City of Fort Lupton
City Council
REGULAR MEETING AGENDA
Tuesday, December 15, 2020
7:00 PM
130 South McKinley Avenue

Zo Stieber, Mayor
Shannon Rhoda, Ward 1
Chris Ceretto, Ward 2
Mike Sanchez, Ward 3
David Crespin, Ward 1
Tommy Holton, Ward 2
Bruce Fitzgerald, Ward 3

You May Join in Person or Join Remotely by Registering at: https://attendee.gotowebinar.com/register/3302585894167381776

Pledge of Allegiance

Call to Order - Roll Call

Persons to Address Council - This portion of the Agenda is provided to allow members of the audience to present comments to the City Council. The City Council may not respond to your comments this evening, rather they may take your comments and suggestions under advisement or your question may be directed to the appropriate staff member for follow-up. Please limit the time of your comments to three (3) minutes - Mayor Stieber

Approval of Agenda

Review of Accounts Payables

a. 12152020 Accounts Payable

Consent Agenda - Consent Agenda items are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion of Consent Agenda items unless a Councilmember so requests, in which case the item may be removed/moved from the Consent Agenda.

a. 12012020 City Council Meeting Minutes

b. 12082020 City Council Special Meeting Minutes

c. AM 2020-210 Approving an Amendment to Section 125 Plan Documents for CARES Act Options and Increasing the Carryover Limit of Flexible Spending Accounts

d. AM 2020-211 Accept the 2021 Workers Compensation Quotation from Pinnacol Assurance in the Amount of $125,517, Accept the 2021 Boiler and Machinery Quotation from Travelers in the Amount of $4,790, Accept the 2021 Cyber Liability Coverage Quotation from Travelers in the Amount of $7,937 for a Total of $138,244

Action Memorandum

a. AM 2020-209 Approve a Resolution Accepting an Annexation Petition for the Toews Annexation Submitted by Leonard Toews and Sherri Toews and to Set a Public Hearing Date for February 2, 2021

b. AM 2020-212 Approving the Seventeenth Interim Agreement with Payment to Northern Integrated Supply Project (NISP) Water Activity Enterprise of $748,250 for Phase 3A, Phase 5, Phase 6, and Phase 7 of the Project Funded Out of the Water Sales Tax Fund

Staff Reports

Mayor/Council Reports

Future City Events

a. 12152020 Upcoming Events

Adjourn

RECORD OF PROCEEDINGS
FORT LUPTON CITY COUNCIL/ENTERPRISE BOARDS
December 1, 2020

The City Council of the City of Fort Lupton met in a regular session at the City Complex, 130 South McKinley Avenue, the regular meeting place of the City Council, on Tuesday, December 1, 2020. Due to the COVID-19 virus, the meeting was held with remote access provided through GoToWebinar. Mayor Pro-Tem Shannon Rhoda called the meeting to order at 7:00 p.m. and invited everyone to join her in the Pledge of Allegiance.

ROLL CALL

Mari Peña, City Clerk, called the roll. Those present were Mayor Pro-Tem Shannon Rhoda, Councilmembers Chris Ceretto, David Crespin, and Bruce Fitzgerald. Mayor Zo Stieber, Tommy Holton, and Michael Sanchez participated electronically through GoToWebinar.

Also present were City Administrator, Chris Cross, City Clerk, Mari Pena, City Attorney, Andy Ausmus, Planning Director, Todd Hodges, Court Coordinator Jeanelle Anderson and Chief John Fryar.

Assistant City Administrator, Glenda Aretxuloeta, Golf Course Manager, Tyler Tarpley and Finance Director, Leann Perino participated remotely through GoToWebinar.

City Attorney, Andy Ausmus, read the advisement regarding connected meetings.

PERSONS TO ADDRESS COUNCIL

There was no one to address the Council.

APPROVAL OF AGENDA

It was moved by Tommy Holton and seconded by Bruce Fitzgerald to amend the Agenda by tabling item ‘h’ under the Action Memorandum: Approve Amended Employee Handbook and City Compensation Policy for a Total Estimate of $XXX per year, to the Special Meeting of December 8, 2020. Motion passed unanimously on roll call vote.

REVIEW OF ACCOUNTS PAYABLES

Council reviewed the December 1, 2020 payables; there were no questions or comments from the Mayor or Council.

CONSENT AGENDA

It was moved by Bruce Fitzgerald and seconded by Tommy Holton to approve the Consent Agenda as presented. The following item was part of the Consent Agenda: 11172020 City Council Meeting Minutes. Motion passed unanimously on roll call vote.

PUBLIC HEARINGS

AM 2020-201 approving a Resolution for the McDonald's Restaurant Site Plan

The City Attorney read the following advisement to Mr. Robert Palmer, with Strategic Land Solutions and applicant's representative: You understand that members of the City Council may be appearing tonight via a virtual connection and may not be appearing in person? You consent to the applicable member voting on your submittal even though said member is not present in person? You understand that the Applicant has a right to continue this public hearing to such a date to allow a full in person public hearing? You have agreed to voluntarily waive that right on behalf of the Applicant by proceeding tonight electronically, is that correct? On behalf of the Applicant, you have voluntarily signed and submitted the written waiver and consent to proceed electronically tonight, correct? Therefore, on behalf of the Applicant, you waive Applicant's right to proceed in an in person public hearing and have consented to proceed forward voluntarily tonight in this virtual City Council meeting, is that correct? Mr. Palmer replied yes, to all questions.

Mayor Pro-Tem Rhoda opened the public hearing at 7:09 p.m. and asked for a description of the proposal. The City Planner, Maria Lancto, stated that an application has been submitted for a site plan known as the McDonald's Restaurant Site Plan by Strategic Land Solutions – Agent for McDonald's Corporation. The Site Plan includes a 3,915 square foot building that will serve as a fast-food style restaurant with a drive-thru. The Property includes two parcels located at the northeast corner of 1st Street and Grand Avenue. The property is located within the C-1 General Commercial Zone District, which allows restaurants as a permitted use. The proposed site plan complies with this zone district. All notification requirements including posting and notification of surrounding property owners, have been met. Ms. Lancto also stated that there was a change to the Resolution, item 1(a) refers to a Special Use Permit and should be Site Plan Map.

Mr. Palmer provided a presentation of the site which consisted of two (2) parcels; a closed service station and a liquor store with a residence in the back. The front of the building would face 1st Street with the existing three (3) accesses being reduced to one (1) access. Vehicles coming off 1st Street will enter directly into the drive thru or parking lot. If a vehicle is going east it should make a left to the site or make a left on Grand Avenue and enter through the alley. Mr. Palmer stated that discussions are being held with the housing authority to formalize an easement over the alleyway, since the housing authority owns the alleyway. The connection with Mr. Palmer was lost. Trevor Prophet, also a representative for McDonalds stated that the alley agreement is being worked out through an easement which is needed for approval to finalize the site plan.

Discussion occurred over the access on 1st Street and Grand Avenue. The Public Works Director Roy Vestal stated that the preferred access coming east is to turn on Grand Avenue. The access point on 1st Street is likely to be a right in/right out access. Mr. Vestal also stated that if the alley access isn't granted to McDonalds, then McDonalds would have to resubmit the plan.

The Planning Director stated that the Resolution contains a condition pertaining to the access agreement.

Mr. Palmer was able to connect to the meeting. He indicated that there is a letter of understanding with the housing authority agreeing to work out the details of the easement of the alleyway.

Mayor Pro-Tem Rhoda asked if anyone from the public wished to speak for or against the proposal. There was no one from the public.

The City Attorney read the following advisement to Mr. Palmer: Have you had a full and fair opportunity to present all facts, submittals, documents, testimony and presentations in support of the Applicant's application before the City Council tonight? Mr. Palmer responded 'yes'. Has there been anything that you or the Applicant would have liked to have presented in support of Applicant's application that you feel you were prevented from doing so? Mr. Palmer responded 'no'.

The City Attorney asked the Councilmembers participating electronically if they have had a full and fair opportunity to see and hear the presentation or were there any instances where the presentation and information couldn't be heard? Mayor Stieber, Tommy Holton, and Michael Sanchez, indicated they were able to see the presentation and hear everything.

Mayor Pro-Tem Rhoda closed the public hearing at 7:24 p.m.

It was moved by Chris Ceretto and seconded by Bruce Fitzgerald to approve Resolution 2020R079 A RESOLUTION APPROVING THE MCDONALD'S SITE PLAN. Motion passed unanimously on roll call vote.

AM 2020-202 Approve a Resolution Accepting the Willow Bend (F/K/A Fulton Ranch) Subdivision Preliminary Plat and Preliminary PUD Plan

The City Attorney read the following advisement to Mr. John McLaren, the applicants representative. You understand that members of the City Council may be appearing tonight via a virtual connection and may not be appearing in person? You consent to the applicable member voting on your submittal even though said member is not present in person? You understand that the Applicant has a right to continue this public hearing to such a date to allow a full in person public hearing? You have agreed to voluntarily waive that right on behalf of the Applicant by proceeding tonight electronically, is that correct? On behalf of the Applicant, you have voluntarily signed and submitted the written waiver and consent to proceed electronically tonight, correct? Therefore, on behalf of the Applicant, you waive Applicant's right to proceed in an in person public hearing and have consented to proceed forward voluntarily tonight in this virtual City Council meeting, is that correct? Mr. McLaren replied yes, to all questions.

Mayor Pro-Tem Rhoda opened the public hearing at 7:27 p.m. and asked for a description of the proposal. The City Planner, Alyssa Knutson, stated that the applicant, Sun Land Development, has applied for approval Preliminary Plat and Preliminary PUD Plan for the City Council's consideration for the Willow Bend Subdivision (f/k/a Fulton Ranch).

The site that is the subject of the Preliminary Plat and PUD Plan is located east and adjacent to County Road 29 (also known as Northrup Avenue), and south and adjacent to 14th Street right of way in Fort Lupton The Preliminary Plat and PUD Plan is for a residential subdivision that will include one parcel of land with 449 lease spaces for single-family manufactured homes on approximately 127.52 acres, more or less. The proposed development will include an amenity center, pocket parks, and interconnecting trails. The planned density for the subdivision is four dwelling units per acre. All notification requirements have been met including posting on the property and notice to the surrounding property owners.

Mr. McLaren provided a brief presentation on Sun Land Development and their long standing commitment to residents in their communities along with aid provided to first responders. Mr. McLaren's presentation included updated manufacture housing architectures including progressive and efficient interior designs.

Bill Anderson, also representing Sun Land Development, provided the overview of the proposed site plan including 449 homes sites with a density of 3.5 units/acre, a three (3) acre central amenity center, 5.5 acres of pocket parks, trail system and trail connections with 43.8 acres of open space. The plan also contained boulevard entrances with a trail leading to the large amenity center, and a detention pond off Northup Avenue. The manufactured homesite details plan indicated the layouts to be both perpendicular and parallel with three (3) parking spaces per lot, a tree and optional garage buildout. Mr. Anderson also noted the plan changes from the first meeting held with City Council. The plan changes include detention ponds, 14th Street re-alignment, emergency access points, centralized 14th Street access driveway, expanded trail system north of 14th Street, bridge connections across the Fulton Ditch and relocated maintenance facility.

Mayor Stieber and Michael Sanchez indicated that there was a concern over density.

Mayor Pro-Tem Rhoda clarified that these spaces are leased and not purchasable and asked if the homes were movable? Mr. McLaren stated that the spaces are for lease and that the homes are movable however most homes are in the park for approximately 50 years. The homes are not moved very often but are movable.

David Crespin asked if there was a tornado shelter for residents. Mr. McLaren stated there was no tornado shelter and none of their other communities have shelters.

Mayor Pro-Tem Rhoda asked if anyone from the public wished to speak for or against the proposal however there was no public.

The City Attorney read the following advisement to Mr. McLaren: Have you had a full and fair opportunity to present all facts, submittals, documents, testimony and presentations in support of the Applicant's application before the City Council? Mr. McLaren responded 'yes'. Has there been anything that you or the Applicant would have liked to have presented in support of Applicant's application that you feel you were prevented from doing so? Mr. McLaren responded 'no'.

The City Attorney asked the Councilmembers participating electronically if they have had a full and fair opportunity to see and hear the presentation or were there any instances where the presentation and information couldn't be heard? Mayor Stieber, Tommy Holton, and Michael Sanchez, indicated they were able to see the presentation and hear everything.

Mayor Pro-Tem Rhoda closed the public hearing at 7:47 p.m.

It was moved by Bruce Fitzgerald and seconded by David Crespin to approve Resolution 2020R080 A RESOLUTION ACCEPTING THE WILLOW BEND (FKA FULTON RANCH) SUBDIVISION PRELIMINARY PLAT AND PRELIMINARY PUD PLAN. Motion failed with Tommy Holton, Bruce Fitzgerald and Chris Ceretto voting 'yes' to the motion and Michael Sanchez, Shannon Rhoda, David Crespin and Mayor Zo Stieber voting 'no' to the motion.

ACTION MEMORANDUM

AM 2020-194 Amend the agreement with Tyler Technologies making the City of Fort Lupton responsible for online payment fees

The year 2020 has been continuously changing due to Covid-19. On various occasions, City Hall has closed to the general public. In turn affecting some of the payment options available to customers. Credit card customers are charged a 3.21% processing fees, instead of the City. Online customers are charged an additional fee of $2.50 Court / $1.50 Utility Billing per transaction. Over-the-phone and in-person payments require staff to be in the facility.

Current Covid levels are requiring staff to transition to remote. By amending the Agreement, staff could efficiently process payments without an extra cost to citizens. Customers would still pay the credit card processing fee of 3.21%. Tyler Technologies would bill the City quarterly.

It was moved by Mayor Zo Stieber and seconded by Chris Ceretto to approve the amendment of the agreement with Tyler Technologies making the City of Fort Lupton responsible for online payment fees.

AM 2020-195 Approve Purchase of 140M3 Motor Grader for Public Works Streets from Wagner Equipment Co. for not to Exceed $198,900.00 from the General Fund Public Works Streets Budget

The new road grader is needed by Public Works for maintaining the City's dirt roads and alleys. The current grader is a 2001 CAT 140 with over 16,280 operating hours. The machine has been having maintenance issues for the last year and is becoming difficult to keep operational. In 2020 approximately 2 weeks of time was lost due to waiting for repairs.

