.9 | 935 | 0.1 | 60 | 15.5 | 0.01 | < 0.4 | < 0.1 | 1.8 |
| 20H01743-003 | EBI-530-540 | 1.6 | 873 | < 0.1 | 110 | 12.3 | 0.01 | < 0.4 | < 0.1 | 1.4 |
| 20H01743-004 | EBI-530-540 | 0.7 | 874 | < 0.1 | 110 | 12.0 | 0.01 | < 0.4 | < 0.1 | 1.2 |
| 20H01743-005 | EBI-790-1030 | 2.6 | 750 | < 0.1 | 60 | 13.7 | 0.02 | < 0.4 | < 0.1 | 1.4 |
| 20H01743-006 | EBI-790-1030 | 1.9 | 747 | < 0.1 | 60 | 13.6 | 0.02 | < 0.4 | < 0.1 | 1.5 |
| 20H01743-007 | EBI-420-520 | 2.1 | 834 | 0.9 | 100 | 14.0 | <0.01 | 0.4 | < 0.1 | 1.9 |
| 20H01743-008 | EBI-420-520 | 2.7 | 835 | 0.4 | 100 | 14.0 | 0.01 | < 0.4 | < 0.1 | 1.9 |
| 20H01743-009 | EBI-610-670 | 3.4 | 717 | 0.2 | 110 | 13.9 | 0.02 | < 0.4 | < 0.1 | 2.1 |
| 20H01743-010 | EBI-610-670 | 2.7 | 728 | < 0.1 | 110 | 13.9 | 0.02 | < 0.4 | < 0.1 | 2.1 |
| 20H01743-011 | EBI-770-1010 | 4.5 | 726 | < 0.1 | 100 | 15.3 | 0.03 | < 0.4 | < 0.1 | 1.7 |
| 20H01743-012 | EBI-770-1010 | 3.3 | 732 | 0.1 | 90 | 15.0 | 0.03 | < 0.4 | < 0.1 | 2.0 |

Low concentrations of uranium in Upper Laramie Aquifer material samples.

Terry Ranch Water Quality

Terry Ranch Water Quality Data

Collected over 5,000 water quality data points

Groundwater quality data collected from:

- 5 Wingfoot Water Resources wells (WWR wells), sampled in 2019 and resampled in 2020
- Two exploratory boreholes completed as temporary wells (EB-1 and EB-2)
- Composite and depth-specific samples from WWR-4, EB-1, EB-2, and WWR-1 (in process)

Due Diligence Data Collection Activities



Exploratory
borehole drilling
and temporary
well construction

Well video
surveys



Hydrophysical
logging and depth-
specific groundwater
sampling

Terry Ranch Groundwater Quality Data

- Terry Ranch groundwater is generally of high quality
- Low concentrations of:
 - dissolved solids (average 266 mg/L)
 - hardness (average 145 mg/L)
 - arsenic (average 2.7 ug/L)
- Groundwater meets all primary drinking water standards, except:
 - Uranium at WWR-1
 - Gross Alpha at WWR-1, 2, 4, and 5
- Meets all secondary drinking water standards
 - WWR-3 and EB-2 have elevated Manganese, but it does not exceed the standard

Summary table on next slide

Terry Ranch Water Quality Snapshot

| Key Parameter | WWR-1 | WWR-2 | WWR-3 | WWR-4 | WWR-5 | EB-1 | EB-2 | Average | Reg 41 Standards |
|---------------|-------|-------|-------|-------|-------|---------|---------|---------|------------------|
| Uranium | 40.2 | 22.7 | 28.3 | 19.8 | 13.6 | 25.8 | 20.7 | 24.4 | 30 ug/L |
| Iron | 0.009 | 0.022 | 0.032 | ND | 0.027 | No data | No data | 0.013 | 0.3 mg/L (SMCL) |
| Manganese | 2.1 | 8.4 | 23.4 | 3.7 | 16.4 | 3.4 | 46.3 | 14.8 | 50 ug/L (SMCL) |
| Arsenic | 3.8 | 2.5 | 2.5 | 2.9 | 1.9 | 4.8 | 0.8 | 2.7 | 10 ug/L |
| TDS | 260 | 267 | 243 | 284 | 267 | 283 | 259 | 266.1 | 500 mg/L |
| Hardness | 123.9 | 124.9 | 168.8 | 171.5 | 157 | 113.3 | 156.1 | 145.1 | --- |