Used graders have been a challenge to find. Staff found a used 2014 grader with 4,662 hours and negotiated the sale to $198,900 that included new tires ($6,000) and a 2-year warranty. Its currently on hold. A new CAT 140 Motor Grader would cost $415,000. The selected 2014 CAT 140M3 has been determined to be an excellent value compared to other available machines.

It was moved by Tommy Holton and seconded by Chris Ceretto to approve the purchase of 140M3 Motor Grader for Public Works Streets from Wagner Equipment Co. for an amount not to exceed $198,900 allocated from the General Fund Public Works Streets Budget. Motion passed unanimously on roll call vote.

AM 2020-196 Approve Change Order Number 2 to JBS Pipeline Contractors Contract for the Kahil Street Project, for not to Exceed $223,844.75 from Utility Fund - Water Lines

During utility work for the Fulton Village subdivision, it was discovered that the existing potable water main in Kahil is not in very good condition. In preparation for the existing paving project, it is determined that the water main should be replaced. Change Order #2 is to add replacement of the 8-inch water main in Kahil Street. Total cost is $223,844.75 with a 1-month extension for project time. Total project cost is $1,050,172.45. The anticipating completion in time for paving project to start in early spring.

It was moved by Mayor Zo Stieber and seconded by Bruce Fitzgerald to approve Change Order No. 2 to JBS Pipeline Contractors Contract for the Kahil Street Project for an amount not to exceed $223,844.75 from the Utility Fund – Water. Motion passed unanimously on roll call vote.

AM 2020-197 Purchase of a Tow Behind Aerator at Coyote Creek Golf Course

The Ryan Renovaire tow-behind aerator will be a new piece of equipment for Coyote Creek Golf Course. This aerator will be used to aerate the 42 acres of rough at the golf course. In the past we have borrowed the parks department aerator that is four feet wide. The new aerator is six feet wide and will allow staff to complete the process in less time. The aerator will work with the tractor that the parks department has and they will be able to use it to aerate all the parks and the ball fields. The aerator has trays that can hold up to 150 pounds allowing the tines to go deeper into the ground in compacted areas.

An RFP was issued for this purchase, LL Johnson and Potestio Brothers were the only two companies to complete and submit bids. Potestio Brothers was the low bid at $8,125.

It was moved by Chris Ceretto and seconded by Bruce Fitzgerald to approve the purchase of a tow behind aerator at Coyote Creek Golf Course. Motion passed unanimously on roll call vote.

AM 2020-198 Purchase of a Broadcast Topdresser at Coyote Creek Golf Course

The Dakota Topdresser will replace our current ProPass Topdresser. Every other week we use the topdresser to spread a light layer of sand on the greens. When the greens are aerated twice a year we use it to spread a heavy layer of sand down to fill all the holes on the greens. The current topdresser is a 2006 model making it 14 years old. In 2014 when we were using it to spread sand after aerifying and the engine on the topdresser caught on fire. We were able to repair it, but it just hasn't operated the same since the fire. Every year we have had to spend money on it to try to get it running better. This year we have had to put $4,000 into the machine and it was not operational for a month and a half.

An RFP was issued for this purchase, LL Johnson and Potestio Brothers were the only two companies to complete and submit bids. Potestio Brothers was the low bid at $14,650.

It was moved by Tommy Holton and seconded by Bruce Fitzgerald to approve the purchase of a broadcast topdresser at Coyote Creek Golf Course from Potestio Brothers for an amount not to exceed $14,650.00. Motion passed unanimously on roll call vote.

AM 2020-199 Purchase of a Deeptine Aerator at Coyote Creek Golf Course

The ProCore SR54 deep-tine aerator will be a new piece of equipment for Coyote Creek Golf Course. The current aerator used to aerify fairways has the ability to make holes at a depth of four inches. The new deep-tine aerator will be able to create hole at a depth of up to ten inches. This will allow roots and water to grow deeper into the ground. It also has the ability to fracture the soil at ten inches creating a bigger cavity at the bottom of the hole. Using this type of aerator will help penetrate the compaction layer typically found within the four inches. In 2015 we contracted a company to deep tine three acres of greens at a cost of $5,000. Staff would be able to do all the greens and also all 27 acres of fairways in house.

An RFP was issued for this purchase, LL Johnson and Potestio Brothers were the only two companies to complete and submit bids. LL Johnson was the low bid at $19,601.85.

It was moved by Mayor Zo Stieber and seconded by Chris Ceretto to approve the purchase of a deeptine aerator at Coyote Creek Golf Course. Motion passed unanimously on roll call vote.

AM 2020-200 Purchase of Compact Utility Loader at Coyote Creek Golf Course

The Toro Dingo compact utility loader will be a new piece of equipment for Coyote Creek Golf Course. It will be purchased with a bucket, a trencher, a soil cultivator, and a plow. Any time we need to add sprinkler heads we have to dig trenches by hand. Some trenches have been up to 75 feet long and it sometimes takes two people two days to complete digging the trench. If we were to get the trencher, a trench can be dug in less than 30 minutes with one person operating it. There are a lot of areas on the Golf Course that need additional sprinkler heads but have not been installed due to not having the right equipment to get the job done. The Golf Course has a lot of areas with poor drainage. In order to improve drainage and eliminate wet spots on the golf course new drain lines need to be installed. The trencher will let us be more efficient and be able to complete projects faster. Over the years a lot of pot holes have been created in the turf around cart paths. The pot holes fill up with water which makes mowing impossible. The crew has to trim the grass down by hand. We will use the soil cultivator to till up those areas, re-grade the areas so water will not be standing on the cart paths, and then re-sod the turf areas. In 2016/2017 we had a company complete a bunker renovation on all the green-side bunkers at a cost of $120,000. The fairway bunkers did not have anything done to them and are in need of renovations. With this piece of equipment, staff will be able to start renovating all the remaining bunkers. The Toro Dingo will allow staff to do more golf course improvement projects in house saving money in the long run by not having to have some things contracted out.

An RFP was issued for this purchase, only one bidder (LL Johnson) completed and submitted the necessary materials.

It was moved by Bruce Fitzgerald and seconded by Chris Ceretto to approve purchase of a compact utility loader at Coyote Creek Golf Course for an amount not to exceed $39,669.00. Motion passed unanimously on roll call vote.

STAFF

The City Administrator Chris Cross indicated that the next meeting on December 8th will be a Special City Council meeting for the presentation of the budget. The item that was tabled tonight, the Employee Handbook, will also be on the Agenda. The Town Hall meeting will be held following the Special Meeting.

MAYOR/COUNCIL REPORTS

There were no reports from the Mayor or Council

FUTURE CITY EVENTS

November 28- December 5th	Small Business Week of Deals
December 5th	Winterfest at Fort Lupton Recreation Center by Appointment
December 8th	Town Hall Meeting, 130 S. McKinley Ave. 6:30 p.m.
December 15th	City Council Meeting, 130 S. McKinley Ave. 7:00 p.m.
December 25th	City Offices and Fort Lupton Recreation Center Closed in Observance of the Christmas Holiday
December 26-27th	Recreation Center will be closed.

ADJOURNMENT

It was moved by Chris Ceretto and seconded by Bruce Fitzgerald to adjourn the meeting at 8:11 p.m. Motion passed unanimously on voice vote.

Respectfully Submitted,

____
Maricela Peña, City Clerk

Approved by City Council

____
Zo Stieber, Mayor

RECORD OF PROCEEDINGS
FORT LUPTON CITY COUNCIL/ENTERPRISE BOARDS
December 8, 2020

The City Council of the City of Fort Lupton met in a special session at the City Complex, 130 South McKinley Avenue, the regular meeting place of the City Council, on Tuesday, December 8, 2020. Due to the COVID-19 virus, the meeting was held with remote access provided through GoToWebinar. Mayor Zo Stieber called the meeting to order at 6:30 p.m. and invited everyone to join her in the Pledge of Allegiance.

ROLL CALL

Mari Peña, City Clerk, called the roll. Those present were Councilmembers Chris Ceretto and Bruce Fitzgerald. Mayor Zo Stieber, Councilmembers Shannon Rhoda, David Crespin, Tommy Holton, and Michael Sanchez participated remotely through GoToWebinar.

Also present were City Administrator, Chris Cross, City Clerk, Mari Pena, City Attorney, Andy Ausmus, WWTP Supervisor Jon Mays, and Finance Director, Leann Perino.

HR Director, Laura Howe, participated remotely through GoToWebinar.

APPROVAL OF AGENDA

It was moved by Chris Ceretto and seconded by Bruce Fitzgerald to approve the Agenda as presented. Motion passed unanimously on roll call vote.

ACTION MEMORANDUM

AM 2020- 204 Adopting the 2021 Budget and Financial Plan and Setting Appropriations for the Various Funds and Spending Agencies for the Period Beginning the First Day of January 2021 and Ending the Thirty-First Day of December 2021

Each year the City is required to adopt a budget setting the legal appropriations for the following year. The budget not only establishes the legal appropriations for each fund and spending agency but also authorizes the procurement of goods, services, and equipment to meet the goals and objectives determined by the City Council.

It was moved by Tommy Holton and seconded by David Crespin to approve Resolution 2020R080 A RESOLUTION OF THE CITY COUNCIL ADOPTING THE 2021 BUDGET AND FINANCIAL PLAN AND SETTING APPROPRIATIONS FOR THE VARIOUS FUNDS AND SPENDING AGENCIES IN THE AMOUNTS SPECIFIED, FOR THE CITY OF FORT LUPTON, COLORADO, FOR AND DURING THE PERIOD BEGINNING THE FIRST DAY OF JANUARY 2021 AND ENDING THE THIRTY-FIRST DAY OF DECEMBER 2021. Motion passed unanimously on roll call vote.

AM 2020-205 Approving a Resolution Levying General Property Taxes for the Assessed Tax Year 2021, to Fund the Cost of Government, for the City of Fort Lupton, Colorado for the 2021 Fiscal Year

Each year, the City adopts a property tax mill levy for the following year. The 2020 assessed valuation of $242,057,304 is expected to bring in approximately $8,619,910. This is based on 28.877 mills to be used to support the activities of public works, public safety, and general administration and operations; 2.054 mills used for Recreation Center debt service obligation; 4.68 mills to support the Recreation Center operation & maintenance. The 28.877 General Fund mill levy is the current mill levy. The combined Recreation Center mill levy will be 6.734, an increase of 0.416 mills.

It was moved by Shannon Rhoda and seconded by David Crespin to approve Resolution 2020R081 A RESOLUTION OF THE CITY COUNCIL LEVYING GENERAL PROPERTY TAXES FOR THE TAX YEAR 2021, TO FUND THE COST OF GOVERNMENT, FOR THE CITY OF FORT LUPTON, COLORADO FOR THE 2021 FISCAL YEAR. Motion passed unanimously on roll call vote.

AM 2020-203 Approve Amended Employee Handbook and City Compensation Policy for a Total Estimated Cost of $48,100 Per Year

The City's Employee Handbook was significantly updated effective September 19, 2020. The Colorado General Assembly has passed some legislation that are effective January 1, 2021, that necessitates some policy changes. The new laws are the Colorado Pay Equity Law and the Healthy Family and Workplaces Act.

The following policies have material changes.

- 306 Open Position Postings and Recruitment
- 605 Sick Leave
- 607 Public Health Leave
- 614 Personal Leave of Absence

There have been other minor changes to grammar and wording. The most significant policy change is to Sick Leave. The Healthy Family and Workplaces Act mandates that employers provide paid sick leave to all employees (including temporary, seasonal and part-time employees) based on hours worked.

The City has been compliant with many of the Colorado Pay Equity Law. A formalized City Compensation Policy reflects the City's philosophy and practices and is recommended as a best practice to comply with the new law.

It was moved by Shannon Rhoda and seconded by David Crespin to approve Resolution 2020R082 A RESOLUTION OF THE CITY COUNCIL OF FORT LUPTON REPEALING THE PERSONNEL POLICY CONTAINED IN THE EMPLOYEE HANDBOOK THAT WAS

APPROVED UNDER RESOLUTION 2020R066 AND RE-ADOPTING THE PERSONNEL POLICY CONTAINED IN THE EMPLOYEE HANDBOOK EFFECTIVE DECEMBER 26, 2020. Motion passed unanimously on roll call vote.

It was moved by Shannon Rhoda and seconded by David Crespin to approve Resolution 2020R083 A RESOLUTION OF THE CITY COUNCIL OF FORT LUPTON APPROVING THE CITY COMPENSATION POLICY EFFECTIVE DECEMBER 26, 2020. Motion passed unanimously on roll call vote.

AM 2020-206 Approving a Resolution to Opt Out Uncompensated Elected and/or Appointed Officials from the Workers' Compensation Policy and Add Them and Other City Volunteers to the Volunteer Accident Medical Plan (VAMP) for the 2021 Policy Year for the Amount of $689.02

The City of Fort Lupton's uncompensated officials and volunteers have not been included on the Workers' Compensation (WC) insurance policy for most years since 2001. The City's uncompensated officials are not required to be covered by Workers' Compensation (WC) insurance, if the required application is made with the state.

Generally, those individuals covered by WC are compensated employee and paid elected officials. CIRSA offers the Volunteer Accident Medical Plan (VAMP) policy as an optional coverage for volunteers who are not compensated for their time while serving on a City board or committee. This coverage also covers other volunteers with the City. The benefits covered are detailed on page 4 of the CIRSA letter.

Under the State of Colorado Workers' Compensation Statutes, if an Unpaid Board member incurred an injury, the City would be subjected to its $500 per claim deductible, as well as the State's regulations for payment of any and all virtually "unlimited" payouts related to the claim for expenses accrued.

Any possible payouts, per claim, are limited under the VAMP policy verses having higher limitations under the WC policy. Also, under the WC policy, the City runs the risk of having premium increases for WC coverage, as those premiums are based on basic coverage plus the "risk" of the entity as a whole. If there were a WC claim which reached a high level of experience, it will affect the City's risk rating and will be reflected in the overall premium to be paid for WC coverage. By having the VAMP policy available for uncompensated officials, the City will minimize its WC risk possibility.

VAMP also provides some cover to the City should one of its volunteers be injured while volunteering for the City, though it does not prohibit a volunteer from pursuing action against the City.

It was moved by Shannon Rhoda and seconded by Tommy Holton to approve Resolution 2020R084 A RESOLUTION PROVIDING THAT CERTAIN ELECTED AND/OR APPOINTED OFFICIALS OF THE CITY OF FORT LUPTON SHALL BE DEEMED NOT

TO BE “EMPLOYEES” WITHIN THE MEANING OF THE WORKERS’ COMPENSATION LAWS. Motion passed unanimously on roll call vote.

AM 2020-207 Repairs for Well 5 by Quality Well and Pump for $38,925.56

The City has 5 non-potable wells that are connected to the non-potable system. This water is used for irrigation and industrial use. Well 5 is at 451 Kahil Street south of the High School ball fields. This Well has failed and does not pump any water. This Well is a vertical turbine pump with a motor on top and a drive shaft inside the Column going down to the pump at the bottom of the Well. Jacobs and Quality Well and Pump checked the Well and determined that the problem was down in the Well. Quality Well and Pump are one of very few contractors who have equipment to pull large municipal well. They have performed several jobs for the City and have performed very well. When they pulled the well they discovered that the pump at the bottom of the well was disconnected from the column shaft. They ran a camera into the well and determined how the pump head was lying and then “fished” the remaining parts out. They ran a camera again and identified a hole in the well casing 46 feet below the surface. This hole could cause damage to a new pump or could cause the well to collapse which would require a new well to be drilled. The attached quotations are for reconditioning the well and relining the casing with new stainless-steel casing. The second quote is to rebuild the well pump and install new column pipe and drive shaft.

It was moved by David Crespin and seconded by Bruce Fitzgerald to approve the repairs for Well Number 5 by Quality Well and Pump for an amount of $38,925.56. Tommy Holton asked that ‘not to exceed’ be added to the amount. Both David Crespin and Bruce Fitzgerald rescinded their motion and David Crespin made a motion to approve the repairs for Well Number 5 by Quality Well and Pump for an amount not to exceed $38,925.56. Bruce Fitzgerald seconded the motion. Motion passed unanimously on roll call vote.

INFORMATION MEMORANDUM

IM 2020-008 Reduction in Force at the Recreation and Community Center

In response to the operational restrictions caused by the global pandemic, the City furloughed 78 employees from Coyote Creek Golf Course and the Recreation and Community Center in April 2020. Coyote Creek has recalled all of its employees from furlough or they have resigned. The Recreation Center has recalled some employees from furlough and some have resigned. There are 23 employees who are still classified as furloughed/inactive.

Effective Wednesday, December 9, 2020, the City will notify the remaining inactive employees that these positions have been eliminated. These employees are primarily employed in the Aquatics and Fitness groups, though there are employees in the Operations and Sports groups as well.

The end of the pandemic and a return to normal operations are not yet in sight. Staff decided it was time to make a final decision on the employment status as well as provide these employees with some finality.

ADJOURNMENT

Mayor Stieber adjourned the meeting at 6:57 p.m.

Respectfully Submitted,

____
Maricela Peña, City Clerk

Approved by City Council

____
Zo Stieber, Mayor

CITY OF FORT LUPTON
CITY COUNCIL

AM 2020-210

APPROVING AN AMENDMENT TO SECTION 125 PLAN DOCUMENTS FOR CARES ACT OPTIONS AND INCREASING THE CARRYOVER LIMIT OF FLEXIBLE SPENDING ACCOUNTS

I. Agenda Date: Council Meeting – December 15, 2020

II. Attachments: a. 2020 Amendment for CARES Act

III. Summary Statement:

The City needs to amend its Section 125 Plan Document for CARES Act options and increasing the carryover limit for flexible spending accounts.

IV. Submitted by: Laura Howe
Laura Howe, HR Director

V. Finance Reviewed ____________________
Finance Director

VI. Approved for Presentation: ____________________
City Administrator

VII. Attorney Reviewed Approved ____ Pending Approval

VIII. Certification of Council Approval: ____________________ ________
City Clerk Date

IX. Detail of Issue/Request:

The Coronavirus Aid, Relief and Economic Security (CARES) Act allowed employers to amend their Section 125 Plans.

Section 125 Plans are the plans that provide for tax-favored options to cover medical expenses. The City's Section 125 Plan includes a Flexible Spending Account (a savings account funded with before tax contributions to pay for medical expenses) and Premium Only Plan (this allows for the payment of health benefits on a pre-tax basis). Because these are tax-favored plans, there are restrictions on making changes to the elections. An employee has to have a qualifying event; they cannot make changes unless there has been a qualifying event.

The CARES Act allowed for employees to add or drop coverage for these plans without having a qualifying event through December 31, 2020. Staff is recommending that the plan not be amended to allow for this change.

The CARES Act also allows employers to increase the limit on the amount of funds that can rollover from one year to the next under Flexible Spending Accounts (FSA). FSA benefits are generally 'use or lose,' meaning that if you do not spend the elected funds, you lose the money. The City previously amended its plan to allow for $500 of funds to be carried over from one year to the next. The proposed amendment raises this limit to $550. This provides more flexibility to employees in managing their medical expenses.

Plan documents are required to be updated periodically to reflect changes in the law as well as the particulars of how the plan is administered. Plan documents are also required to fulfill the City's fiduciary obligations under the law. Please note that governmental entities, including the City, are NOT subject to the rules of the Employee Retirement Income Security Act of 1974 (ERISA), which governs a range of employee benefit plans.

The document under consideration has been reviewed by the Human Resources Director, the City's benefit broker and the plan administrator, NBS, to ensure that they are accurate. The plan administrator uses an attorney to produce the documents and then customizes them for each client to reflect the details of the plan such as benefit amounts and limits.

The documents include an execution page and Certificate of Adopting Resolution. If Council approves this AM, the Adoption Agreement can can be executed and shared with Plan Participants.

X. Legal/Political Considerations:

The City is required to have a plan document. The City must also update its Plan in order to comply with the law and reflect plan changes.

XI. Alternatives/Options:

The City could decide to allow for benefit election changes when there is not a qualifying event. The City could decide not to increase the carryover amount.

XII. Financial Considerations:

There is a fee of $300 to update these agreements.

XIII. **Staff Recommendation:**

Staff recommends amending the Section 125 Plan as described above.

2020 AMENDMENT FOR CARES ACT
Notice 2020-29 & Notice 2020-33

ARTICLE 1
PREAMBLE; DEFINITIONS

1.1 **Adoption of Amendment**. The Employer adopts this Amendment to implement provisions of the Act and other regulations and Notices issued by the IRS or DOL which affect the Plan.

1.2 **Superseding of inconsistent provisions**. This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

1.3 **Construction.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment and does not relate to the Plan article, section, or other numbering designations.

1.4 **Effect of restatement of Plan.** If the Employer restates the Plan then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions).

1.5 **Definitions.** Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. The following definition applies specifically to this Amendment:

The "**Act**" is the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. This Amendment shall be interpreted and applied to comply with the Act.

ARTICLE 2
IDENTIFYING INFORMATION; EMPLOYER ELECTIONS

2.1 **Identifying information.**

A. Name of Employer: **City of Fort Lupton**

B. Name of Plan: **City of Fort Lupton Flexible Benefits Plan**

2.2 **Medical Expenses.** The Plan will reimburse Telehealth (to the extent not otherwise provided) as described in Article 3, for Participants.

2.3 **Change in Status for health coverage.** Will the Plan adopt the new change in status events for Participants related to medical health coverage, as described in Section 4.2?

(a) [ ] Yes.
(b) [x]No.
(c) [ ] Limitation: The Employer elects to limit the change in status as follows: *(e.g. can only increase coverage, number of changes allowed (one time, before 7/31/2020, etc.)):*

____

2.4 **Change in Status for Health Flexible Spending Account.** Will the Plan adopt the new change in status events for Participants related to Health Flexible Spending Accounts, as described in Section 4.3?

(a) [ ] Yes.
(b) [x]No.
(c) [ ] Limitation: The Employer elects to limit the change in status to the following: *(e.g. only revoke for amounts over the amount already reimbursed, can only increase, number of changes allowed (one time, before 7/31/2020, etc.)):*

____

2.5 **Change in Status for Dependent Care Flexible Spending Account.** Will the Plan adopt the new change in status events for Participants related to Dependent Care Flexible Spending Accounts, as described in Section 4.3?

(a) [ ] Yes
(b) [x]No.
(c) [ ] Limitation: The Employer elects to limit the change in status to the following: *(e.g. only revoke for amounts over the amount already reimbursed, only increase, number of changes allowed (one time, before 7/31/2020, etc.)):*

____

2.6 **Carryover.** Will the Plan adopt the carryover provisions and/or the new adjustment for the carryover of amounts to be used in the health flexible spending account - $550 for Plan Years beginning on or after January 1, 2020, and adjusted in future years, as described in Article 5.

(a) [x]Yes.
(b) [ ] No.
(c) [ ] Does not Apply to Plan.

2.7 **Extended Claims Period for Unused Amounts.** Will the Plan adopt the extension of time through December 31, 2020 to permit employees to apply unused amounts remaining in the Health Flexible Spending Account and/or Dependent Care Flexible Spending account as described in Article 6.3?

(a) [ ] Yes, and the extension will apply to:
(1) [ ] Health Flexible Spending Account.
(2) [ ] Dependent Care Flexible Spending Account.

(b) [x]No, the extension will not apply.

2.8 **Effective Date.** This Amendment is effective as of January 1, 2020, or, if later, the following date:

____________________________. Expenses must be incurred after January 1, 2020 ____. *(Enter a date not earlier than December 31, 2019.)*

ARTICLE 3
MEDICAL EXPENSES REIMBURSED

3.1 **Application.** The Plan's definition of "Medical Expenses" under the Plan is amended by the addition of Telehealth.

3.2 **Telehealth**. A Participant may be reimbursed for expenses related to telehealth and other remote care as defined in the CARES Act and further guidance. Such coverage will not disqualify an HSA-eligible High Deductible Health Plan if made for services provided on or after January 1, 2020, with respect to Plan Years beginning on or before December 31, 2021 or, and with respect to such additional Plan Years as may become permissible under applicable law and/or IRS guidance.

ARTICLE 4
CHANGE IN STATUS EVENTS

4.1 **Application.** For calendar year 2020 only, the Plan's provisions concerning "Change in Status" under the Plan are amended by the addition of the following provisions. Such provisions can apply to medical health coverage, the Health Flexible Spending Account and Dependent Care Flexible Spending Account, as elected at 2.3 to 2.5 above for mid-year elections made during calendar year 2020. All changes in health insurance coverage must be allowed by the Plan's insurance carrier and can be limited by that carrier.

4.2 **Change in Status – health insurance.** This Section 4.2 applies if the Employer has made Election 2.3 and is subject to any limitations in Election 2.3(c).

A. **Revocation.** Participant may elect to revoke existing coverage under the Plan and select new coverage not sponsored by the Employer prospectively. Such Participant must complete an attestation that the new coverage will be effective immediately or has been obtained. The Employer may rely on such attestation unless there is actual knowledge to the contrary.

B. **Prospective Coverage.** A Participant who has previously rejected coverage under the Plan may now elect to be covered prospectively under the Employer's health insurance coverage and pay for such coverage through the Plan. A Participant who has previously elected one type of coverage under the Plan shall be able to elect another type of coverage prospectively under the Plan (e.g. change from individual to family coverage).

4.3 **Change in Status – Health or Dependent Care Flexible Spending Account.** Election 2.4 applies this Section to the Plan's Health Flexible Spending Account. Election 2.5 applies this Section to the Plan's Dependent Care Flexible Spending Account. A Participant who has previously rejected coverage under the flexible spending account may now elect to contribute prospectively to such account. A Participant who has previously elected an amount to be reimbursed under the flexible spending account may now adjust or revoke that amount, subject to the statutory and plan limitations on the maximum allowable contribution and the limitations elected above in Election 2.4 (c) and/or 2.5(c).

ARTICLE 5
HEALTH FLEXIBLE SPENDING ACCOUNT CARRYOVER

5.1 **Application.** This Section 5.1 will apply if the Employer has made Election 2.6. A Participant in the Health Flexible Spending Account may carry over up to $550 for a Plan Year beginning on or after January 1, 2020 of unused amounts in the Health Flexible Spending Account remaining at the end of one Plan Year to the immediately following Plan Year, subject to any further provisions or restrictions of the Plan. Such limit shall be adjusted in future years, as indexed to 20% of the statutory limit under Code Section 125(i) for health flexible spending accounts.

ARTICLE 6
CLAIMS SUBMISSION AND OTHER DEADLINES

6.1 **Application.** The Plan's deadlines contained within its claims procedures, and various other statutory deadlines are temporarily extended by the "outbreak period" as set forth in IRS Notice 2020-23, EBSA Disaster Relief Notice 2020-01, the joint notice of the IRS and DOL published May 4, 2020, entitled " Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID–19 Outbreak," and subsequent guidance. Such deadlines shall include but are not limited to HIPAA special enrollment, COBRA elections and claims procedure deadlines, including initial filing and appeal of adverse benefit determination.

6.2 **"Outbreak Period."** The "outbreak period" begins March 1, 2020 and extends until 60 days after the end of the National Emergency or such other date as announced by the IRS and DOL, or otherwise declared by the Federal government as a result of the national emergency due to the COVID 19 pandemic.

6.3 **Extension of Unused Amounts.** This Section 6.3 will apply if the Employer has made Election 2.7. If the Plan offers a Health Flexible Spending Account and/or Dependent Care Flexible Spending Account and the Plan has (1) a grace period that ends within 2020 or (2) the Plan Year ends within 2020, the Plan may permit expenses to be paid or reimbursed through December 31, 2020. Unless such Health Flexible Spending Account is a limited purpose flexible spending account, a Participant will not be permitted to contribute to a Health Savings Account (HSA) during the extended period.

* * * * * *

This Amendment has been executed on ______________________________.

Name of Plan: **City of Fort Lupton Flexible Benefits Plan**

Name of Employer: **City of Fort Lupton**

By: ____
EMPLOYER

____
PRINT NAME

____
PRINT TITLE

CERTIFICATE OF ADOPTING RESOLUTION

The undersigned authorized representative of City of Fort Lupton (the Employer) hereby certifies that the following resolution was duly adopted by Employer on ________________________, and that such resolution has not been modified or rescinded as of the date hereof;

RESOLVED, this Amendment to the City of Fort Lupton Flexible Benefits Plan is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Plan Administrator the Amendment and to take any and all actions as it may deem necessary to effectuate this resolution.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date:__________________________________

Signed:________________________________

____
Print Name

____
Print Title

SUMMARY OF MATERIAL MODIFICATIONS
CARES ACT NOTICE 2020-29 AND NOTICE 2020-33

for the
City of Fort Lupton Flexible Benefits Plan

I
INTRODUCTION

This is a Summary of Material Modifications regarding the **City of Fort Lupton Flexible Benefits Plan** ("Plan"). This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description ("SPD") previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

II
SUMMARY OF CHANGES

Effective: January 1, 2020 ___________________.