November 18, 2020

*All data represent composite samples collected at the wellhead

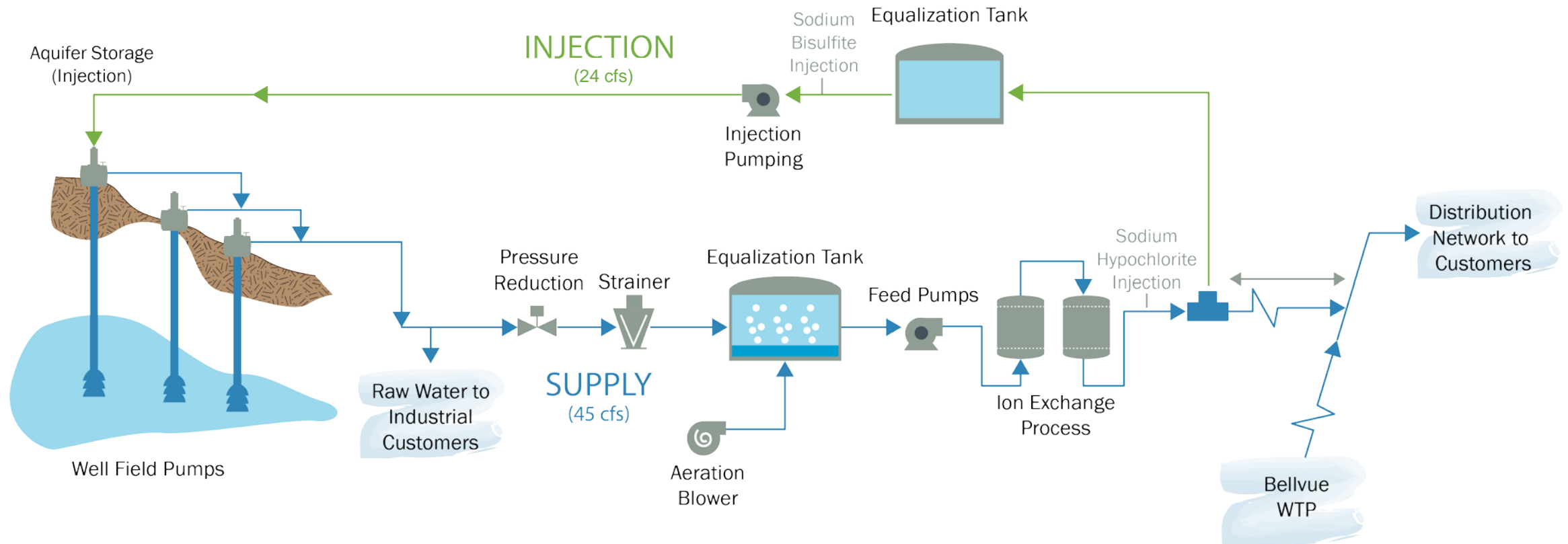
ND = not detected

Water Treatment Update

Terry Ranch Water Treatment – Process Steps

| Treatment Process | Explanation |
|----------------------------------|---|
| Well construction | Locate wells in optimal areas of the aquifer. Use drilling and development techniques to minimize collection of uranium and sand. |
| Retention pond for well flushing | Provides storage for the first hour of well operations when uranium production may be slightly higher. |
| Strainer | Removal of particles (sand/silt) that pass the well screens |
| Equalization tank (and aeration) | Blending of water from wells, removal of radon |
| Ion-Exchange (2 stage removal) | Treatment process to preferentially remove uranium |
| Chlorination | Disinfectant, residual |