Telehealth Services:
You may now request reimbursement of telehealth services.

Carryover:
For the 2020 plan year, you may carryover amounts up to $550 that are left in your Health Flexible Spending Account. This means that amounts you did not use during the 2020 Plan Year can be carried over to the 2021 Plan Year and used for expenses incurred in the 2021 Plan Year. *[You can only carry over amounts if you participate in the Plan for the next Plan Year.]* This amount will be adjusted in future plan years.

CITY OF FORT LUPTON
CITY COUNCIL

Zo Stieber, Mayor

Shannon Rhoda, Ward 1
Chris Ceretto, Ward 2
Michael Sanchez, Ward 3

David Crespin, Ward 1
Tommy Holton, Ward 2
Bruce Fitzgerald, Ward 3

AM 2020-211

ACCEPT THE 2021 WORKERS COMPENSATION QUOTATION FROM PINNACOL ASSURANCE IN THE AMOUNT OF $125,517, ACCEPT THE 2021 BOILER AND MACHINERY QUOTATION FROM TRAVELERS IN THE AMOUNT $4,790, ACCEPT THE 2021 CYBER LIABILITY COVERAGE QUOTATION FROM TRAVELERS IN THE AMOUNT OF $7,937 FOR A TOTAL OF $138,244

I. Agenda Date: Council Meeting – December 15, 2020

II. Attachments: a. IMA 2021-22 Renewal Summary

III. Summary Statement:

Choose Workers Compensation, Boiler and Machinery and Cyber Liability coverage for 2021.

IV. Submitted by: Laura Howe
Laura Howe, HR Director

V. Finance Reviewed ____________________
Finance Director

VI. Approved for Presentation: ____________________
City Administrator

VII. Attorney Reviewed Approved ____ Pending Approval

VIII. Certification of Council Approval: ____________________ ________
City Clerk Date

IX. Detail of Issue/Request:

IMA is the City's broker of record for Worker's Compensation, Boiler and Machinery and Cyber Liability coverages. They have provided the renewal numbers for these lines of coverage for 2021.

The total cost for the Workers Compensation has gone up considerably. There are three major factors in Workers Compensation rates: total payroll, rate by occupation and experience rating (eMod). Total payroll has gone down and the rates by occupation have mostly decreased. The City of Fort Lupton had a very significant claim at the end of 2019 which is the primary factor in the City's rating going from 0.78 to 1.09.

For reference, a number above 1 means that your claims are above average; below 1 means your claims are below average. A claim affects your eMod for up to 3 years, so the City may anticipate unfavorable renewals in the next two years. For 2021, Pinnacol offered a renewal at $125,517, a 39% and $35,148 increase over 2020.

Our broker, IMA, advised us not to shop the Workers Compensation coverage. Pinnacol offered a fair renewal based on the three major factors.

The cost of the Boiler and Machinery coverage increased due to the increase in the City's assets. For 2021, Travelers offered the renewal at $4,790, a 20% and $784 increase over 2020.

The City's Cyber Liability coverage is increasing significantly. This is due to the value of the assets and the fact that Cyber Insurance has been hit hard by claims. Smaller municipalities have been a target in Colorado and across the nation.

IMA has recommended that the City increase its coverage levels on some of the sublimits, namely social engineering (more commonly known as phishing), computer fraud, funds transfer fraud and reputation harm. Governmental entities are particularly vulnerable in regards to social engineering and most of the premium increase is attributable to these types of claims.

For 2021, Travelers offered the renewal with the additional sublimits referenced above at $7,937, a 44% and $2,437 increase over 2020. This coverage was marketed but the City did not receive any competitive offers or carriers declined to bid.

X. Legal/Political Considerations:

The City must carry Workers' Compensation coverage for its employees as required by law. Workers' Compensation is coverage that is set by statute, so the coverage is standardized.

The other coverages are not required, but providing protection for the City's assets that is important.

XI. Alternatives/Options:

1) *Shop the coverage and consider other carriers.*
2) *Opt to be a Self-Insured municipality.*

XII. Financial Considerations:

The summary of the cost are as follows:

Coverage	***Cost***
Workers Compensation	*$ 125,517*
Boiler and Machinery	*$ 4,790*
Cyber	*$ 7,937*
Total	***$138,244***

The final cost of the Workers' Compensation will likely change after the payroll audit is completed because payroll cost varies.

XIII. Staff Recommendation:

Accept the Workers Compensation, Boiler and Machinery and Cyber Liability coverage quotations.

2021-22 RENEWAL SUMMARY

CITY OF FORT LUPTON, CO

Line	2020-21 Premium	2021-22 Premium	% Change	$ Change
Workers Compensation	$90,369	$125,517	39%	$35,148
Boiler & Machinery	$4,006	$4,790	20%	$784
Cyber	$5,500	$7,937	44%	$2,437
Total Premium	**$99,875**	**$138,244**	**38%**	**$38,369**

**** Work Comp premiums shown are a deposit.***

Actual premiums are determined at audit post-term.

Boiler & Machinery

A full marketing campaign was completed last year, and we expected the incumbent (Travelers) to offer favorable renewal terms. Hence, we approached Travelers again this year to offer quotes.

The City provided an updated Statement of Values (SOV) with a significant increase in values over expiring. Travelers offered renewal terms with a slight increase in rate. Because of this, the increase in exposure directly correlated with an increase in premium.

Boiler & Machinery/Equipment Breakdown				
	2020-21	2021-22	% Change	$ Change
Building	$55,306,879	$66,638,967	20%	
Contents	$4,858,490	$4,858,571	0%	
Total TIV	$60,165,369	$71,497,538	19%	
Premium	**$4,006**	**$4,790**	**20%**	**$784**

Network Security & Privacy Liability (Cyber)

Coverage is currently placed with Travelers. Though initial renewal expectations indicated a stable renewal, Travelers changed their underwriting strategy due to significant market challenges. Travelers ultimately offered renewal terms with a 32% premium increase. This increase was partly due to increases in revenues and assets, but more predominately due to the increased volatility in the Cyber market for public entities.

As Travelers' renewal option was a significant increase over expiring, we completed a full marketing campaign. Based on the responses, we recommend binding the Travelers option. Of the two Travelers options, we would recommend Option 2 as it provides higher Social Engineering limits which has seen a considerable amount of claims activity in the public sector over the last few years.

Cyber				
	2020-21	**2021-22**	**% Change**	**$ Change**
Revenues	$28,872,756	$29,748,000	3%	
Assets	$114,808,877	$153,841,521	34%	
Employees	252	150	-40%	
Premium	**$5,500**	**$7,937**	**44%**	**$2,437**

	2019-20	2020-21								
Carrier	Travelers	Travelers		Corvus		Tokio-Marine		Chubb		CNA
	Expiring	Option 1 (per expiring)	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	
Limit										
Aggregate Limit	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$2,000,000	$1,000,000	Not willing to offer higher limits due to no Multi-Factor Authorization	$1,000,000	$2,000,000	Declined - Not writing new Public Entities
Retention	$5,000	$5,000	$5,000	$10,000	$10,000	$25,000		$25,000	$25,000	
Sublimits										
Social Engineering	$100,000	$100,000	$250,000	$250,000	$250,000	$150,000		$250,000	$100,000	
Computer Fraud	Not Covered	Not Covered	$1,000,000	$1,000,000	$1,000,000	$150,000		$250,000	$250,000	
Funds Transfer Fraud	Not Covered	Not Covered	$1,000,000	$1,000,000	$1,000,000	$50,000		$250,000	$250,000	
Reputation Harm	$250,000	$250,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000		Full Limit	Full Limit	
Premium	**$5,500**	**$7,259**	**$7,937**	**$13,678**	**$21,338**	**$10,781**		**$15,461**	**$27,561**	

Workers Compensation

This coverage was moved to Pinnacol from CRISA for the 22019-20 renewal. For the 2021-22 renewal, we anticipated flat to slight decreases in rates from Pinnacol. However, we anticipated an increase in your Experience Mod (e-mod) to somewhat mitigate these decreases.

Pinnacol and they offered renewal terms with a significant increase over expiring due to the City's loss experience. Rates overall saw an average decrease of 4% but could not overcome the significant change in your e-mod. To assist with offsetting the premium increase, we were able to secure several higher deductible options for your consideration. While these deductible options will lower your premium, based on the Total Cost of Risk calculation, you would pay more overall by increasing to a higher deductible. Hence, we recommend you stay with your current deductible.

Deductible Options

	2020-21	**2021-22**	**2021-22**	**2021-22**	**2021-22**	**2021-22**
	Expiring	**Option 1**	**Option 2**	**Option 3**	**Option 4**	**Option 5**
Payroll	$7,319,463	$7,253,484	$7,253,484	$7,253,484	$7,253,484	$7,253,484
E-Mod	0.78	1.09	1.09	1.09	1.09	1.09
Deductible	$500	$500	$1,000	$2,500	$5,000	$10,000
Premium	**$90,369**	**$125,517**	**$123,759**	**$120,370**	**$116,604**	**$111,081**

****Final E-Mod pending confirmation from NCCI***

Total Cost of Risk

	$500	**$1,000**	**$2,500**	**$5,000**	**$10,000**
4-Year Average Annual Deductible Cost	$5,834	$8,435	$12,854	$15,971	$19,321
Premium	125,517	123,759	120,370	116,604	111,081
Total Cost of Risk	**$131,851**	**$133,194**	**$135,724**	**$137,575**	**$140,402**

CITY OF FORT LUPTON
CITY COUNCIL

AM 2020-209

APPROVE A RESOLUTION ACCEPTING AN ANNEXATION PETITION FOR THE TOEWS ANNEXATION SUBMITTED BY LEONARD TOEWS AND SHERRI TOEWS AND TO SET A PUBLIC HEARING DATE FOR FEBRUARY 2, 2021.

I. Agenda Date: Council Meeting – December 15, 2020

II. Attachments:
a. Resolution
b. Land Use Application
c. Annexation Petition
d. Annexation Map

III. Summary Statement:

Leonard Toews and Sherri Toews (collectively, the "Applicants") have submitted an annexation petition to initiate annexation proceedings for a parcel of land. The parcel is located at the northwest corner of Highway 52 and County Road 23 (Parcel No. 146902100005). This proposed annexation, known as the Toews Annexation, consists of a total of 33.77 more or less. The resolution is to accept the annexation petition and initiate the two-month (60 day) review process that involves staff, referral agencies, Planning Commission and City Council. <u>Approval of the resolution does not constitute approval of the annexation request</u>. Approval of the resolution simply means that there is an interest in considering the annexation, with the final decision to be made by City Council at a public hearing on February 2, 2021.

IV. Submitted by: ______________________
Planner

V. Finance Reviewed ______________________
Finance Director

VI. Approved for Presentation: ______________________
City Administrator

VII. Attorney Reviewed ______ Approved ______ Pending Approval

VIII. Certification of Council Approval: ______________________ __________
City Clerk Date

IX. Detail of Issue/Request:

Leonard Toews and Sherri Toews (collectively, the "Applicants") have submitted an annexation petition to initiate annexation proceedings for a parcel of land. The parcel is located at the northwest corner of Highway 52 and County Road 23 (Parcel No. 146902100005). This proposed annexation, known as the Toews Annexation, consists of a total of 33.77 more or less. The resolution is to accept the annexation petition and initiate the two-month (60 day) review process that involves staff, referral agencies, Planning Commission and City Council. <u>Approval of the resolution does not constitute approval of the annexation request</u>. Approval of the resolution simply means that there is an interest in considering the annexation, with the final decision to be made by City Council at a public hearing on February 2, 2021. The application includes an initial zoning request to 'A' Agriculture.

The initiating resolution is the first step in the annexation process and is to accept the annexation petition and initiate the two-month (60 day) review process that involves staff, referral agencies, Planning Commission and City Council. The resolution also sets the public hearing date to consider the annexation. If Council adopts the resolution to accept the petition, the petitioners will move on to the next step, which is the review of the proposed annexation, initial zoning, and submitted application documents by the Development Review Team (DRT). Step three is a review and public hearing on January 14, 2021 by the Planning Commission who will provide Council with a recommendation. City Council is then required to act upon the request by ordinance at the public hearing, which is proposed to be set for February 2, 2021, which is the final step in the process.

X. Legal/Political Considerations:

State law and the Fort Lupton Municipal Code require the City Council to set a hearing date for the annexation request (Municipal Code Chapter 15). The Council hearing date must not be less than 30 days nor more than 60 days from the date of the resolution of substantial compliance, unless stipulated by the applicant. Staff recommends that the date for the City Council public hearing be set for February 2, 2021, which is eleven days before 60 days. The Planning Commission will conduct a public hearing on January 14, 2021 and make a recommendation to City Council.

According to State annexation law, if the City Council finds the annexation petition and the annexation map in substantial conformance with Section 31-12-107 C.R.S. a resolution may be adopted to initiate annexation proceedings. Section 31-12-107 outlines the requirements for a proper annexation petition and the supporting annexation map. It is the opinion of staff that the petition and annexation map meet the requirements of Section 31-12-107 C.R.S. <u>A finding of substantial conformance does not imply that Council agrees that the property should be annexed; however, a finding that the petition and map do not conform to the requirements is effectively a denial</u>. Staff believes that the petition and annexation map are in substantial conformance with such requirements.

XI. Alternatives/Options:

The City Council has the following three options:

a) *Approve the resolution accepting the annexation petition and initiating the annexation proceedings; or*

b) Reject the annexation petition at which time the annexation request will not move forward; or
c) Delay action on the resolution to gather more information.

XII. Financial Considerations:

Applicable application fees and fee deposits have been submitted by the applicant.

XIII. Staff Recommendation:

Staff recommends approval of the Resolution accepting the annexation petition and initiating annexation proceedings for the Toews Annexation and set the public hearing for February 2, 2021.