Terry Ranch Treatment Process Schematic

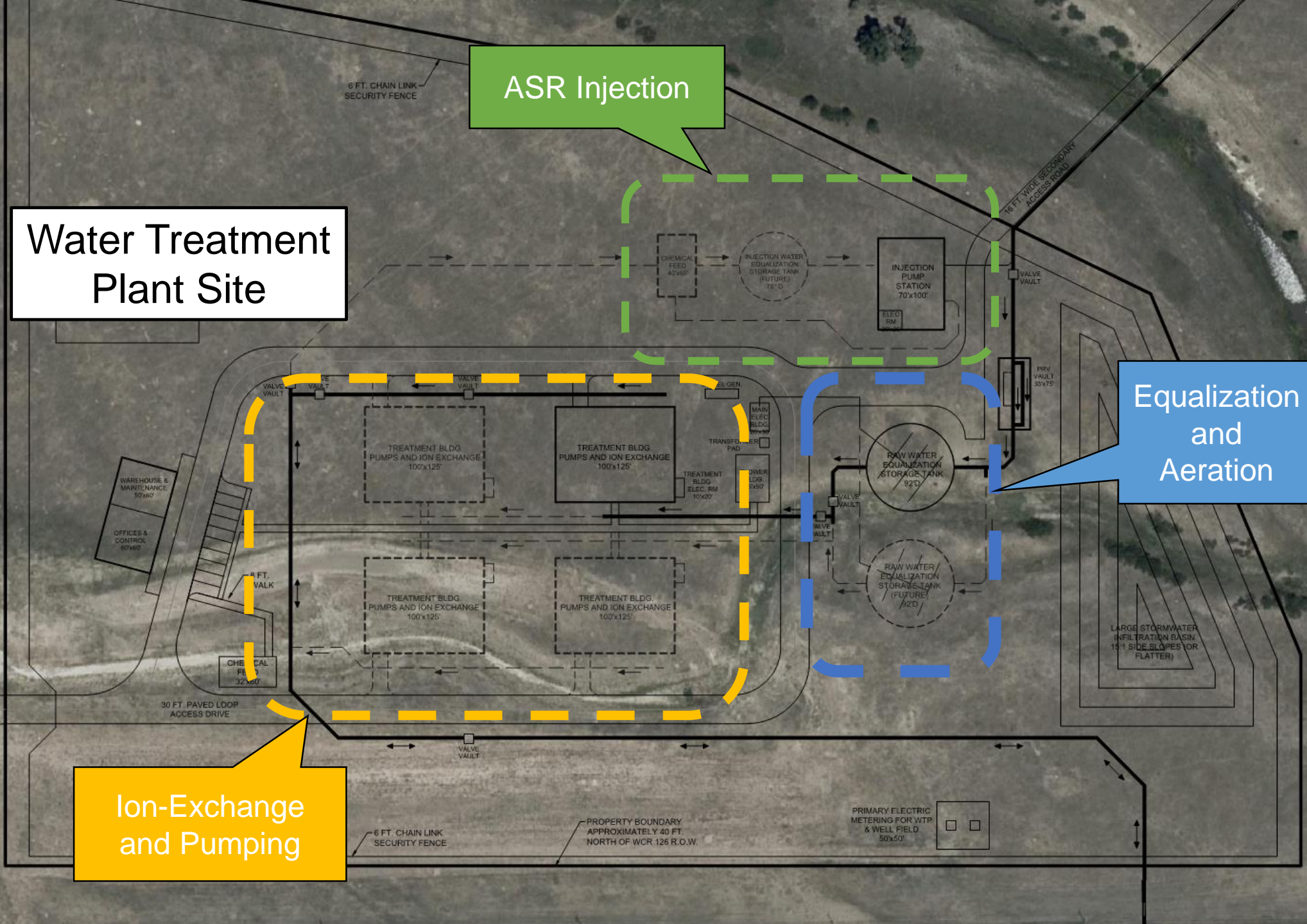


Water Treatment Plant Site

ASR Injection

Equalization and Aeration

Ion-Exchange and Pumping



| |
|-------------------|
| City of Green Bay |
| C |
| REV |
| DESIGN |
| DRAWN |
| CHECKED |
| CHECKED |
| APPROVED |
| W |

Terry Ranch Ion Exchange Residuals Handling

- Disposal tiers

- Low-level radioactive materials (<2,000 pCi/g)
- High-level radioactive materials (>2,000 pCi/g)
- Third party vendor



- Considerations

- Regulatory framework including licensing, licensing fees and monitoring requirements
- Regulatory limitations
- Disposal locations
- Disposal costs

Vendor Qualifications

- Received IX Vendor Qualifications from 4 companies

- WRT
- AES
- isiWest
- AqueoUS Vets

Colorado-based WRT services are available in California, Colorado, Connecticut, New Jersey, New Mexico, New York, North Carolina, Utah, Virginia and Wisconsin.

Village of Oswego, Illinois
Eight installations with a total of 11 MGD
First system installed: June 2005
Jennifer Hughes, Director of Public Works

Aqua America – Aqua New Jersey
Six installations with a total of 7.5 MGD
First system installed: October 2010
More than 30 installations with a total of 100 MGD
Jim Barbado, VP of Corporate Engineering

City of Farmington, Missouri
Fifteen systems with a total of 3.0 MGD
First system installed: December 2010
Greg Beavers, City Administrator

City of Vineland, New Jersey
Six systems with a total of 8,200 gpm
designed for Dow RSC, retrofitted for AD26
Two new systems with a total of 1.2 MGD
First system retrofitted: February 2013
Michael Lawler, Water & Sewer Department Manager

City of San Angelo, Texas
One system with a total of 5,600 gpm
First system installed: December 2010
Tymn Combest, Plant Operations Manager

Large Design Flow Rate Systems

| | | |
|---|---|--|
| San Antonio, Chile* 11 MGD Arsenic Removal E33 Start up 2017 | White Rock, British Columbia* 4.03 MGD Arsenic and Manganese Removal E33 and ADGS+ Start up Late 2018 | New Windsor, New York 3 MGD AD26L Iron and Manganese Removal Start up 2018 |
| South San Francisco Station 1, California* 2.8 MGD Iron and Manganese Removal AD26 Start up 2017 | Ezezia, Argentina 3.8 MGD Arsenic Removal E33 Start up 2017 | Lo Pinto, Chile 2.7 MGD Arsenic Removal E33 Start up 2015 |
| Arica de Pago de Gomez, Chile 2.5 MGD Arsenic Removal ADGS+ Start up 2011 | Spring Creek Utilities, Nevada 2.8 MGD Arsenic Removal ADGS+ Start up 2011 | Jerritt Canyon, Nevada 2.06 MGD Arsenic and Antimony Removal E33 Start up in 2016 |
| Davisboro, Georgia 1.4 MGD Iron and Manganese Removal AD26 Start up 2015 | Bakersfield, California 1.44 MGD Arsenic Removal E33 Start up 2017 | Louisville, Georgia 1.44 MGD Iron and Manganese Removal AD26 Start up 2015 |
| City of Stromsburg, Nebraska 1.2 MGD Arsenic and Manganese Removal ADGS+ Start up 2013 | Meadow Lake MHP, Michigan 1.2 MGD Iron and Manganese Removal AD26 Start up 2008 | Alto Lampa, Chile 1.15 MGD Arsenic Removal E33 Start up 2013 |
| Crystal Geyser, California 1.03 MGD Arsenic Removal E33 Start up Late 2018 | City of Delano, California 1 MGD Nitrate Removal biotta* Start up 2016 | Mount Joy, Pennsylvania 1 MGD Hardness and Nitrate Removal Ion Exchange Start up 2018 |
| Coachman's Trail, North Carolina 690 gpm Iron and Manganese Removal AD26 Start up 2015 | Worthington Hills, Ohio 630 gpm Iron and Manganese Removal AD26 Start up 2013 | City of Lemoore, California 3500 gpm Ammonia, Arsenic, TOC, & Turbidity Removal Ion Exchange, RO, UV, Biological Treatment Start up Late 2020 |

* Horizontal Filters

AdEdge Water Technologies, LLC | 2055 Boggs Road | Duluth, Georgia 30096 | 866-823-3343
www.adedgetech.com | sales@adedgetech.com

Take-Aways from Meeting with Grand Island, NE

- Several Greeley staff met with Assistant Utilities Director at Grand Island on 10/22/20
- Facts about Grand Island's plant:
 - 21 wells total, but only 3 wells are treated
 - Inlet Uranium ranges from 25-30 ug/L, and effluent ranges 0-8 ug/L
 - Operates at 1,500-2,000 gpm
 - Unstaffed system with remote monitoring
- System in place since 2012, overall, happy with ion exchange



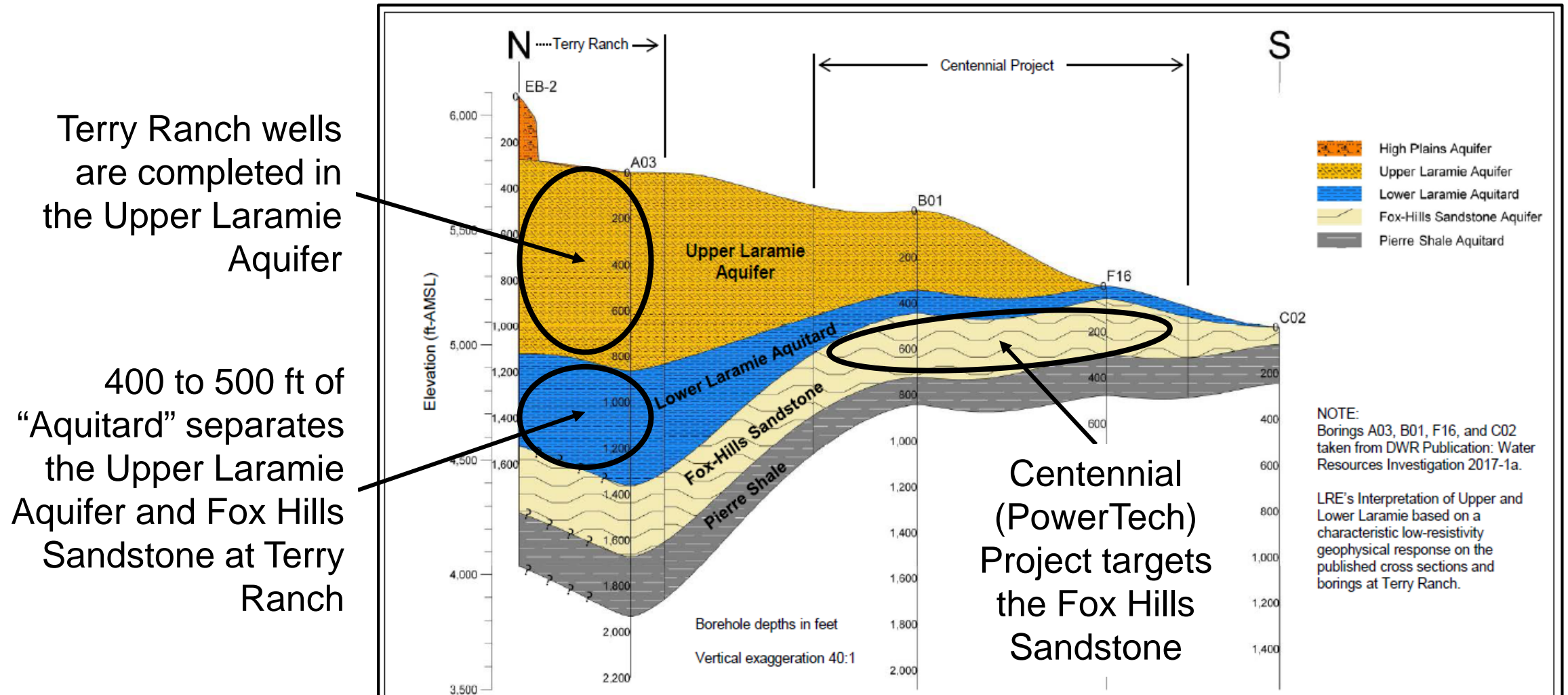
Ion Exchange Pilot Testing

- Pilot arrived onsite Monday Nov. 10
- Began testing Tuesday Nov. 11
- 1 to 2 months of testing will be conducted
 - Evaluate uranium removal
 - Identify if any contaminants present challenges
 - Operator introduction to process
- Sampling plan developed, being executed by LRE