RESOLUTION NO. 2020Rxxx

A RESOLUTION OF THE CITY COUNCIL OF FORT LUPTON INITIATING ANNEXATION PROCEEDINGS FOR THE ANNEXATION KNOWN AS THE TOEWS ANNEXATION AND SETTING THE PUBLIC HEARING FOR FEBRUARY 2, 2021

WHEREAS, the Fort Lupton City Council has reviewed the annexation petition submitted by Leonard Toews and Sherri Toews for 33.77 acres, more or less, and known as the Toews Annexation; and

WHEREAS, the Fort Lupton City Council finds the annexation petition to be complete and in substantial conformance with the requirements of C.R.S. 31-12-107 (1) as amended.

NOW THEREFORE BE IT RESOLVED that the Fort Lupton City Council hereby approves this Resolution initiating annexation proceedings for the Toews Annexation and sets the hearing date for February 2, 2021, to determine if the proposed annexation complies with C.R.S. 31-12-104 and 31-12-105, or such parts thereof as may be required to establish eligibility for annexation under the terms of Part 1, Article 12, Title 31, C.R.S.

APPROVED AND ADOPTED BY THE FORT LUPTON CITY COUNCIL THIS 15th DAY OF DECEMBER, 2020.

City of Fort Lupton, Colorado

____
Zo Stieber, Mayor

Attest:

____
Maricela Peña, Interim City Clerk

Approved as to form:

____
Andy Ausmus, City Attorney

CITY OF Fort Lupton EST. 1836

Planning & Building

130 S. McKinley Avenue
Fort Lupton, CO 80621

Phone: 303.857.6694
Fax: 303.857.0351

Project No. ____________

Land Use Application Form

A. CONTACT INFORMATION

1) Property Owner Name: Leonard Toews, Sherri Toews

Company:

Phone: (303) 919-7568 Email: Len@Brandywine-Farms.com

Address: 5535 County Road 23, Fort Lupton CO 80621

Preferred method of contact? Email: Phone: ✓ Mail:

2) Representative Name: Len Toews

Company:

Phone: (303) 919-7568 Email: Len@Brandywine-Farms.com

Address: 5535 County Road 23, Fort Lupton, CO 80621

Preferred method of contact? Email: Phone: ✓ Mail:

3) Billing Contact *(where invoices should be directed to)*: Len Toews

Billing Company:

Phone: (303) 919-7568 Email: Len@Brandywine-Farms.com

Address: 5535 County Road 23, Fort Lupton, CO 80621

B. SITE DESCRIPTION

Site Address: 5535 County Road 23, Fort Lupton, CO 80621

Parcel Number: 146902100005

Existing Zone Classification: Agricultural Proposed Zone Classification: Agricultural/Commercial

Water Type: Well Name: Toews

Sewage Type: Septic District Name or Location Hauled to:

C. APPLICATION TYPE (CHECK ALL THAT APPLY)

Sketch Plat	Administrative Site Plan	PUD Plan (Preliminary & Final)
Preliminary Plat	Special Use Permit	Variance
Final Plat	Oil & Gas Permit	Administrative Variance
Minor Subdivision	Annexation & Initial Zone	Appeal
Amended Plat	Change of Zone	Other: ____________
Site Plan	Comp Plan Amendment	

Project No. ___________

D. PROJECT DESCRIPTION

Project Name: Toews

Please provide a short description of the proposed project in the space provided below:

Annexation of 35 Acre agricultural property presently in unincorporated Weld County into Fort Lupton.

E. REQUIRED DOCUMENTS

For an application to be considered complete, and for planning staff to begin review and schedule any applicable public hearings, this Land Use Application Form must be fully completed and all required attachments included. Planning staff will review the application for completeness and will provide notice to the representative and/or owner whether the application has been deemed complete.

F. CERTIFICATIONS

Representative Certification
By signing this application, I attest that I am acting with the knowledge and consent of all owners of the property that is the subject of this application, and that I have been designated to act as the representative for the project described in this land use application. I further certify that all information submitted with this application is true and accurate to the best of my knowledge.

Representative: ______________________ Date: ___________

Owner Certification
I hereby certify that I am the legal owner of record of the property that is the subject of this application. I authorize the representative listed on this application, if any, to communicate directly with City officials and to submit documentation and information regarding this application on my behalf.

Owner: [signature] Date: September 8/2020
Leonard Toews

For Office Use Only

Received Date: ___________

If the application is not complete, state reasons why it is incomplete:

____

____

____

Deemed Complete Date: ___________

Fees Submitted: ___________ Escrow Submitted: ___________

PETITION FOR ANNEXATION

TO: THE CITY COUNCIL OF FORT LUPTON, COLORADO

We, the undersigned landowners, in accordance with Colorado law, hereby petition the City of Fort Lupton and its City Council for annexation to the City of Fort Lupton of the unincorporated territory, the legal description of which is attached hereto as Exhibit A and incorporated herein by this reference, located in the County of Weld and the State of Colorado, and to be known as the Toews Annexation to the City of Fort Lupton.

As part of this petition, your petitioners further state to the City Council that:

1. It is desirable and necessary that the territory described in Exhibit A be annexed to the City of Fort Lupton.

2. The requirements of Sections 31-12-104 and 31-12-105, C.R.S., as amended, exist or have been met in that:

    a. Not less than one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City of Fort Lupton or will be contiguous with the City of Fort Lupton within such time as required by Section 31-12-104.
    b. A community of interest exists between the area proposed to be annexed and the City of Fort Lupton.
    c. The area proposed to be annexed is urban or will be urbanized in the near future.
    d. The area proposed to be annexed is integrated with or is capable of being integrated with the City of Fort Lupton.
    e. No land within the boundary of the area proposed to be annexed which is held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate parts or parcels without the written consent of the landowner or landowners thereof, unless such tracts or parcels were separated by a dedicated street, road, or other public way.
    f. No land within the boundary of the area proposed to be annexed which is held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, comprises twenty acres or more, and, together with the buildings and improvements situated thereon, has an assessed value in excess of two hundred thousand dollars ($200,000.00) for ad valorem tax purposes for the year next preceding the annexation, has been included within the area proposed to be annexed without the written consent of the landowner or landowners.
    g. No annexation proceedings have been commenced for any portion of the area proposed to be annexed for the annexation of such area to another municipality. The area proposed to be annexed is not part of any incorporated city, city and county, or town.

h. The territory proposed to be annexed does not include any area which is the same or substantially the same area in which an election for an annexation to the City of Fort Lupton was held within the twelve months preceding the filing of this petition.
i. The annexation of the area proposed to be annexed will not result in the detachment of said area from any school district.
j. The annexation of the territory proposed to be annexed will not have the effect of extending the boundary of the City of Fort Lupton more than three miles in any direction from any point of the boundary of the City of Fort Lupton in any one year.
k. The territory to be annexed is 33.77 acres in total area.
l. Prior to completion of the annexation of the area proposed to be annexed, a plan will be in place, pursuant to Section 31-12-105 (1) (e), C.R. S., which generally describes the proposed location, character, and extent of streets, subways, bridges, waterways, waterfronts, parkways, playgrounds, squares, parks, aviation fields, other public ways, grounds, open spaces, public utilities, and terminals for water, light, sanitation, transportation, and power to be provided by the City of Fort Lupton, and the proposed land uses for the area.
m. In establishing the boundary of the area proposed to be annexed, if a portion of a platted street or alley is to be annexed, the entire width of the street or alley has been included within the area annexed, and reasonable access will not be denied to any landowners, owners of any easement, or the owners of any franchise adjoining any platted street or alley which is to be annexed but is not bounded on both sides by the City of Fort Lupton.
n. If required, an impact report will be prepared and filed pursuant to Section 31-12-108.5, C.R.S..

3. The signer(s) of this petition comprise(s) more than fifty percent (50%) of the landowners and own more than fifty percent (50%) of the property, excluding public streets and alleys and any land owned by the annexing municipality, and are, in fact, owners of one hundred percent (100%) of the property set forth in Exhibit A attached hereto and incorporated herein by reference.

4. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of fifteen (15) copies of an annexation map shall be submitted to the City, produced with an engineer's scale, minimum scale to be one (1) inch represents one hundred (100) feet, on a reproducible medium with outer dimensions of twenty-four (24) by thirty-six (36) inches, containing the following information:

   a. The date of preparation, the scale and a symbol designating true north.
   b. The name of the annexation.
   c. The names, addresses and phone numbers of the applicant and the firm or person responsible for preparing the annexation map.
   d. The legal description.
   e. Distinction of the boundary that is contiguous to the City and the length of same.
   f. Lot and block numbers if the area is already platted.
   g. Existing and proposed easements and rights-of-way.

h. Existing and requested zoning and acreage of each requested zone.
i. Ownership of all parcels within and adjacent to the annexation.
j. Appropriate certification blocks as directed by the Planning Department.

5. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of fifteen (15) copies of a master plan shall be submitted to the City of Fort Lupton, produced with an engineer's scale, minimum scale to be one (1) inch represents one hundred (100) feet, on a reproducible medium with outer dimensions of twenty-four (24) by thirty-six (36) inches, containing the following information.

   a. The date of preparation, the scale and a symbol designating true north.
   b. The name of the annexation.
   c. The names, addresses and phone numbers of the applicant and the firm or person responsible for preparing the master plan.
   d. Existing and proposed easements and rights-of-way.
   e. Block numbers and lot numbers with approximate dimensions.
   f. Proposed gross and net residential density.
   g. Existing watercourses with adequate easements for flood control.
   h. Designation of all public sites to be reserved and dedicated.
   i. Existing two-foot contours.
   j. Appropriate certification blocks as directed by the Planning Department.

6. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of five (5) copies of all required supportive information shall be submitted to the City of Fort Lupton which shall include the following:

   a. Soils description and limitation.
   b. Preliminary utility plan.
   c. Mailing addresses of all property owners within five hundred (500) feet of the annexation.
   d. Affidavit concerning the amount and historical use of all water rights owned.
   e. Vicinity map with one and one-half (1 ½) mile radius, at a minimum scale of one (1) inch represents two thousand (2,000) feet.
   f. Statement on community need for proposed annexation and zoning.
   g. For all annexations in excess of ten (10) acres, the applicant shall obtain from the school district governing the area to be annexed a statement of the effect of the annexation upon the school district, including an estimate of the number of students generated by the proposed annexation and the capital construction required to educate such students.

7. Upon the annexation ordinance becoming effective, all lands within the area proposed to be annexed will become subject to all ordinances, resolutions, rules, and regulations of the City of Fort Lupton, except for general property taxes of the City of Fort Lupton, which shall become effective as of the January 1 next ensuing.

8. The zoning classification requested for the area proposed to be annexed is 'A' Agriculture, as shown on the annexation map attached hereto and incorporated herein.

9. As required by the City of Fort Lupton, an annexation agreement has been or will be executed by the petitioners herein and the City relating to this annexation and the petitioners hereby expressly consent to the terms and conditions set forth in the annexation agreement.

10. As an expressed condition of annexation, landowner(s) consent(s) to petition for inclusion into the Northern Colorado Water Conservancy District and the municipal sub district pursuant to Section 37-45-136 (3.6) C.R.S. to pay the appropriate fees and costs associated with such inclusion. Landowner(s) acknowledge(s) that, upon inclusion into the district and subdistrict, landowner's(s') property will be subject to the same mill levies and special assessments as are levied or will be levied on other similarly situated property in the district and subdistrict at the time of inclusion of landowners(s') lands. Landowner(s) agree(s) to waive any right to an election which may exist to require an election pursuant to Article X, Section 20, of the Colorado Constitution before the district and subdistrict can impose such mill levies and special assessments as it has the authority to impose. Landowner(s) also agree(s) to waive, upon inclusion, any right which may exist to a refund pursuant to Article X, Section 20, of the Colorado Constitution.

11. The non-refundable annexation application fee of $1,279.28 is tendered herewith.

Leonard Toews	5535 County Road 23 Fort Lupton, Co 80621	November 6/2020
Sherri Toews	5535 County Rd 23 Fort Lupton, Co 80621	Nov. 6, 2020

The foregoing signature(s) was/were subscribed and sworn to before me this 6 day of November, 2020, by Leonard Toews & Sherri Toews.

Witness my hand and official seal.

My commission expires on Sept 11, 2021.

AMBER A HOLBROOK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134037310
My Commission Expires September 11, 2021

Notary Public

Land Owned

If necessary, attach separate sheet.

AFFIDAVIT OF CIRCULATOR

STATE OF COLORADO)
)ss.
COUNTY OF WELD)

________________, being first duly sworn, states upon oath that he/she is the circulator of the petition to which this Affidavit is attached and knows of his/her own knowledge that the signature of each land owner appearing on said petition is the signature of the person whose name it purports it to be.

____
(Signature of Circulator)

The foregoing Affidavit was subscribed and sworn to before me this __________ day of ______________, 20____, by ______________________________.

Witness my hand and official seal.

My commission expires on ______________.

____
Notary Public

Annexation & Initial Zoning Submittals

9. A. Written Description of Proposal.

Leonard and Sherri Toews are proposing that their 35 acre farm known as Brandywine Farms be annexed into the city of Fort Lupton. The proposed 35 acre property has been part of the city of Fort Lupton Comprehensive plan for many years as it sits at the intersection of highway 52 and county road 23 which is the arterial road for the city. This property is the first property west of Fort Lupton that is out of the flood plain and ready for development. This property also sits at the present entrance to the city as our neighbors on the west border have already annexed into the city. The farm has a quarter mile of frontage on highway 52, and a quarter mile of frontage on County Road 23. The farm is presently zoned agricultural in Unincorporated Weld County and we are proposing that it is annexed into the city of Fort Lupton as agricultural. The property has a farmhouse, warehouse, greenhouse, several agricultural buildings and over 30 acres of farmland.

B. Google Earth Satellite Map Attached.

C. Toews Annexation Survey Map Attached.

12. a. Sandy loam soil, no limitations
    b. There are no known hazards on the property.
    c. Will be addressed with the minor subdivision/site plan.
    d. Water rights include a domestic/livestock well used for cattle, bison, animals and home. This well has historically been granted an unlimited use for agriculture purposes for animals.
    e. It is within the needs of the Fort Lupton community that our property be annexed because we located close to the city and within the new city limits. We are within the present Fort Lupton comprehensive plan and ideal for future development along the highway 52 corridor and county road 23 corridor (arterial road).

Annexation & Initial Zoning Submittals

16. Legal Description of Property for Annexation

    PT E2NE 4 2 1 67 LOT A REC EXEMPT

    RECX11-0009

PETITION FOR ANNEXATION

TO: THE CITY COUNCIL OF FORT LUPTON, COLORADO

We, the undersigned landowners, in accordance with Colorado law, hereby petition the City of Fort Lupton and its City Council for annexation to the City of Fort Lupton of the unincorporated territory, the legal description of which is attached hereto as Exhibit A and incorporated herein by this reference, located in the County of Weld and the State of Colorado, and to be known as the Toews Annexation to the City of Fort Lupton.

As part of this petition, your petitioners further state to the City Council that:

1. It is desirable and necessary that the territory described in Exhibit A be annexed to the City of Fort Lupton.

2. The requirements of Sections 31-12-104 and 31-12-105, C.R.S., as amended, exist or have been met in that:

   a. Not less than one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City of Fort Lupton or will be contiguous with the City of Fort Lupton within such time as required by Section 31-12-104.
   b. A community of interest exists between the area proposed to be annexed and the City of Fort Lupton.
   c. The area proposed to be annexed is urban or will be urbanized in the near future.
   d. The area proposed to be annexed is integrated with or is capable of being integrated with the City of Fort Lupton.
   e. No land within the boundary of the area proposed to be annexed which is held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate parts or parcels without the written consent of the landowner or landowners thereof, unless such tracts or parcels were separated by a dedicated street, road, or other public way.
   f. No land within the boundary of the area proposed to be annexed which is held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, comprises twenty acres or more, and, together with the buildings and improvements situated thereon, has an assessed value in excess of two hundred thousand dollars (S200,000.00) for ad valorem tax purposes for the year next preceding the annexation, has been included within the area proposed to be annexed without the written consent of the landowner or landowners.
   g. No annexation proceedings have been commenced for any portion of the area proposed to be annexed for the annexation of such area to another municipality. The area proposed to be annexed is not part of any incorporated city, city and county, or town.

   h. The territory proposed to be annexed does not include any area which is the same or substantially the same area in which an election for an annexation to the City of Fort Lupton was held within the twelve months preceding the filing of this petition.

i. The annexation of the area proposed to be annexed will not result in the detachment of said area from any school district.

j. The annexation of the territory proposed to be annexed will not have the effect of extending the boundary of the City of Fort Lupton more than three miles in any direction from any point of the boundary of the City of Fort Lupton in any one year.

k. The territory to be annexed is 33.77 acres in total area.

l. Prior to completion of the annexation of the area proposed to be annexed, a plan will be in place, pursuant to Section 31-12-105 (1) (e), C.R. S., which generally describes the proposed location, character, and extent of streets, subways, bridges, waterways, waterfronts, parkways, playgrounds, squares, parks, aviation fields, other public ways, grounds, open spaces, public utilities, and terminals for water, light, sanitation, transportation, and power to be provided by the City of Fort Lupton, and the proposed land uses for the area.

m. In establishing the boundary of the area proposed to be annexed, if a portion of a platted street or alley is to be annexed, the entire width of the street or alley has been included within the area annexed, and reasonable access will not be denied to any landowners, owners of any easement, or the owners of any franchise adjoining any platted street or alley which is to be annexed but is not bounded on both sides by the City of Fort Lupton.

n. If required, an impact report will be prepared and filed pursuant to Section 31-12-108.5, C.R.S..

3. The signer(s) of this petition comprise(s) more than fifty percent (50%) of the landowners and own more than fifty percent (50%) of the property, excluding public streets and alleys and any land owned by the annexing municipality, and are, in fact, owners of one hundred percent (100%) of the property set forth in Exhibit A attached hereto and incorporated herein by reference.

4. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of fifteen (15) copies of an annexation map shall be submitted to the City, produced with an engineer's scale, minimum scale to be one (1) inch represents one hundred (100) feet, on a reproducible medium with outer dimensions of twenty-four (24) by thirty-six (36) inches, containing the following information:

   a. The date of preparation, the scale and a symbol designating true north.
   b. The name of the annexation.
   c. The names, addresses and phone numbers of the applicant and the firm or person responsible for preparing the annexation map.
   d. The legal description.
   e. Distinction of the boundary that is contiguous to the City and the length of same.
   f. Lot and block numbers if the area is already platted.
   g. Existing and proposed easements and rights-of-way.

   h. Existing and requested zoning and acreage of each requested zone.
   i. Ownership of all parcels within and adjacent to the annexation.
   j. Appropriate certification blocks as directed by the Planning Department.

5. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of fifteen (15) copies of a master plan shall be submitted to the City of Fort Lupton, produced with an engineer's scale, minimum scale to be one (1) inch represents one hundred (100) feet, on a reproducible medium with outer dimensions of twenty-four (24) by thirty-six (36) inches, containing the following information.

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   f. Proposed gross and net residential density.
   g. Existing watercourses with adequate easements for flood control.
   h. Designation of all public sites to be reserved and dedicated.
   i. Existing two-foot contours.
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6. At least fifteen (15) days prior to the presentation of this petition to the Fort Lupton City Council, a minimum of five (5) copies of all required supportive information shall be submitted to the City of Fort Lupton which shall include the following:

   a. Soils description and limitation.
   b. Preliminary utility plan.
   c. Mailing addresses of all property owners within five hundred (500) feet of the annexation.
   d. Affidavit concerning the amount and historical use of all water rights owned.
   e. Vicinity map with one and one-half (1 ½) mile radius, at a minimum scale of one (1) inch represents two thousand (2,000) feet.
   f. Statement on community need for proposed annexation and zoning.
   g. For all annexations in excess of ten (10) acres, the applicant shall obtain from the school district governing the area to be annexed a statement of the effect of the annexation upon the school district, including an estimate of the number of students generated by the proposed annexation and the capital construction required to educate such students.

7. Upon the annexation ordinance becoming effective, all lands within the area proposed to be annexed will become subject to all ordinances, resolutions, rules, and regulations of the City of Fort Lupton, except for general property taxes of the City of Fort Lupton, which shall become effective as of the January 1 next ensuing.

'A' Agriculture
greenhouse - Ag
House - commercial
Retail

8. The zoning classification requested for the area proposed to be annexed is ______, as shown on the annexation map attached hereto and incorporated herein.

9. As required by the City of Fort Lupton, an annexation agreement has been or will be executed by the petitioners herein and the City relating to this annexation and the

petitioners hereby expressly consent to the terms and conditions set forth in the annexation agreement.

10. As an expressed condition of annexation, landowner(s) consent(s) to petition for inclusion into the Northern Colorado Water Conservancy District and the municipal sub district pursuant to Section 37-45-136 (3.6) C.R.S. to pay the appropriate fees and costs associated with such inclusion. Landowner(s) acknowledge(s) that, upon inclusion into the district and subdistrict, landowner's(s') property will be subject to the same mill levies and special assessments as are levied or will be levied on other similarly situated property in the district and subdistrict at the time of inclusion of landowners(s') lands. Landowner(s) agree(s) to waive any right to an election which may exist to require an election pursuant to Article X, Section 20, of the Colorado Constitution before the district and subdistrict can impose such mill levies and special assessments as it has the authority to impose. Landowner(s) also agree(s) to waive, upon inclusion, any right which may exist to a refund pursuant to Article X, Section 20, of the Colorado Constitution.

11. The non-refundable annexation application fee of $______ is tendered herewith.

1,279.20

THEREFORE, the undersigned respectfully petition(s) the City Council of the City of Fort Lupton, to annex the territory described and referred to in Exhibit A to the City of Fort Lupton in accordance with and pursuant to the statutes of the State of Colorado.

Land Owner(s) Name(s) and Signature(s)	Mailing Address	Date of Signing
______________________________	________________	__________

Leonard Toews [signature] 5535 County Road 23 Fort Lupton, Co 80621 November 6 /2020

Sherri Toews [signature] 5535 County Rd 23 Fort Lupton, Co 80621 Nov. 6, 2020

The foregoing signature(s) was/were subscribed and sworn to before me this 6 day of November, 2020, by Leonard Toews & Sherri Toews.

Witness my hand and official seal.

My commission expires on Sept 11, 2021.

AMBER A HOLBROOK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134037310
My Commission Expires September 11, 2021

Amber Holbrook [signature]
Notary Public

Land Owned

If necessary, attach separate sheet.

AFFIDAVIT OF CIRCULATOR

STATE OF COLORADO)
)ss.
COUNTY OF WELD)

______________________, being first duly sworn, states upon oath that he/she is the circulator of the petition to which this Affidavit is attached and knows of his/her own knowledge that the signature of each land owner appearing on said petition is the signature of the person whose name it purports it to be.

____
(Signature of Circulator)

The foregoing Affidavit was subscribed and sworn to before me this ____________ day of __________________, 20____, by____.

Witness my hand and official seal.

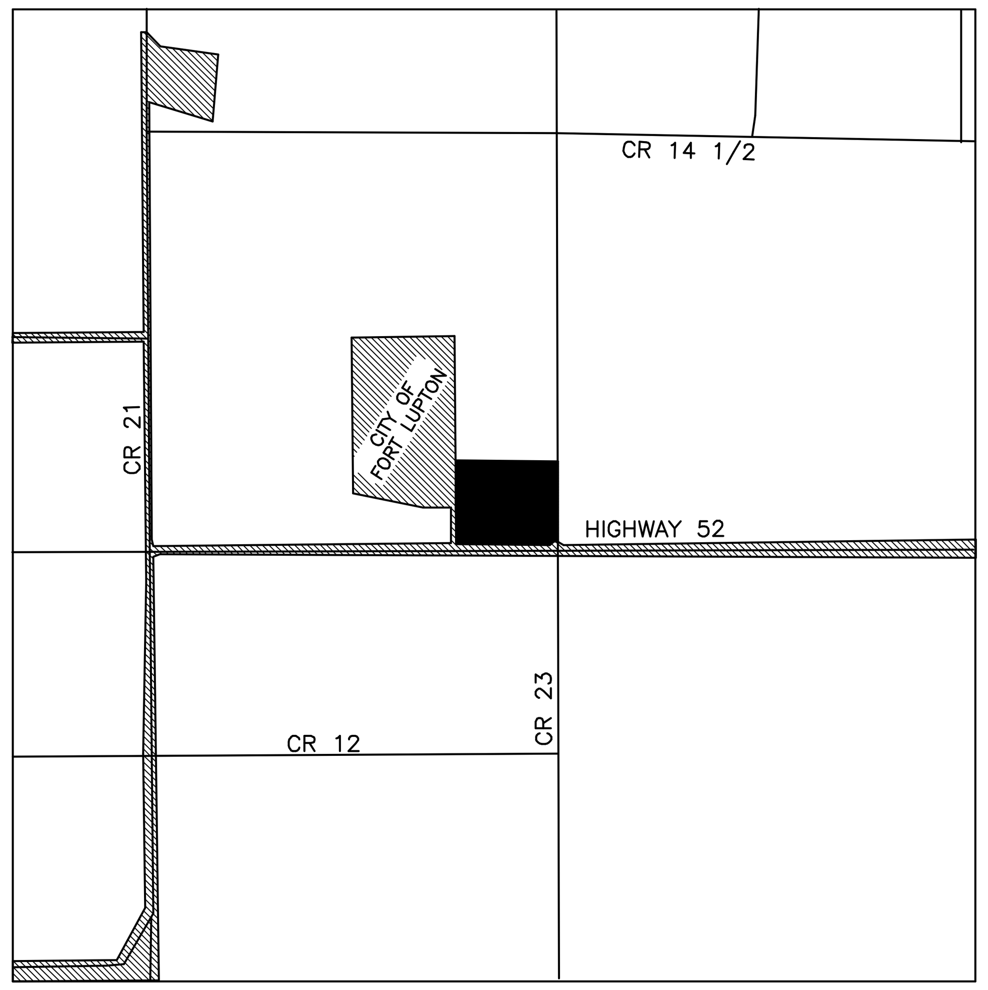
My commission expires on ____________________.

____
Notary Public

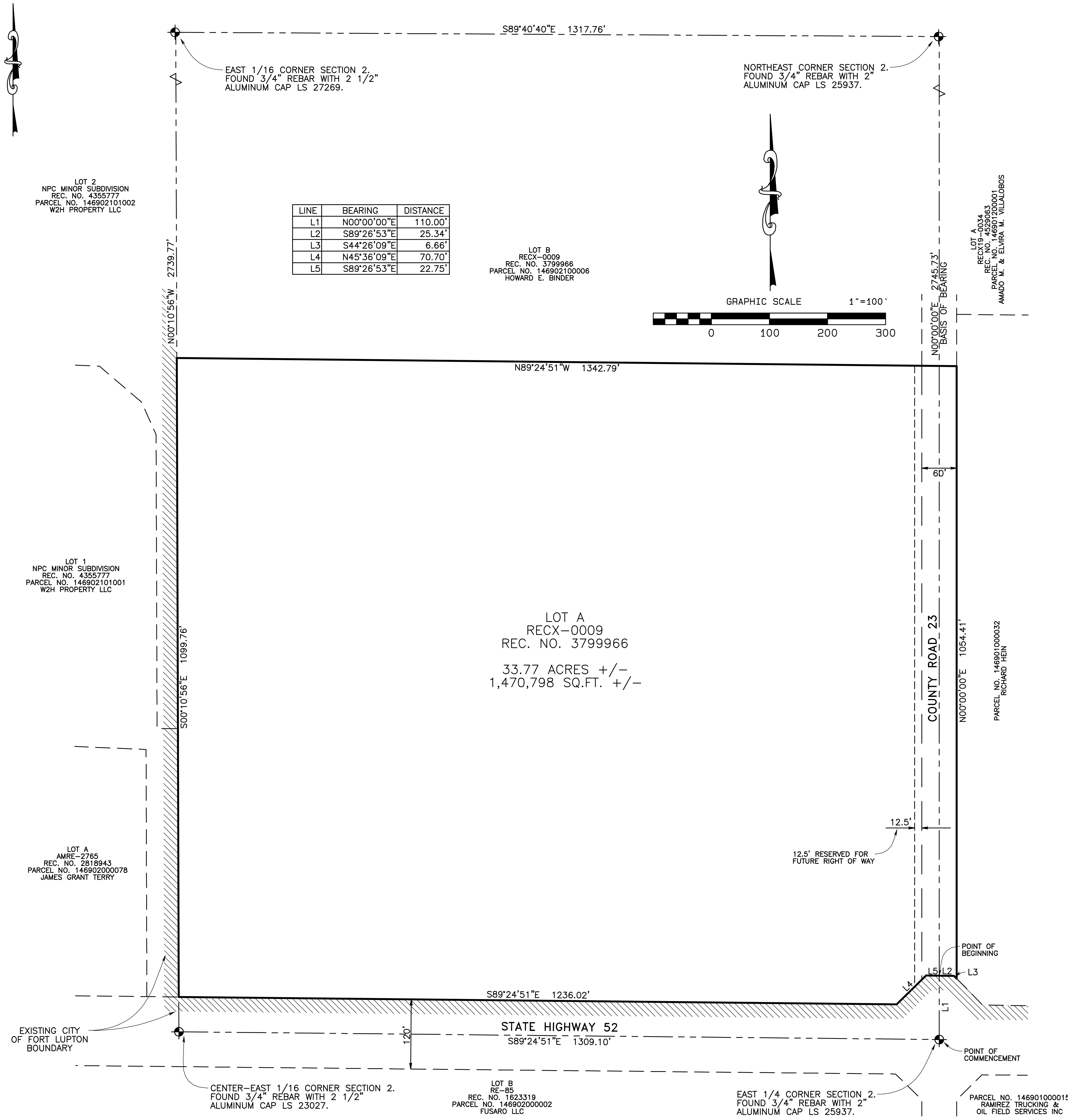
Toews Annexation Map

Project No. LUP2020–XXXX
Plan No. ANX2020–XXXX
Located in the West 1/2 of the Northeast 1/4 of Section 2,
Township 1 North, Range 67 West of the 6th P.M.,
City of Fort Lupton, County of Weld, State of Colorado

Sheet 1 of 1



VICINITY MAP
SCALE: 1"=2000'



LINE	BEARING	DISTANCE
L1	N00°00'00"E	110.00'
L2	S89°26'53"E	25.34'
L3	S44°26'09"E	6.66'
L4	N45°36'09"E	70.70'
L5	S89°26'53"E	22.75'

PROPERTY DESCRIPTION:

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 2, TOWNSHIP 1 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 2; THENCE COINCIDENT WITH THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 2 NORTH 00°00'00" EAST, A DISTANCE OF 110.00 FEET TO A POINT ON THE NORTH RIGHT OF WAY OF STATE HIGHWAY NO. 52, AND THE POINT OF BEGINNING; THENCE COINCIDENT WITH SAID NORTH RIGHT OF WAY SOUTH 89°26'53" EAST, A DISTANCE OF 25.34 FEET; THENCE CONTINUING COINCIDENT WITH SAID NORTH RIGHT OF WAY SOUTH 44°26'09" EAST, A DISTANCE OF 6.66 FEET TO THE EAST RIGHT OF WAY OF COUNTY ROAD 23; THENCE COINCIDENT WITH SAID EAST RIGHT OF WAY NORTH 00°00'00" EAST, A DISTANCE OF 1054.41 FEET TO THE NORTH LINE OF LOT A OF RECORDED EXEMPTION NO. 1469–02–1 RECX–0009 RECORDED OCTOBER 20, 2011 AS RECEPTION NO. 3799966; THENCE COINCIDENT WITH THE NORTH LINE OF SAID LOT A NORTH 89°24'51" WEST, A DISTANCE OF 1342.79 FEET TO THE NORTHWEST CORNER OF SAID LOT A; THENCE COINCIDENT WITH THE WEST LINE OF SAID LOT A SOUTH 00°10'56" EAST, A DISTANCE OF 1099.76 FEET TO THE NORTH RIGHT OF WAY OF SAID STATE HIGHWAY NO. 52; THENCE COINCIDENT WITH SAID NORTH RIGHT OF WAY SOUTH 89°24'51" EAST, A DISTANCE OF 1236.02 FEET; THENCE CONTINUING COINCIDENT WITH SAID NORTH RIGHT OF WAY NORTH 45°36'09" EAST, A DISTANCE OF 70.70 FEET; THENCE CONTINUING COINCIDENT WITH SAID NORTH RIGHT OF WAY SOUTH 89°26'53" EAST, A DISTANCE OF 22.75 FEET TO THE POINT OF BEGINNING; CONTAINING 33.77 ACRES, MORE OR LESS, COUNTY OF WELD, STATE OF COLORADO.

NOTES:

1) BOUNDARY INFORMATION FOR THIS ANNEXATION MAP IS BASED UPON FIELD EVIDENCE TOGETHER WITH CALCULATIONS BASED UPON ANNEXATION PLATS, RECORDED EXEMPTION PLATS, LAND SURVEY PLATS, AND OTHER SURVEY INFORMATION OF RECORD. ALL INFORMATION HAS BEEN ROTATED TO MATCH THE BASIS OF BEARING AS SHOWN HEREON.

2) BASIS OF BEARING: THE EAST LINE OF THE NORTHEAST 1/4 OF SECTION 2, TOWNSHIP 1 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN IS ASSUMED TO BEAR NORTH 00°00'00" EAST, AS MONUMENTED HEREON WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

3) ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES IN U.S. SURVEY FEET.

4) ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATION SHOWN HEREON.

5) ANY PERSON WHO KNOWINGLY REMOVES OR KNOWINGLY CAUSES TO BE REMOVED ANY PUBLIC LAND SURVEY MONUMENT, AS DEFINED BY SECTION 38–53–103 (18), C.R.S., OR CONTROL CORNER, AS DEFINED IN SECTION 38–53–103 (6), C.R.S., OR A RESTORATION OF ANY SUCH MONUMENT OR WHO KNOWINGLY REMOVES OR KNOWINGLY CAUSES TO BE REMOVED ANY BEARING TREE KNOWING SUCH IS A BEARING TREE OR OTHER ACCESSORY, AS DEFINED BY SECTION 38–53–103 (1), C.R.S., EVEN IF SAID PERSON HAS TITLE TO THE LAND ON WHICH SAID MONUMENT OR ACCESSORY IS LOCATED, COMMITS A CLASS 2 MISDEMEANOR UNLESS, PRIOR TO SUCH REMOVAL, SAID PERSON HAS CAUSED A COLORADO PROFESSIONAL LAND SURVEYOR TO ESTABLISH AT LEAST TWO WITNESS CORNERS OR REFERENCE MARKS FOR EACH SUCH MONUMENT OR ACCESSORY REMOVED AND HAS FILED OR CAUSED TO BE FILED A MONUMENT RECORD PURSUANT TO ARTICLE 53 OF TITLE 38, C.R.S.

6) CERTIFICATION DEFINED: THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A REGISTERED PROFESSIONAL LAND SURVEYOR, IN THE PRACTICE OF LAND SURVEYING, CONSTITUTES AN EXPRESSION OF PROFESSIONAL OPINION REGARDING THOSE FACTS OF FINDINGS WHICH ARE SUBJECT OF THE CERTIFICATION, AND DOES NOT CONSTITUTE A WARRANTY OR GUARANTEE, EITHER EXPRESS OR IMPLIED.

ANNEXATION CONTIGUITY TABLE:

TOTAL PERIMETER:	4,858.43 FEET
REQUIRED 1/6 CONTIGUOUS PERIMETER:	809.74 FEET
CONTIGUOUS BOUNDARY:	2461.23 FEET

OWNER'S APPROVAL:

KNOW ALL MEN BY THESE PRESENTS, THAT LEONARD TOEWS AND SHERRI TOEWS, BEING SOLE OWNERS OF THE LAND DESCRIBED HEREIN, HAVE CAUSED SAID LAND TO BE ANNEXED UNDER THE NAME OF WADE ANNEXATION.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR HANDS AND SEALS THIS ____ DAY OF ______________,

20______.

______________________________ ______________________________
LEONARD TOEWS SHERRI TOEWS

STATE OF COLORADO
} SS.
COUNTY OF WELD

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME BY______________________________

ON THIS ____ DAY OF ______________, 20______. WITNESS MY HAND AND SEAL.

MY COMMISSION EXPIRES ____________________.

____
NOTARY PUBLIC

PLANNING COMMISSION RECOMMENDATION:

THIS IS TO CERTIFY THAT THE ANNEXATION MAP OF THE ABOVE–DESCRIBED PROPERTY WAS RECOMMENDED TO THE FORT LUPTON

CITY COUNCIL VIA RESOLUTION NO. P2020–XXX

RECOMMENDED THIS ____ DAY OF __________, 2020.

____
CHAIRPERSON, FORT LUPTON PLANNING COMMISSION

MAYOR'S CERTIFICATE:

THIS IS TO CERTIFY THAT THE ANNEXATION MAP OF THE ABOVE–DESCRIBED PROPERTY WAS APPROVED BY ORDINANCE NO. 2020–XXXX OF THE CITY OF FORT LUPTON PASSED AND ADOPTED ON THE ______ DAY OF __________, 2020 AND THAT THE MAYOR AND THE CITY OF FORT LUPTON, AS AUTHORIZED BY ORDINANCE NO. 2020–XXXX ON BEHALF OF THE CITY OF FORT LUPTON, HEREBY ACKNOWLEDGES AND ADOPTS THE SAID ANNEXATION MAP UPON WHICH THIS CERTIFICATE IS ENDORSED FOR ALL PURPOSES INDICATED THEREON.

APPROVED THIS ______ DAY OF ___________, 2020.

______________________________ ______________________________
ATTEST: CITY CLERK MAYOR

SURVEYOR'S STATEMENT:

I, MERLE R. HOOS, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ANNEXATION MAP REPRESENTED BY THIS PLAT WAS MADE BY ME OR UNDER MY DIRECT SUPERVISION, AND THIS PLAT ACCURATELY REPRESENTS SAID ANNEXATION MAP TO THE BEST OF MY KNOWLEDGE AND BELIEF. THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY ME TO DETERMINE OWNERSHIP. FURTHERMORE THIS CERTIFIES THAT AT LEAST ONE–SIXTH (1/6) OF THE PROPERTY SHOWN HEREON IS CONTIGUOUS WITH THE MUNICIPAL BOUNDARY OF THE CITY OF FORT LUPTON, COLORADO.

MERLE R. HOOS, PLS 38046
FOR AND ON BEHALF OF
AMERICAN WEST LAND SURVEYING CO.
A COLORADO CORPORATION

FILE: Z:\T1–2N\T1N_R67W\S2\LOWES ANNEX.pro

American West
Land Surveying Co.
A Family Owned Corporation Since 1991
PO Box 129, Brighton, CO 80601 * P:303–659–1532 * mrh.amw@gmail.com

SCALE 1" = 100'	DRAWN BY: MRH	CHECKED BY: CDH	DATE: September 29, 2020
JOB NO: 20–	REVISIONS:12–2–2020		

CITY OF FORT LUPTON
CITY COUNCIL

Zo Stieber, Mayor

Shannon Rhoda, Ward 1	**David Crespin, Ward 1**
Chris Ceretto, Ward 2	**Tommy Holton, Ward 2**
Mike Sanchez, Ward 3	**Bruce Fitzgerald Ward 3**

AM 2020-212

APPROVING THE SEVENTEENTH INTERIM AGREEMENT WITH PAYMENT TO THE NORTHERN INTEGRATED SUPPLY PROJECT (NISP) WATER ACTIVITY ENTERPRISE OF $748,250 FOR PHASE 3A, PHASE 5, PHASE 6 AND PHASE 7 OF THE PROJECT FUNDED OUT OF THE WATER SALES TAX FUND

I. Agenda Date: Council Meeting – December 15, 2020

II. Attachments: a. Seventeenth Interim Agreement

III. Summary Statement:

The proposed agreement with the Northern Colorado Water Conservancy District (NCWCD) through the Northern Integrated Supply Project Water Activity Enterprise (NISP) is continuing Phase 3A, Phase 5, Phase 6 and Phase 7of the Project.

IV. Submitted by: ______________________________
Chris Cross, City Administrator

V. Finance Reviewed ______________________________
Finance Director

VI. Approved for Presentation: ______________________________
City Administrator

VII. Attorney Reviewed ______ Approved ______ Pending Approval

VIII. Certification of Council Approval: ______________________________ City Clerk ________ Date

IX. Detail of Issue/Request:

Phase 3A consist of continuing work with federal agencies to obtain permitting, compliance with National Environmental Policy Act and all necessary field work and modeling.

Phase 5 consists of continuing the geotechnical investigation and embankment design and highway 2087 relocation design.

Phase 6 is the conveyance delivery refinement, South Platte Water Conservation Project negotiations, land easement purchases, and time sensitive mitigations activities.

Phase 7 is the development of allotment contracts, financial planning, legal defense South Platte Water Conservation Project negotiations and mitigation planning.

Fort Lupton's pro-rata share (2,050 acre feet) of the cost of these phases is estimated to be $748,250 for 2021, the payment is requested by January 15, 2020.

X. Legal/Political Considerations:

There is no guarantee that this project will continue beyond Phase 4, unless the necessary permits are granted. The City has the right to assign its rights under this agreement, with the written consent of NISP.

XI. Alternatives/Options:

If the City should decide not to pay the amount requested, it would lose its rights in this project and the money invested to this point.

XII. Financial Considerations:

The 2020 budget of $748,250 in the water sales tax fund was based 2,050 acre feet of participation. Payment will not be made to Northern Colorado Water Conservancy District's NISP Water Activity Enterprise until January 2021.

XIII. Staff Recommendation:

Approve the 17th Interim Agreement with Northern Colorado Water Conservancy District for the Northern Integrated Supply Project and approve payment of an amount not to exceed $748,250 to be paid in January 2021.

SEVENTEENTH INTERIM AGREEMENT WITH THE
NORTHERN INTEGRATED SUPPLY PROJECT WATER ACTIVITY ENTERPRISE,
FOR PARTICIPATION IN THE
NORTHERN INTEGRATED SUPPLY PROJECT

This Agreement is made and entered into as of ____________, 2021, by and between the Northern Integrated Supply Project Water Activity Enterprise, a government-owned business within the meaning of Article X, § 20(2)(d) of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45.1-101 et seq., owned by the Northern Colorado Water Conservancy District, and whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the "NISP Enterprise"), and City of Fort Lupton Utility Enterprise, whose address is 130 S. McKinley Avenue, Fort Lupton, CO 80621-0148 ("Participant").

Recitals

A. The NISP Enterprise is developing a water project (the "Project") for the purpose of developing a new reliable water supply for the beneficial use of the Participant and other entities.

B. Overall Project costs will be divided among the entities that participate in the Project.

C. The First, Second, and Fourth Phases of the Project, and years one through six of the Third Phase, have been completed.

D. The Third Phase, Years 7 through 18 (hereinafter referred to as "Phase 3A"), will consist of further agency consultation, permitting with the U.S. Army Corps of Engineers and other agencies, compliance with the National Environmental Policy Act and other requirements for federal permitting, field work, and analysis for permitting, modeling, and other activities related to designing and permitting the Project.

E. The Fifth Phase of the Project consists of the Glade Reservoir geotechnical investigation and embankment design advancement, Glade Reservoir Construction Manager/General Contractor (CM/GC) design involvement, Highway 287 relocation thirty percent design and CM/GC design involvement, and completion of the Galeton Dam preliminary design.

F. The Sixth Phase involves continued NISP conveyance delivery refinement, South Platte Water Conservation Project negotiations, land and easement definition and potential purchase, and potential advancement of time-sensitive mitigation activities.

G. The Seventh Phase involves the development of a NISP Allotment Contract, financial project planning, legal defense of the Project permits, and overall project administration.

H. It is necessary that the NISP Enterprise pursue Phases 3A, 5, 6, and 7 of the Project at this time in order to be able to complete the Project on the time schedule desired by the participants.

J. Pursuing this Phases 3A, 5, 6, and 7 of the Project on behalf of the participants will require continued funding from the participants.

<u>Agreement</u>

1. The Participant agrees to participate in Phases 3A, 5, 6, and 7 of the Project, under and pursuant to the terms and conditions of this Agreement. The Participant acknowledges that it shares a common interest in development of the Project and that privileged material may be shared with the Participant from time to time. A description of Phase 3A, Phase 5, Phase 6, and Phase 7 is included in Exhibit A. Participation in these phases of the Project in no way obligates the Participant to participate in subsequent phases of the Project or to continue involvement in the Project in any manner.

2. For the purposes of cost allocation in Phase 3A, Phase 5, Phase 6, and Phase 7, the cost is based upon the Participant's base requested capacity divided by the total requested base Project yield. The Participant's initial base requested capacity in the Project is 2,050 acre-feet of water yield. Attached hereto as Exhibit B is a table showing the currently anticipated permitted capacity in the Project and the pro rata share of the costs of the Project for 2021 for each Participant. Exhibit B also shows the projected budgets and projected pro rata shares of the costs of the Project for 2022 and 2023 for each Participant. The costs covered by this Agreement shall be separate from costs covered by the NISP Phase I Agreement between the NISP Enterprise and the Participant. The Participant may request a reduction, but not an increase, in base requested capacity, which will be implemented by the NISP Enterprise so long as any increased costs of design, environmental studies, permitting or other matters are paid by the Participant pursuant to its pro-rata cost basis. If a reduction in the Participant's base requested capacity is made, the formula for allocation of costs among the participants shall be changed accordingly so that all participants bear a pro rata share of the Phase 3A, Phase 5, Phase 6, and Phase 7 costs of the Project after the change based on their final base requested capacities. For purposes of the environmental analysis for the Project, the Participant's permitted capacity in the Project is 2,050 acre-feet of water yield. In the event that the Participant's base requested capacity is increased or decreased, the Participant's permitted capacity shall be increased or decreased in the same percentage as the percentage increase or decrease of the base requested capacity.

3. The Participant agrees to provide to the NISP Enterprise funds for its pro rata share of the anticipated 2021 costs necessary for Phase 3A, Phase 5, Phase 6, and Phase 7 of the Project. The NISP Enterprise estimates that the Participant's pro rata share of the costs of the Project is $748,250.00 for 2021. The Participant will pay the NISP Enterprise its pro rata share of these 2021 costs on or before January 15, 2021. The NISP Enterprise will invoice the Participant for this payment. These estimated costs will not be increased or exceeded without the prior written approval of the Participant. Participant funds that are not expended during Phase 3A, Phase 5, Phase 6, and Phase 7 will be rebated back to each participant pro rata based on each participant's contribution of funds to the Project in Phase 3A, Phase 5, Phase 6, and Phase 7.

4. In the event that the Participant fails to make the payment set forth above at the specified time, the NISP Enterprise shall have the right to terminate this Agreement and cease all work on the Project for the benefit of the Participant. The NISP Enterprise shall give the Participant thirty (30) days' advance written notice of its intention to terminate this Agreement and cease work on the Project for the Participant's benefit under this paragraph. The Participant shall have until the end of said 30-day period in which to make all past due payments in full in order to cure its default hereunder. The Participant shall in any event be responsible for its pro rata share of the 2021 costs of Phase 3A, Phase 5, Phase 6, and Phase 7 of the Project actually incurred by the NISP Enterprise up to the date of termination of this Agreement.

5. The NISP Enterprise agrees to diligently pursue Phase 3A, Phase 5, Phase 6, and Phase 7 of the Project in good faith to the extent that funds therefor are provided by the Participant under this Agreement and by other participants under similar agreements. By entering into this Agreement and accepting payments from the Participant, the NISP Enterprise does not obligate itself to, nor does the NISP Enterprise warrant that it will, proceed with the Project beyond Phase 7 or that it will construct or operate the Project. At the end of the Sixth Phase, the NISP Enterprise will determine after consultation with the participants whether to proceed with the Project. The NISP Enterprise agrees that, if the participants provide all required funding, if the NISP Enterprise has the ability, and if the Project is feasible and practical, it will pursue the construction and operation of the Project if requested to do so by a sufficient number of participants to fully fund the Project. In the event that the NISP Enterprise decides not to proceed with the Project, it will so notify the Participant and this Agreement will immediately and automatically terminate upon the giving of such notice.

6. In the event of termination of the Project, the Participant shall not be entitled to any return of funds paid to the NISP Enterprise for the Project, unless payments by participants exceed the NISP Enterprise's costs, in which case a pro rata refund will be made. In the event of such termination, the Participant shall be entitled to receive copies of any work products developed by the NISP Enterprise or its consultants on behalf of the Participant, and NISP Enterprise Board shall, in its sole discretion: (i) convey to the Participant, as a tenant in common with all other participants who have not been terminated under paragraph 4 above, a pro rata interest in all real and personal property acquired by the NISP Enterprise for the Project with funds provided under this Agreement or similar agreements with other participants; or (ii) disburse to the Participants the proceeds of any sale of assets in proportion to each Participant’s Cost Share.

7. The Participant shall have the right to assign this Agreement and the Participant's rights hereunder, with the written consent of the NISP Enterprise, which consent shall not be unreasonably withheld, to any person or entity that is eligible to receive water deliverable through the Project and that is financially able to perform this Agreement.

8. In the event that this Agreement is terminated for any reason, the Participant shall not be

entitled to any return of any funds paid to the NISP Enterprise for the Project, and the NISP Enterprise shall have no further obligations to the Participant, except as provided in Paragraphs 3 and 6 above for those participants who have not been terminated under Paragraph 4 above.

9. Notwithstanding any other provision of this Agreement to the contrary, the Participant's maximum financial obligation under this Agreement shall be the payment of $748,250.00 set forth in paragraph 3 above. The Participant shall have the right to terminate this Agreement at any time. In the event of such termination, each of the parties hereto shall be immediately released from all obligations recited herein as if this Agreement had not been entered into, except that the Participant shall be entitled to a return of funds paid to the NISP Enterprise as provided in paragraph 8 above.

10. In the event that additional costs must be incurred for Phase 3A, Phase 5, Phase 6, and Phase 7 in 2021, the parties may amend this Agreement in writing to provide for further payment by the Participant of the costs for 2021. However, the Participant is not obligated under this Agreement to pay any costs for Phase 3A, Phase 5, Phase 6, and Phase 7 beyond the costs stated in paragraph 3 above.

11. This Agreement shall be interpreted under the laws of the State of Colorado. Venue for any disputes concerning this Agreement shall be in the Weld County, Colorado, District Court.

12. Nothing in this Agreement shall be construed to waive the protections and immunities afforded the NISP Enterprise and the Participant under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq., and any similar or successor statutes of the State of Colorado.

13. Except for the obligation to pay money, neither party shall be liable to the other party for any delay or inability to perform its obligations hereunder by reason of acts of God, acts of the public enemy, riot, civil commotion, insurrection, acts or failure to act of governmental authorities, war, pandemic, or any other cause or causes beyond the party's reasonable control.

11. This Agreement is the entire agreement between the NISP Enterprise and the Participant regarding participation in Phase 3A, Phase 5, Phase 6, and Phase 7 of the Project and shall be modified by the parties only by a duly executed written instrument approved by the Participant and the NISP Enterprise's Board of Directors.

12. This Agreement is subject to approval by the NISP Enterprise's Board of Directors and shall become binding on the NISP Enterprise only upon such approval.

The Northern Integrated Supply Project Water Activity Enterprise

By:____
Bradley D. Wind

Title: General Manager

City of Fort Lupton Utility Enterprise

By:____

Name:_____________________________________

Title:______________________________________

EXHIBIT A
DESCRIPTION OF PHASE 3A, PHASE 5, PHASE 6, and PHASE 7
NORTHERN INTEGRATED SUPPLY PROJECT

Phase 3A consists of a continuation of the permitting work associated with NISP. The work in 2021 will largely be remaining efforts in support of the final 404 permit and Record of Decision, response to comments on the Final EIS, mitigation development, and continuation of the Larimer County IGA process. Additionally, there will be work in support of the public information effort for NISP as well as overall Northern Water administration and legal support.

Phase 5 will consist of the Glade geotechnical investigation and embankment design advancement and Highway 287 relocation thirty percent design. Additionally, Construction Management/General Contractors (CM/GC) will be selected for Glade Reservoir and Highway 287 and will assist in design development and cost estimating.

Phase 6 involves the following additional 2021 activities:

- NISP conveyance will continue to be refined including evaluation of Participant flow requirements, pipeline sizing and route refinement, delivery system exchange potential, C-BT exchange potential, conveyance cost estimating, and cost allocation methodology development.
- South Platte Water Conservation Project negotiations will be advanced with the affected ditch companies and shareholder cooperative agreements will be developed.
- Land and easement requirements will be more specifically identified.
- Mitigation plans will continue to be advanced and time sensitive mitigation activities may be pursued.

Phase 7 involves the following 2021 activities:

- Project financial planning
- Allotment contract development
- Legal defense of the Army Corps of Engineers 404 permit, the State of Colorado 401 Water Quality Certification, and the Larimer County 1041 Permit.

EXHIBIT B
PARTICIPANT YIELD AND COSTS
PHASE 3A, PHASE 5, PHASE 6, and PHASE 7

Northern Integrated Supply Project	***Rev. 2.1***	***11/18/2020***			
Year 2021-2023 Preliminary Preconstruction Budget					
Assumes Construction Starting in Oct. 2023					
Item	2021	2022	2023		
Glade Design Activities	$ 3,600,000	$ 6,100,000	$ 4,700,000		
Glade CMGC Design Support	$ 1,400,000	$ 4,900,000	$ 300,000		
HW 287 Design Activities	$ 1,000,000	$ 1,000,000	$ 1,000,000		
NISP Delivery Refinement	$ 1,000,000	$ 1,700,000	$ 1,800,000		
River Intake Predesign and Design	$ 300,000	$ 300,000	$ 400,000		
Program Management	$ 300,000	$ 600,000	$ 600,000		
Environment&Mitigation	$ 2,500,000	$ 2,800,000	$ 2,000,000		
Financing Consultant	$ -	$ 100,000	$ 100,000		
WQ Sample Testing	$ 200,000	$ 200,000	$ 200,000		
Northern Water	$ 1,600,000	$ 1,700,000	$ 1,800,000		
Legal	$ 400,000	$ 400,000	$ 400,000		
Communications	$ 100,000	$ 100,000	$ 100,000		
ROW-Land Appraisal/Title/Survey	$ 200,000	$ 200,000	$ 200,000		
Pipeline Easements	$ 500,000	$ 500,000	$ 500,000		
SPWCP Negotiations	$ 200,000	$ 200,000	$ 200,000		
Contingency/Other (10%)	$ 1,300,000	$ 2,100,000	$ 1,400,000		
Total	$ 14,600,000	$ 22,900,000	$ 15,700,000		
	Project Yield	Percent of	2021	2022	2023
Participant	(Acre-ft)	Project	Budget	Budget	Budget
Central Weld Co. W.D.	3,500	8.75%	$ 1,277,500	$ 2,003,750	$ 1,373,750
Dacono	1,250	3.13%	$ 456,250	$ 715,625	$ 490,625
Firestone	1,300	3.25%	$ 474,500	$ 744,250	$ 510,250
Frederick	2,600	6.50%	$ 949,000	$ 1,488,500	$ 1,020,500
Eaton	1,300	3.25%	$ 474,500	$ 744,250	$ 510,250
Erie	6,500	16.25%	$ 2,372,500	$ 3,721,250	$ 2,551,250
Evans	1,200	3.00%	$ 438,000	$ 687,000	$ 471,000
Fort Collins-Loveland. W.D.	3,400	8.50%	$ 1,241,000	$ 1,946,500	$ 1,334,500
Fort Lupton	2,050	5.13%	$ 748,250	$ 1,173,625	$ 804,625
Fort Morgan	3,600	9.00%	$ 1,314,000	$ 2,061,000	$ 1,413,000
Lafayette	1,800	4.50%	$ 657,000	$ 1,030,500	$ 706,500
Lefthand W.D.	4,900	12.25%	$ 1,788,500	$ 2,805,250	$ 1,923,250
Morgan County Q.W.D.	1,300	3.25%	$ 474,500	$ 744,250	$ 510,250
Severance	2,000	5.00%	$ 730,000	$ 1,145,000	$ 785,000
Windsor	3,300	8.25%	$ 1,204,500	$ 1,889,250	$ 1,295,250
Total	40,000	100.00%	$ 14,600,000	$22,900,000	$ 15,700,000

Upcoming Events

December 24-25th	City Offices and Fort Lupton Recreation Center Closed in Observance of the Christmas Holiday
December 26-27th	Recreation Center will be closed.
January 1, 2021	City Offices Closed in Observance of New Year's Day
January 5, 2021	City Council Meeting, 130 S. McKinley Ave. 7:00 p.m.
January 12, 2021	Town Hall Meeting, 130 S. McKinley Ave. 6:30 p.m.