Comparison of Terry Ranch and Centennial (PowerTech) Project Areas

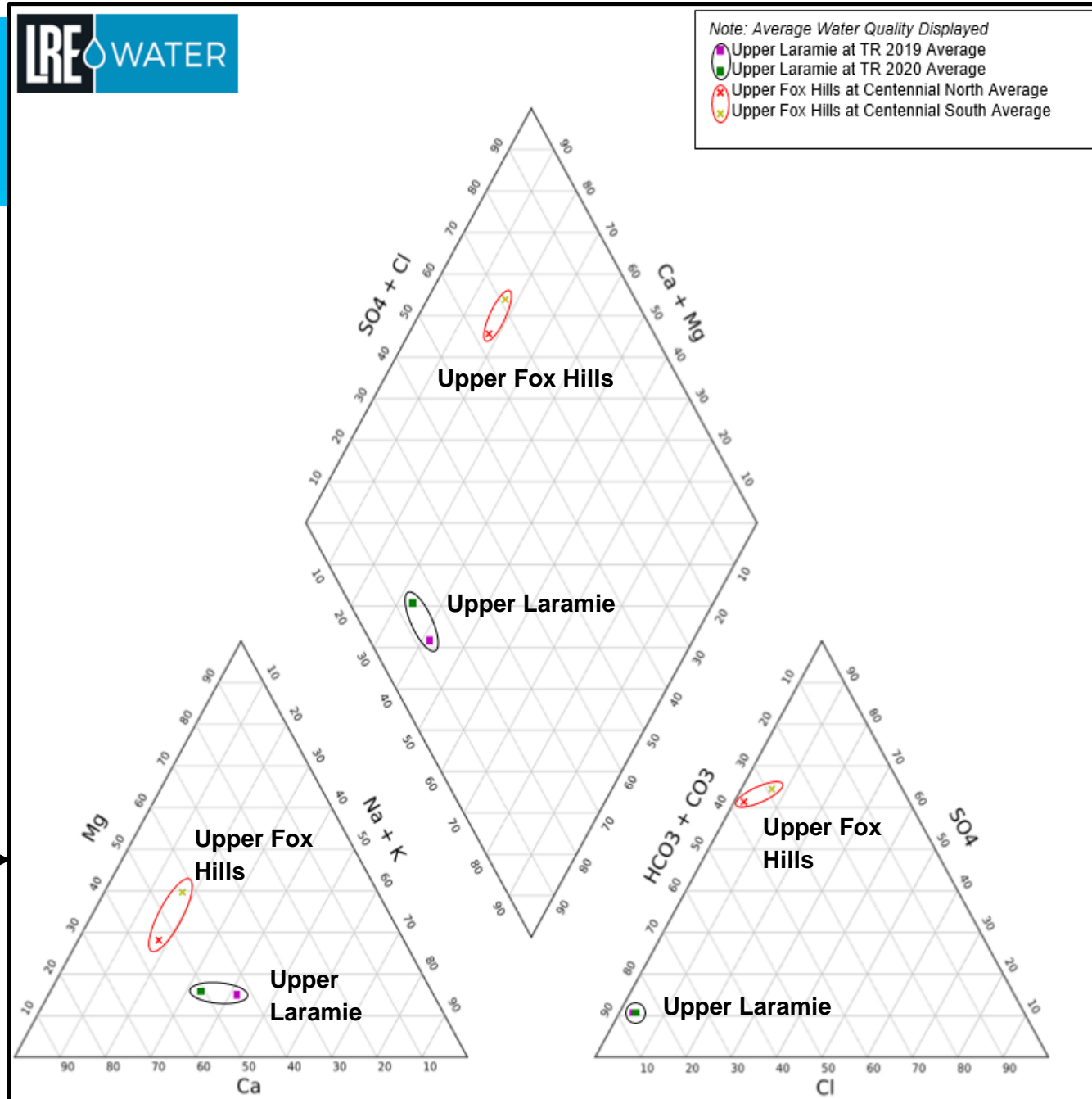
Geologic Setting



Groundwater Chemistry

- The groundwater chemistry of the Upper Laramie Aquifer at Terry Ranch is distinctly different from the Fox Hills Aquifer at the Centennial (PowerTech) Project area.

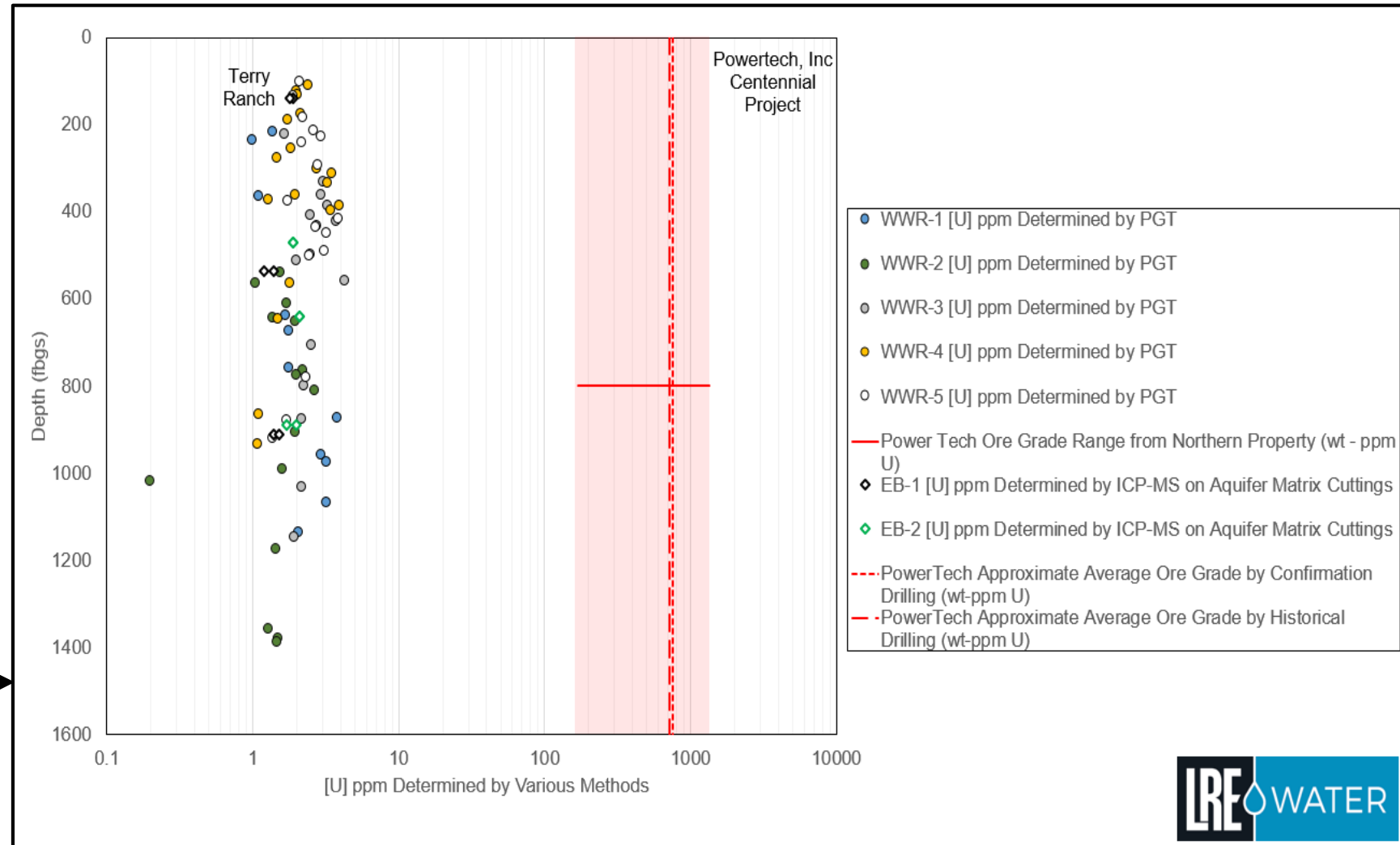
Trilinear (Piper) Diagram comparing the major ion composition of groundwater at Terry Ranch to the Fox Hills Aquifer underlying the Centennial (PowerTech) Project area.



Uranium Concentrations in Host Rock

- Uranium concentrations in the **host rock** at the Centennial (PowerTech) Project are approximately **100 times greater** than in the Terry Ranch wells.

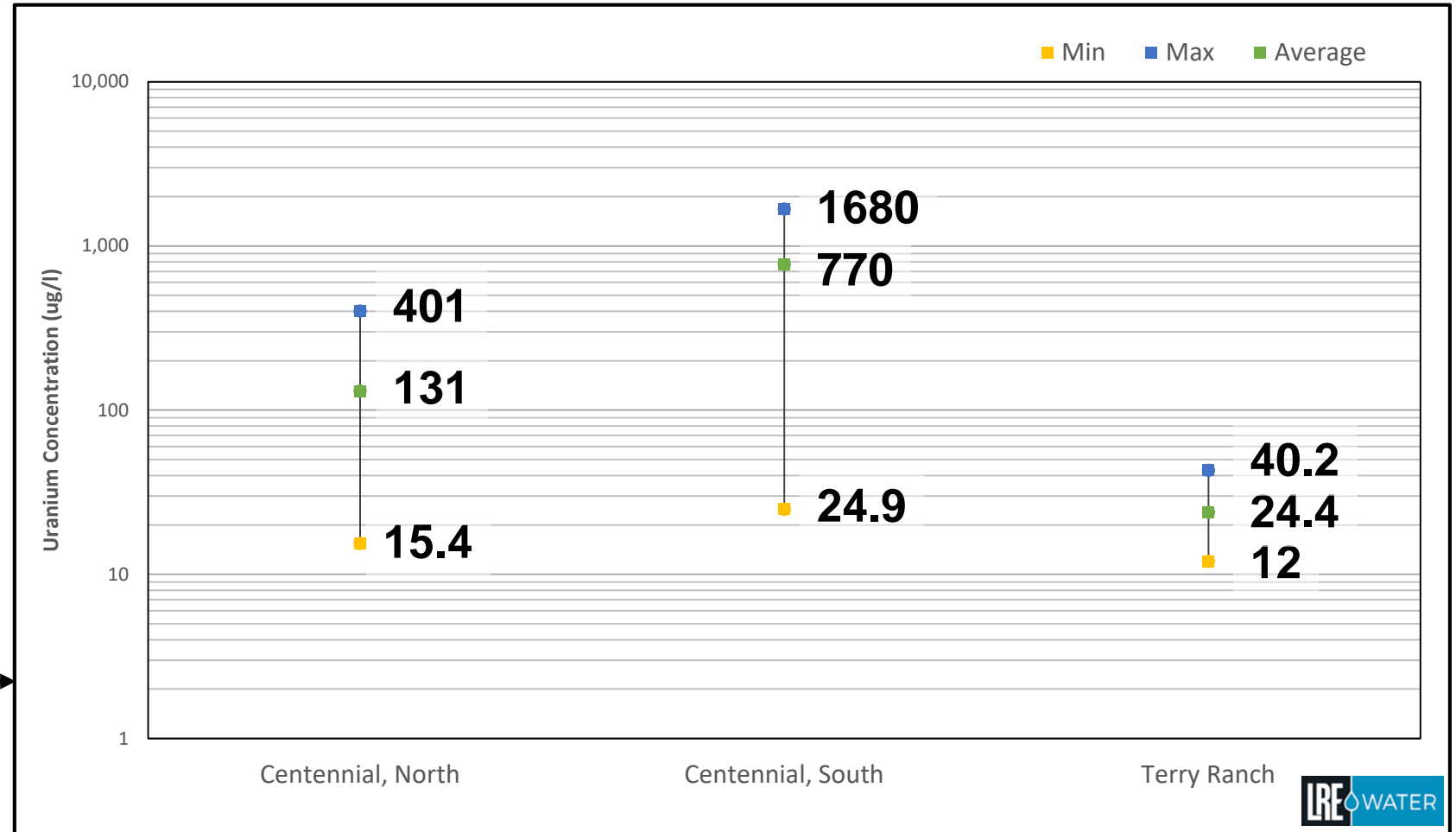
Uranium concentrations in the host rock estimated from spectral gamma (PGT probe) data.



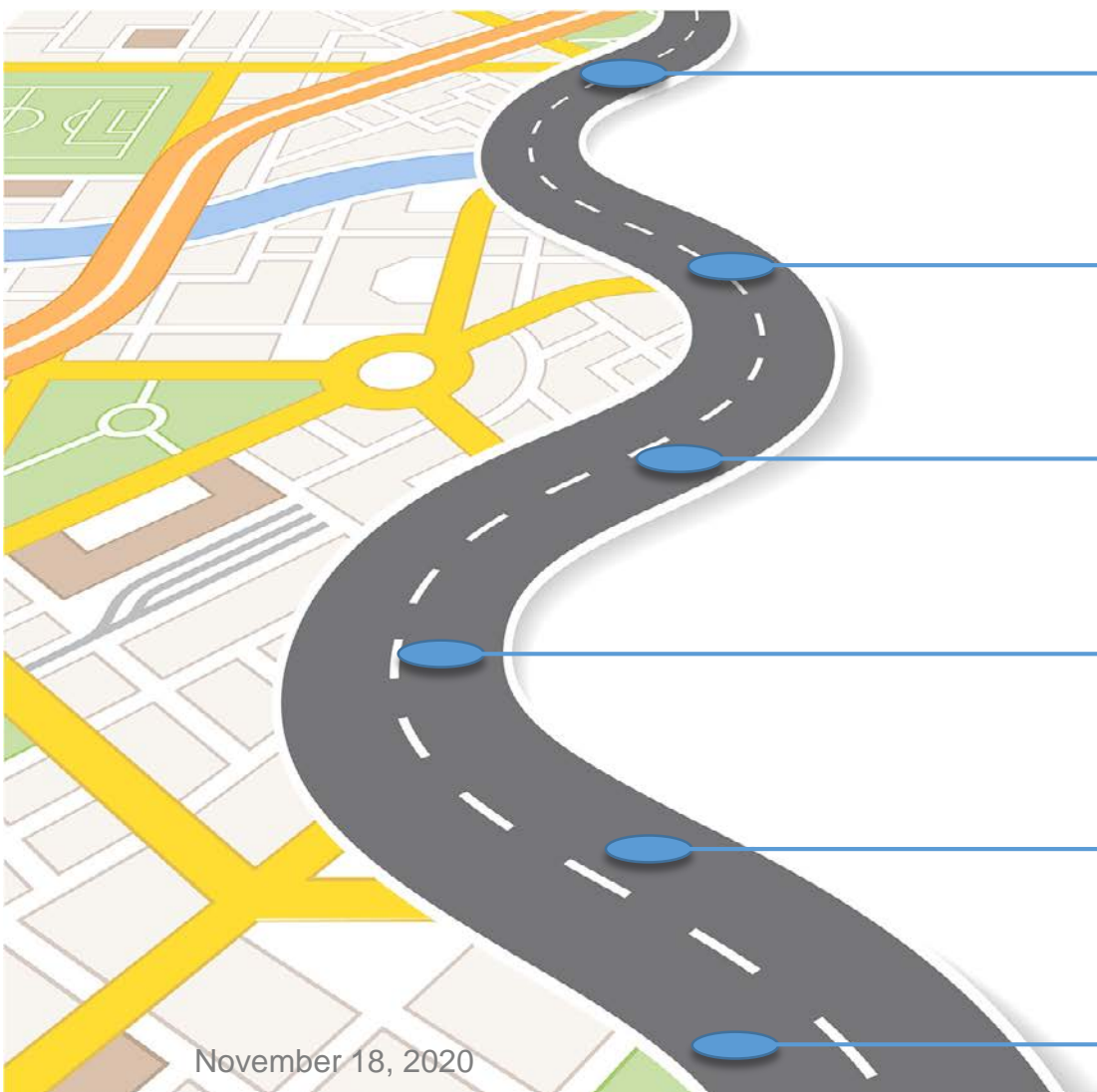
Uranium Concentrations in Groundwater

- Uranium concentrations in **groundwater** at the Centennial (PowerTech) Project area are significantly higher than at Terry Ranch.

Uranium concentrations in groundwater samples from the Centennial Project and Terry Ranch Wells.



Next Steps



- **ASR Pilot (pending EPA approval) starting soon, including water quality data**
- **WOTUS and T&E field verifications (late-November/early December)**
- **Bench-scale testing experiment results received (late-November)**
- **Continue Treatment Pilot (45 days – through mid-December), including water quality data**
- **Water quality results back from ASR Pilot and Treatment Pilot (late-December/early January)**
- **Finalizing costs (December)**

Thank you.



WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 13

TITLE: EXECUTIVE SESSION

RECOMMENDATION:

ADDITIONAL INFORMATION:

19CW3253 update.

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 14

TITLE: LEGAL REPORT

RECOMMENDATION:

ADDITIONAL INFORMATION:

I. Statements of Opposition: Based on review of the September, 2020 Water Court Resume, staff and water counsel recommend that the Board file statements of opposition in the following cases:

- a. Case Number: **20CW3142**: Application of Arapahoe County Water & Wastewater Authority (“ACWWA”), for a change of water rights, conditional appropriation of return flows, and a plan for augmentation. This case involves a change of water rights for 7 shares of the Whitney Irrigating Ditch on the Cache la Poudre River and is interrelated with several other water court cases involving these applicants in which Greeley is a party. Applicant proposes to quantify the water rights based on a prior ditch-wide analysis. We recommend that Greeley file a statement of opposition ensure that appropriate terms and conditions are included in the water court decree and that Greeley’s water rights are not adversely affected.
- b. Case Number: **20CW3146** (09CW283): Application of Arapahoe County Water & Wastewater Authority (“ACWWA”) for a finding of reasonable diligence and to make conditional exchanges absolute in part. The exchanges involved in this application include supplies from the Cache la Poudre River among others, released to the main stem of the South Platte River in exchange for diversions into the applicant’s water system. Greeley was a party to the original proceedings to adjudicate these exchanges. We recommend that Greeley file a statement of opposition to ensure that the applicable legal standards have been satisfied to justify the absolute claim and to protect against any injury to Greeley’s water rights on the Cache la Poudre River.
- c. Case Number: **20CW3147** (11CW285): Application of East Cherry Creek Valley Water and Sanitation District (“ECCV”) and United Water and Sanitation District (“United”) for a finding of reasonable diligence and to make conditional exchanges absolute in part. The exchanges involved in this application include supplies from the Cache la Poudre River among others, released to the main stem of the South Platte River in exchange for diversions into the applicant’s water system. Greeley was a party to the original proceedings to adjudicate these exchanges. We recommend that Greeley file a statement of opposition to ensure that the applicable legal standards have been satisfied to justify the absolute claim and to protect against any injury to Greeley’s water rights on the Cache la Poudre River.

II. Proposed Motion Language: “I move that the Board authorize the filing of statements of opposition in Case Nos. 20CW3142, 20CW3146, and 20CW3147, and for staff and legal counsel to seek resolution of issues raised by these cases consistent with Water and Sewer Board Resolution No. 3-15.”

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____ NO ENCLOSURE X

ITEM NUMBER: 15

TITLE: DIRECTOR'S REPORT

RECOMMENDATION:

ADDITIONAL INFORMATION:

- WG Firming Project Status
- Wildfire Recovery and Impact Mitigation
- Get Outdoors Update

WATER & SEWER BOARD AGENDA NOVEMBER 18, 2020

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 16

TITLE: SUCH OTHER BUSINESS THAT MAY BE
 BROUGHT BEFORE THE BOARD AND
 ADDED TO THIS AGENDA BY MOTION OF
 THE BOARD

RECOMMENDATION: TO BE DETERMINED

ADDITIONAL INFORMATION: