



TOWN COUNCIL WORK SESSION & MEETING
Zoom Webinar and/or Town Council Chamber
3 S. Timber Ridge Parkway, Severance, CO 80550

AGENDA
TOWN COUNCIL WORK SESSION & MEETING
Tuesday, March 10, 2026, at 5:00 PM

A. CALL TO ORDER WORK SESSION

The Goal of the Work Session is to have the Town Council receive information on topics of Town business from the Town Manager, Town Attorney and Town Staff in order to exchange ideas and opinions regarding these topics.

1. Pg. 4 - Solicitor Ordinance Update Discussion

- Discussion
- Staff Presentation: Sarah Jacobsen, Town Clerk

B. CALL TO ORDER REGULAR MEETING

1. Roll Call

2. Pledge of Allegiance

3. Agenda Review by Town Manager

4. Consent Calendar

The Consent Calendar is intended to allow the Town Council to spend time and energy on the important items and not routine actions. A Council Member may request an item on this calendar to be "pulled" off the Consent Calendar and considered separately as a regular agenda item. Items remaining on the Consent Calendar will be approved by Town Council with one vote.

a. Pg. 17 - Town Council Meeting Minutes 2.24.26

b. Pg. 22 - Community Grant Request: Severance High School After Prom

-
- Staff Presentation:

c. Pg. 31 - Resolution 2026-07R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the water supply master plan dated October 20, 2025

d. Pg. 96 - Resolution 2026-08R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the water efficiency plan dated December 9, 2025

e. Pg.137 - Resolution 2026-09R: A Resolution of the Town Council of the town of Severance, Colorado, approving and adopting the 2025 updated Windsor Severance Fire Protection District impact fee schedule

- f. **Pg. 163 - Resolution 2026-10R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the Memorandum of Understanding for prequalified building departments for public school construction with the Colorado Department of Public Safety, Division of Fire Prevention and Control**

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- Staff Presentation: Andrew Rogers, Town Attorney

5. Approval of Agenda

6. Public Comment

The purpose of the Public Comment is for members of the public to speak to the Town Council on any subject not scheduled on the agenda. To accomplish scheduled agenda items, comments should be limited to three minutes for those attending in person or an appropriate time as deemed by the Mayor. The Town Council is not obligated to make decisions or take action on comments but may choose to schedule the matter for a later discussion. Those addressing the Town Council, please state your name and address and sign-in.

7. Council Member Comments

8. Reports

Council approval may be sought for administrative actions in association with staff reports.

- a. Town Attorney
- b. Town Staff
- c. Town Management
- d. Council Members Liaisons
- e. Mayor

C. TOWN COUNCIL

1. **Pg. 174 - Ordinance 2026-01: An Ordinance of the Town Council of the Town of Severance, Colorado, amending Chapter 16 (Land Use Code) of the Severance municipal code regarding accessory dwelling units.**
 - Legislative
 - Staff Presentation: Shani Porter, Planning Director
2. **Pg. 183 - Resolution 2026-11R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the Severance South subdivision improvement agreement**
3. **Pg. 228 - Town Council Social Media Policy Discussion**
 - Discussion
 - Staff Presentation: Nicholas Wharton, Town Manager

D. COUNCIL MEMBER PETITIONS

Council Members may ask for items to be added to future agendas.

E. EXECUTIVE SESSION

1. **For determining positions relative to matters that may be subject to negotiations; developing a strategy for negotiations; and instructing negotiators, pursuant to C.R.S. 24-**

6-402(4)(b), concerning the NISP, CLRWTR, and VITA water projects.

F. ADJOURN

Town Council Meeting

Tuesday, March 10, 2026, 5:00 PM (MDT)

The Town Council reserves the right to adjourn to a virtual-only meeting at its discretion should the need arise.

Registration URL

<https://us02web.zoom.us/j/89354721574?pwd=2TJORo1yOgUN5NB28octprdXWugaLI.1>

The Town of Severance does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the provision of services. For disabled persons needing reasonable accommodation to attend or participate in a town service, program, public meeting, or activity, call 970-686-1218 at least 72 hours in advance. Disabled access is available from the front entrance of the Town Hall.



AGENDA ITEM SUMMARY

AGENDA ITEM	SUBMITTED BY	PRESENTED BY
Pg. 4 - Solicitor Ordinance Update Discussion	Sarah Jacobsen, Town Clerk	Sarah Jacobsen, Town Clerk & Andrew Rogers, Town Attorney
ACTION REQUESTED		
Town Clerk, Town Management, Town Attorney and the Severance Police Department asks the Town Council to review and discuss the proposed Solicitor Ordinance.		<u>Discussion</u>
BRIEF HISTORY OF ITEM		
BRIEF SUMMARY		
This proposed Ordinance is to provide clarification to the Town Code with the following highlighted changes: • Requiring persons who wish to engage in door-to-door solicitation, obtain a permit and ID badge from the Town once approved; • Clear application process; • Provides clear processes for permit suspension, denial, and appeal processes; • Removal of no solicitation list		
PUBLIC SUPPORT/CONCERN		
Town staff and the Police Department have received several calls and emails from concerned citizens regarding door-to-door solicitors.		
ANALYSIS AND RECOMMENDATION		
Town Clerk, Town Management, Town Attorney and the Severance Police Department asks the Town Council to review and discuss the proposed Solicitor Ordinance.		
MATERIALS SUBMITTED		
The following materials were submitted and included in this packet: 1. Solicitor Ordinance 2026 DRAFT		

**TOWN OF SEVERANCE, COLORADO
ORDINANCE NO. 2026-XX**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, REPEALING AND REENACTING SECTION 6-1-150 OF THE SEVERANCE MUNICIPAL CODE REGARDING SOLICITORS, AND DOOR-TO-DOOR SALESPERSONS

WHEREAS, the Town of Severance, Colorado (the “Town”) is duly organized and validly exists as a Home Rule Town under Article XX, Section 6 of the Colorado Constitution and the Town’s Home Rule Charter; and

WHEREAS, it is in the best interests of the Town to have clear regulations so they remain understandable and enforceable; and

WHEREAS, the Town has received numerous questions regarding the regulations for solicitors and door-to-door salespeople which has caused staff to review the regulations; and

WHEREAS, in order to ensure clear and concise regulations regarding requirements for solicitors and door-to-door sales, it has become necessary to review and update regulations regarding the same; and

WHEREAS, in order to protect vulnerable adults and children from possible financial or physical exploitation and harm, the Town finds it necessary to establish certain minimum qualifications for door-to-door salespeople who may interact with citizens in their residence; and

WHEREAS, the Town Council finds that amendments to the Code regarding solicitation and door-to-door sales promote the public health, safety, and welfare; and

WHEREAS, the Town Council therefore desires to amend the regulations for solicitation and door-to-door sales to create clear guidance and regulations within the Town.

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

Section 1. Findings Incorporated. The above and foregoing findings are hereby incorporated by this reference as specific findings and determinations of the Town Council.

Section 2. Section 6-1-150, entitled “Solicitors, door-to-door salespersons” of the Severance Municipal Code is hereby repealed and reenacted to read as follows:

Sec. 6-1-150. – Solicitors, door-to-door salespersons.

(a) Purpose.

1. The provisions of this Section are intended to balance the First Amendment rights of residential solicitors in the Town with the privacy, safety, health and welfare, of the Town residents by:
 - a. Requiring all persons who conduct any door-to-door solicitation within the Town pursuant to a permit issued by the Town; and
 - b. Prohibiting solicitations at residences where the owner or occupant has prohibited solicitation in a manner consistent with the provisions of this Section.

(b) All solicitation is prohibited by posting a “No Solicitation” or “No Trespassing” sign.

1. No solicitor, whether commercial or noncommercial, shall enter or remain upon any private premises in the Town if a "No Solicitation" or "No Trespassing" sign is posted at or near the entrance(s) to such premises. For the purposes of this provision, if an occupant of a multi-unit dwelling wishes to prohibit door-to-door solicitation by the posting of a sign, the sign prohibiting solicitation must be posted at or near the entrance(s) to the occupant's individual dwelling.
2. This provision shall apply to all solicitations, including, without limitation, all activities that are religious, charitable or political in nature and all solicitation of newspaper or magazine subscriptions.

(c) Permit required for all solicitors.

1. Any person seeking to engage in door-to-door solicitation must obtain a permit from the Town Manager or their designee and pay the permit fee as provided in the Town fee schedule before commencing any such solicitation.
2. All permits shall be issued in the name of the applicant. Upon issuance of each permit, the Town Manager or their designee shall create and maintain a list of all persons authorized to engage in door-to-door solicitation under the permit. It shall be the sole responsibility of the permit holder to:
 - a. Provide a copy of the permit to each person authorized to engage in solicitation under the permit;
 - b. Ensure that each person authorized to solicit under the permit complies with the terms and conditions of the permit and with the provisions of this Section;
 - c. Notify the Town Manager or their designee in writing of any persons to be added to or deleted from the list of authorized solicitors; and

- d. Submit to the Town Manager or their designee, for each person to be added to such list, the information required under Subsection (e)(1).
3. The Town Manager or their designee shall, within ten (10) business days of the Town's receipt of a complete application for a permit under this Section, issue such permit for all persons authorized to engage in door-to-door solicitation under the permit, unless the Town Manager or their designee determines that the permit application is denied under the criteria stated in Subsection (h).

(d) Application contents; fees.

1. Each person applying for a door-to-door solicitation permit shall file with the Town Manager or their designee an affidavit on a form supplied by the Town Manager or their designee stating:
 - a. The full name, business address and business telephone number of the applicant;
 - b. Information regarding the business as required by the Town Manager or their designee, including, without limitation, its legal status and proof of registration with, or a certificate of good standing from, the Colorado Secretary of State;
 - c. A complete list of all persons to be authorized to solicit under the permit and all supervising staff;
 - d. For each person authorized to solicit under a permit and all supervising staff, shall provide the following information:
 - i. Name, address, telephone number and date of birth;
 - ii. A photograph of the applicant, which reasonably identifies the applicant. Such photograph shall measure two inches by two inches and are commonly referred to as "passport photographs";
 - iii. Waiver and consent for the Town Manager, or their designee, to obtain a copy of the person's criminal history, as maintained by the Colorado Bureau of Investigation;
 - iv. A statement as to whether or not the person:
 1. Has been convicted of any felony, misdemeanor, or other ordinance violation (other than a traffic violation) and, if so, the nature of the offense or violation, the penalty or punishment imposed, the date and location where such

offense occurred, and the pertinent details of the offense;
and

2. Is required to register as a sex offender or as a sexual predator and the nature of the offense or punishment or penalty assessed, in this or any other state; and
 3. If the applicant has been convicted of any felony, misdemeanor, or other ordinance violation (other than a traffic violation), the applicant may provide information regarding their rehabilitation and good conduct, including a summary of the events surrounding the crime and any other relevant mitigation.
- v. A valid state-issued REAL ID compliant driver's license or identification card, valid passport issued by the United States federal government, valid passport card issued by the United States federal government, valid United States Department of Defense identification card, valid foreign government-issued passport, valid Canadian provincial driver's license, valid Indian and Northern Affairs Canada identification card, valid United States and Immigration Services Employment Authorization card (I-766), valid United States Merchant Mariner Credential, or a valid identification card issued by a federally recognized Tribal Nation/Indian Tribe including Enhanced Tribal Cards, or other valid identification that complies with the Real ID Act of 2005.
- e. A brief explanation of the nature of the solicitation activity that requires a permit under this Section;
 - f. If the applicant is a foreign corporation or an employee of such corporation, the name, address, and telephone number of an agent for process residing in the state;
 - g. Proof that the applicant has obtained a valid Town sales and use tax license;
 - h. Any other information determined to be relevant by the Town Manager of their designee.
2. At the time of application, each applicant shall pay a fee in an amount required by the Town fee schedule to be sufficient to defray the costs incurred by the Town in processing the application. Said fee shall be nonrefundable.
- (e) Identification badge, and replacement.

1. When an application for a door-to-door solicitation permit is approved, the Town shall issue an identification badge to the solicitor, which shall be worn so as to be plainly visible at all times while the solicitor is performing any activities within the Town that require registration pursuant to this section.
2. Upon receipt of an application for a replacement badge, stating that the previously issued identification badge has been lost, damaged, or stolen, payment for replacement, as defined in the fee schedule, and submission of a new passport-sized photograph, the Town may issue a replacement badge. No replacement badge shall be issued unless the Town is able to verify that the solicitor remains employed by the company listed in the original application, or otherwise will be engaged in the same soliciting activities as specified in the original application.

(f) Duration of permit, renewal.

1. Each permit shall be valid for one year, effective from the date of issuance and expiring on December 31 of the year of issuance.
2. Any permittee wishing to obtain a permit beyond their current permit term must submit a new permit application in accordance with subsection (d) above.

(g) Denial of permit.

1. The Town Manager or their designee may deny an application for a permit or any renewal of a permit under this section for any of the following reasons:
 - a. Any material misrepresentation or false statement in the application for the permit; or
 - b. Failure of the applicant to obtain a sales and use tax license as required by the Town or to remit any sales tax due the Town; or
 - c. Previous suspension, revocation, or nonrenewal of the applicant's permit; or
 - d. The applicant is under criminal investigation for a qualifying crime; or
 - e. The applicant has pending or unresolved criminal charges including a qualifying crime; or
 - f. The applicant is required to register as a sex offender or sexually violent predator in this state or any other jurisdiction, or the applicant's conviction for any crime that requires such registration; or

- g. The applicant's criminal history, if it includes a felony conviction for a qualifying crime; or
 - h. The applicant's criminal history, if it includes a misdemeanor conviction for a qualifying crime. However, if more than five (5) years have passed since the date of the final disposition of all criminal proceedings against the applicant for this misdemeanor conviction, or if more than five (5) years have passed since the applicant was released from supervision for this misdemeanor conviction, whichever is later, then the misdemeanor conviction shall not be considered as grounds for denial of a permit.
 - i. The applicant's violation of the Town Code, including the version of the Town Code in effect at the time of the applicant's conduct. Violations include, but are not limited to, contacting residents or entering private property in disregard of the resident's posted "No Solicitation" or "No Trespassing" sign.
- 2. When considering an application pursuant to section 1 above, the Town Manager, or their designee, shall comply with 24-5-101, C.R.S., regarding the effect of a criminal conviction for a qualifying crime on employment rights. The Town shall consider the following criteria:
 - a. The nature of the conviction for the qualifying crime, including the following:
 - i. The classification of any felony or misdemeanor convictions; and
 - ii. The length of incarceration or severity of remedy or punishment imposed; and
 - iii. Any mitigating or aggravating factors involved; and
 - iv. Subsequent record of conduct; and
 - v. Educational achievements and work history; and
 - vi. Subsequent convictions or parole or probation violations; and
 - vii. The length of time since the conviction; and
 - viii. The correlation, if any, between the illegal or fraudulent conduct and the anticipated solicitation.

- b. Any information provided by the applicant or produced on their behalf regarding their rehabilitation, good conduct.
- 3. For the purposes of this section, “qualifying crime” includes the following offenses:
 - a. Any conviction for an offense that qualifies as a crime under the Victim’s Right Act as identified in 24-4.1-302(1), C.R.S., as amended, or equivalent crimes under federal law or under the laws of any other state. Examples of such crimes include, but are not limited to, murder, manslaughter, vehicular homicide, assault, menacing, kidnapping, sexual assault, robbery, child abuse, stalking, intimidation of a witness, indecent exposure, burglary, and arson; or
 - b. Any conviction for offense involving domestic violence as set forth in Title 18, Article 6, Part 8 of the Colorado Revised Statutes, as amended, or equivalent crimes under federal law or under the laws of any other state; or
 - c. Any conviction for an offense that qualifies as a bias motivated crime as identified in 18-9-121, C.R.S., as amended, or equivalent crimes under federal law or under the laws of any other state; or
 - d. Any conviction for an offense involving at-risk persons, as set forth in Title 18, Article 6, Part 6.5 of the Colorado Revised Statutes, as amended, or equivalent crimes under federal law or under the laws of any other state; or
 - e. Any conviction for an offense that requires registration as a sex offender under Title 16, Article 22 of the Colorado Revised Statutes, as amended, or equivalent crimes under federal law or under the laws of any other state; or
 - f. Any conviction for an offense that qualifies as a sexually violent predator under 18-3-141.5, C.R.S., as amended, or equivalent crimes under federal law or under the laws of any other state; or
 - g. Any conviction for an offense involving embezzlement of public money, bribery, perjury, solicitation of bribery, or subornation or perjury, in accordance with Section 4, Article XII of the Colorado Constitution, or equivalent crimes under federal law or under the laws of any other state.
- 4. For the purposes of this section, a conviction for criminal attempt, as described in section 18-2-101, C.R.S., any criminal conspiracy, as described in section 18-2-201, C.R.S., any criminal solicitation, as described in section 18-2-301,

C.R.S., and any accessory to a crime, as described in section 18-8-105, C.R.S., involving a qualifying crime shall be treated the same as a conviction for the original qualifying crime itself.

5. For the purposes of this section, “conviction” includes the following:
 - a. A guilty verdict after a criminal trial; or
 - b. A plea of guilty accepted by or entered in a criminal court; or
 - c. A plea of nolo contendere or no contest accepted by a criminal court; or
 - d. The imposition of a deferred sentence in a criminal case; or
 - e. The entry of an Alford plea or similar plea where the applicant asserted innocence but still accepted the imposition of a sentence or sanction in a criminal court.
6. For the purposes of this section, “conviction” does not include a juvenile adjudication under Title 19, Article 2.5 of the Colorado Revised Statutes, as amended, or similar criminal juvenile actions in other jurisdictions. However, the applicant’s status as a registered sex offender or sexually violent predator may still be sufficient grounds for denial of a license.
7. For the purposes of this section, “conviction” does not include a crime where the applicant received pardon in accordance with Section 7, Article IV of the Colorado Constitution, or equivalent actions under federal law or the laws of any other state.

(h) Prohibited Conduct:

1. No person shall attempt to obtain, by telephone or otherwise, an invitation to visit any private residence for the purpose of soliciting the purchase or sale of goods, services or any other thing of value, by knowingly making a false or deceptive representation or statement.
2. No person shall remove any yard sign, door, or entrance sign or sticker that gives notice that the resident or occupant does not invite visitors or otherwise prohibits solicitation and/or trespassing on the premises.
3. Use or attempt to use any entrance other than the front or main entrance to the dwelling or step from the sidewalk or indicated walkway (if one exists) leading from the right-of-way to the front or main entrance, except by express invitation of the resident or occupant of the property.

(i) Duty to exhibit permit.

1. Any person engaging in door-to-door solicitation under a permit issued pursuant to this Section shall carry upon their person a copy of the permit issued by the Town.
2. Whenever requested by any Police Officer or by any customer or prospective customer, any person(s) engaged in door-to-door solicitation under a permit issued pursuant to this Section shall exhibit his or her permit.
3. Any person(s) engaging in door-to-door solicitation under a permit issued pursuant to this section display or wear their identification badge (as issued by the Town pursuant to subsection (e) above), so that it is plainly visible at all times while the solicitor is performing any activities within the Town that require registration pursuant to this section.

(j) Transfer of permits prohibited.

1. No permit issued pursuant to this section may be transferred to any person.

(k) Suspension, revocation or nonrenewal of permit.

1. After written notice of no less than ten (10) calendar days and a hearing if requested in writing by the permit holder within twenty (20) calendar days after the date of the mailing of such notice, the Town Manager or their designee may suspend and revoke the permit of any solicitor that has engaged in any unlawful solicitation. The grounds for such suspension or revocation may include, but shall not be limited to, the following:
 - a. Fraud, misrepresentation or false statement in the application for the permit or any renewal application, including, without limitation, representations made as to the criminal history of any person to be authorized to solicit under the permit;
 - b. Failure to obtain a sales and use tax license as required by the Town or to remit any sales tax due the Town;
 - c. Failure to supervise solicitation conducted under the permit so as to reasonably ensure that such solicitation is in compliance with the terms of the permit and with the provisions of this Section; or
 - d. Authorizing, condoning or knowingly tolerating any unlawful solicitation or any solicitation conducted in such a manner as to constitute a menace to the health, safety or general welfare of the public.
2. In the event the alleged conduct that is the basis for the suspension or revocation of the permit is the subject of a pending criminal or non-traffic civil citation,

the Town Manager or their designee may either defer his or her decision regarding suspension or revocation until such citation has been resolved or immediately proceed with the foregoing administrative action prior to the resolution of such citation.

(l) Emergency summary suspension of permit.

1. If reasonable grounds exist to believe that a permittee has engaged in illegal activity such that the public health, safety or welfare imperatively requires emergency action, the Town Manager or their designee may summarily suspend the permit pending the outcome of the proceedings set forth in Subsection (m) above, as applicable.
2. The temporary suspension of a permit without notice pending a hearing shall be for a period not to exceed fifteen (15) days.

(m) Records.

1. The Town Manager or their designee shall maintain records showing each permit issued and the alleged violations of this Section.

(n) Appeal.

1. An applicant to appeal against any decision relating to his or her permit shall be submitted to the Town Council in accordance with the due process rights as provided under the Town Code. The Town Council's decision shall be final.

(o) Violations and penalties.

1. In addition to the revocation, suspension or denial of a permit issued under this Section, any applicant, permittee or solicitor who violates any of the provisions of this Section, shall be punished in accordance with Section 1-4-20 of the Severance Municipal Code.

Section 3. Severability. The provisions of this Ordinance are severable and the invalidity of any section, phrase, clause, or portion of the Ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remainder of the Ordinance.

Section 4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 5. In accordance with Section 6.03(6) of the Severance Home Rule Charter, this Ordinance shall take effect thirty (30) days after publication.

**INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN
FULL THIS __ DAY OF _____, 2026.**

TOWN OF SEVERANCE

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO)
)
COUNTY OF WELD)

I, Sarah Jacobsen, Town Clerk for the Town of Severance, Colorado do solemnly swear and affirm that I published in full a true and correct copy of Ordinance No. 2026-___, enacted by the Town Council on _____, 2026, on the Town of Severance's website, <https://www.townofseverance.org/255/Ordinances> , on the ____ day of _____, 2026.

Witness my hand and seal this ____ day of _____, 2026.

Sarah Jacobsen, Town Clerk



TOWN COUNCIL WORK SESSION & MEETING
Zoom Webinar and/or Town Council Chamber
3 S. Timber Ridge Parkway, Severance, CO 80550

WORK SESSION & MEETING MINUTES
Tuesday, February 24, 2026, at 5:00 PM

Mayor: Matthew Fries
Mayor Pro-tem: Brittany Vandermark
Council Members: David Bruen
Craig Joseph
Stephen Gagliardi
Karen Hessler
Josh Ochs
Audience:
Staff: Nicholas Wharton, Town Manager
Lindsay Radcliff-Coombes, Deputy Town Manager
Sarah Jacobsen, Town Clerk
Ken Chavez, Police Chief
Andrew Rogers, Town Attorney
Chris Messersmith, Town Engineer

A. CALL TO ORDER WORK SESSION

The Goal of the Work Session is to have the Town Council receive information on topics of Town business from the Town Manager, Town Attorney and Town Staff in order to exchange ideas and opinions regarding these topics.

1. Pg. 4 -Windsor Severance Fire Rescue Impact Fee Adoption Discussion

- Discussion
- Staff Presentation: Nicholas Wharton, Town Manager
Fire Chief Chris Angermuller and Fire Marshal Sandra Friedrichsen gave a presentation and answered questions.

B. CALL TO ORDER REGULAR MEETING

1. Roll Call

Present:
Mayor Matthew Fries, Mayor Pro Tem Brittany Vandermark, Council Member David Bruen, Council Member Craig Joseph, Council Member Stephen Gagliardi, Council Member Karen Hessler, Council Member Josh Ochs

2. Pledge of Allegiance

3. Agenda Review by Town Manager

4. Consent Calendar

The Consent Calendar is intended to allow the Town Council to spend time and energy on the important items and not routine actions. A Council Member may request an item on this calendar to be "pulled" off the Consent Calendar and considered separately as a regular agenda item. Items remaining on the Consent Calendar will be approved by Town Council with one vote.

MOTION WAS MADE BY Council Member Bruen, seconded by Mayor Pro-Tem Vandermark to Approve Consent Calendar. All Council Members present voting Yes.

MOTION PASSED

- a. **Pg. 35 - Meeting Minutes 1.13.26**
- b. **Pg. 39 - December 2025 Financial Statements**
- c. **Pg. 89 - December 2025 Payables**
- d. **Pg. 93 - January 2026 Financial Statements**
- e. **Pg. 134 - January 2026 Payables**
- f. **Pg. 136 - Resolution 2026-02R: A Resolution of the Town Council of the Town of Severance, Colorado, finding the Final Plat for the Dalton's Run development, previously approved and filed with the Weld County Clerk and Recorder on or about December 27, 2019, invalid, vacating said Final Plat, and requiring the developer to restart the development review and approval process with the Town prior to engaging in construction on the property.**
- g. **Pg. 147 - Resolution 2026-03R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the 2025 updated Housing Needs Assessment required for compliance with Colorado Senate Bill 24-174**
- h. **Pg. 257 - Resolution 2026-04R: A Resolution of the Town Council of the Town of Severance, Colorado, providing for additional appropriations in fiscal year 2026 for the reappropriation of the budget of 2025 capital projects still in progress and amendments to the 2026 adopted budget.**

5. Approval of Agenda

MOTION WAS MADE BY Mayor Pro-tem Vandermark, seconded by Council Member Ochs to Approve the Agenda with one change of moving item three to the March 10, 2026, meeting. All Council Members present voting Yes.

MOTION PASSED

6. Public Comment

The purpose of the Public Comment is for members of the public to speak to the Town Council on any subject not scheduled on the agenda. To accomplish scheduled agenda items, comments should be limited to three minutes for those attending in person or an appropriate time as deemed by the Mayor. The Town Council is not obligated to make decisions or take action on comments but may choose to schedule the matter for a later discussion. Those addressing the Town Council, please state your name and address and sign-in.

No public comment.

7. Council Member Comments

8. Reports

Council approval may be sought for administrative actions in association with staff reports.

a. Town Attorney

b. Town Staff

c. Town Management

Town Manager Nicholas Wharton asked the Town Council whether they would like staff to create a Comprehensive Plan Update Committee and to request applications from residents who wish to participate. The Town Council will interview applicants at the Council meeting on March 24, 2026.

d. Council Members Liaisons

e. Mayor

C. TOWN COUNCIL

1. Pg. 311 - Resolution 2026-05R: A Resolution of the Town Council of the Town of Severance, Colorado, approving a site development plan for the Platte Valley Veterinarian Clinic, located within the Town of Severance

- Legislative
- Staff Presentation: Shani Porter, Planning Director

Applicant Julie Kidd, Andrew Kidd, and staff member Gabby Kinney were present to answer questions.

MOTION WAS MADE BY Council Member Bruen, seconded by Mayor Pro-tem Vandermark to Approved Resolution 2026-05R: A Resolution of the Town Council of the Town of Severance, Colorado, approving a site development plan for the Platte Valley Veterinarian Clinic, located within the Town of Severance. All Council Members present

voting Yes.

MOTION PASSED

2. Pg. 371 - Citizen Petition: Soaring Eagle Road Discussion

- Discussion
- Staff Presentation: Nicholas Wharton, Town Manager

Soaring Eagle representative Joe Pirrone presented to Council the subdivision's request for the 50/50 road maintenance cost sharing. The Town Council suggests to Mr. Pirrone to go back to the homeowners to discuss other options and possibly do an assessment of the roads.

3. Pg. 372 - Resolution 2026-07R: A resolution of the Town Council of the Town of Severance, Colorado, approving an Intergovernmental Agreement between the City of Thornton and the Town of Severance for an emergency raw water connection

- Legislative
- Staff Presentation: Shani Porter, Planning Director

This item is moved to the Town Council meeting on March 10, 2026

4. Pg. 387 - Fitness Court Art Selection

- Legislative
- Staff Presentation: Lindsay Radcliff-Coombes, Deputy Town Manager

The Town Council voted on the five submissions, and the "Golden Hour" was selected by the majority.

5. Pg. 392 - Code of Conduct and Ethics Discussion

- Discussion
- Staff Presentation: Andrew Rogers, Town Attorney

Town Attorney Andrew Rogers presented the item to the Council. The Council provided feedback and this item will come back to Council in the near future.

D. COUNCIL MEMBER PETITIONS

Council Members may ask for items to be added to future agendas.

Council Member Gagliardi petitioned all Council to attend the Severance Championship Basketball games and asked for Town staff supporting in posting on social media about the championship games.

E. EXECUTIVE SESSION

- 1. Considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the north side of Weld County Road 72, located just west of Community Park**

MOTION WAS MADE BY Council Member Bruen, seconded by Mayor Pro-tem Vandermark to ADJOURN INTO Executive Session to considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the north side of Weld County Road 72, located just west of Community Park. All Council Members present voting Yes.

MOTION PASSED

2. **Considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the north side of E. Harmony Road, located just north of Town Hall**

MOTION WAS MADE BY Mayor Pro-tem Vandermark, seconded by Council Member Ochs to ADJOURN INTO Executive Session to considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the north side of E. Harmony Road, located just north of Town Hall. All Council Members present voting Yes.

MOTION PASSED

3. **Considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the south side of E. Harmony Road, located just east of the intersection of Harmony and Ponderosa**

MOTION WAS MADE BY Council Member Gagliardi, seconded by Mayor Pro-tem Vandermark to ADJOURN INTO Executive Session to considering the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, pursuant to § 24-6-402(4)(a), C.R.S., and for conferences with the Town attorney for purposes of receiving legal advice on specific legal questions, pursuant to §24-6-402(4)(b), C.R.S., with regard to certain property in Weld County on the south side of E. Harmony Road, located just east of the intersection of Harmony and Ponderosa. All Council Members present voting Yes.

MOTION PASSED

F. ADJOURN

The meeting adjourned at 8:39 p.m.

TOWN OF SEVERANCE

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

Print**Community Grant Application - Submission #779****Date Submitted: 1/9/2026****Name of Requesting Organization***

Severance High School After Prom

Email Address*

severanceafterprom@gmail.com

Phone Number*

9703973783

Contact Name*

Racinda Godbold

Address*

1200 Hidden Valley Parkway

If Mailing Address is Different**City***

Severance

State*

Colorado

Zip Code

80550

Please describe how the grant, if awarded, would be used and how this use relates to any of the award criteria in the Town's Grant to Community Organizations Policy*

The Severance High School After Prom Committee is gearing up to provide a low-cost, safe, fun, and drug-free/alcohol-free event for our students immediately following Prom on April 25, 2026 at The Main Event in Windsor. Sponsorship of this event unites the town of Severance with the Town of Windsor in affording the shared teen members of our growing communities an activity to continue to enjoy time with their friends in a space where they are monitored in order to discourage poor choices and, in doing so, also help lessen potential for safety issues in our neighborhoods.

This relates to the Town of Severance's Community Organization Policy in that it:

- 1 - Contributes to education, safety, health, welfare, and recreation of the community's youth
- 2 - There is a significant number of expected youth (300) and adults (15) who will participate or benefit.
- 3) The donations (monetary, in-kind, service) given by local businesses provides an opportunity to promote local commerce and industry
- 4) The united support of the Towns of Severance and Windsor provides for a positive climate and culture of our neighboring communities, working to celebrate and support its youth which is a focus of the Town of Severance's culture and history
- 5) The high school prom is a long standing "rite of passage" tradition that has been part of the Weld-re4 community for many years. Since the opening of Severance High School, this will be the 6th prom specific to our Severance community. This is the observance of a local historical event.

Event Plan: An estimate of 300 SHS Junior and Senior Students and a guest may attend the SHS After Prom "Lock-In" at The Main Event regardless of attendance at prom as long as they arrive sober and follow admission rules and have met the criteria for attendance outlined by SHS. At minimum, 15 adults must chaperone the event (14 parent volunteers and 1 school administrator). The SHS SRO was also able to attend last year's event, and we are hopeful that will be the case this year as well. Attendees enjoy unlimited bowling, laser tag, arcade games and soda; pizza, salad & dessert buffet; and a variety of opportunities to win prizes throughout the night (encouraging them to stay to the end). Students may remain in their prom attire or change before entering. If a participant leaves the event, they will not be allowed to re-enter. Past students have told us that they were looking forward to the after-prom event more than prom itself! Highlights from last year's event included: hidden Silver Knight duckies to win prizes; prize bags for every attendee; random drawings every 15 minutes; first to arrive door prizes (students were rushing to be first); and the end of the evening BIG prizes; the community came out in force to support this event with prize donations totaling almost \$3500!) After Prom goers were thrilled with the food, games, and social time. Holding the event at The Main Event has been such a success with students and requested again for the 4th time now! The estimated cost for this year's event is \$14,000. We have worked tirelessly to raise the needed funds and have raised just over \$10,000 which includes a grant from the Town of Windsor for \$1000. We kindly request that the Town of Severance award a matching community grant of \$1,000. Additional grant applications and fundraising events are planned for the upcoming months to help us reach our \$14,000 goal.

Requested Grant Amount*

\$1000

Has the Town of Severance contributed to the Requesting Organization in the past?*

Select one

- ☒ Yes
☐ No

If yes, what amount(s) and when?

2023 - \$3000; 2024 - \$1,500; 2025 - \$1,500

If yes to the above, please provide detailed accounting of how the funds were used and describe how the funds benefitted the community (attach documentation if needed)

The grants contributed to the cost of the SHS After Prom event at The Summit/The Main Event for up to 300 Juniors & Seniors and guests providing a safe place to socialize and celebrate, preventing potential community disturbances and safety issues. The cost of the events to The Summit/The Main Event were:

2023 - \$11,907.65

2024 - \$10,979.46

2025 - \$13,995.57

List your organization's top five funding sources and amounts that were received from the sources broken down in the last two fiscal years (corporate, government, and/or individual contributions)*

Town of Severance Grants: 2024 = \$1500; 2025 = \$1500

Town of Windsor Grants: 2024 = \$1500; 2025 = \$1500

Food Truck Fridays: 2024 = \$1903.75; 2025 = \$1855.92

Butter Braid Fundraiser: 2024 = \$1703.20; 2025 = \$1414.20

Barnes and Noble Book Fair: 2024 = \$1297.30; 2025 = \$4574.12

Does the IRS classify you (the requesting organization) as a 501(c)3 organization?*

☐ Yes

☒ No

☐ N/A

Please attach the following information to complete your grant request

1. Along with this application, include a brief description of the requesting organization (including its mission and leadership) and any other information relevant to this request.

2. Most recent year's actual income and expenses for the organization and for the specific event or project for which the funds will be used.

3. Most recent budget for the organization and for the specific event or project for which the funds will be used.

4. Names and addresses of all board members, including designated officers.

5. Any other documents that will support the application.

Requested document upload

Town of Severance Community Grant Request SHS After Prom 2026.pdf

Affirmation of Application

By submitting this application, you are certifying that **a)** the information in the application and supporting documents are correct to the best of your knowledge, and **b)** the Internal Revenue Service (IRS) 501(c)3 determination, if applicable, has not been revoked, canceled, or modified; and **c)** funds will be used for the projects outlined in this Community Grant Application.



Town of Severance Community Grant Request

Organization: Severance High School After Prom
1200 Hidden Valley Parkway
Severance, CO 80550
severanceafterprom@gmail.com

Website: [School Committees - Severance High School](#)

Purpose – The purpose of this Organization shall be to support the Severance High School After Prom program. The organization will provide financial support for the event through various fundraisers and solicitation of items from the community. The vision/goal is that each high school junior and senior will have a safe, drug free and alcohol-free environment in which to enjoy their friends.

Organization Operation – This Organization will operate as part of Weld Re4 School District, following Board policy KBE and KBE-R and the [fundraising guidelines and expectations](#) established by Weld Re4 School District.

Weld RE4 organization Status: Parent organization with district activity fund status*

*Weld County School District RE-4 is a public school district. Federal tax ID # 84-6013749

Date became Weld RE-4 recognized: November 1, 2023

Co-Chairs: Racinda Godbold
1897 Vista Plaza Street
Severance, CO 80550

Sarah Avrech
1684 Eden Valley Lane
Severance, CO 80550

**Secretary/
Treasurer:** Racinda Godbold
1897 Vista Plaza Street
Severance, CO 80550

SHS Advisor: Kevin McWain
SHS
1200 Hidden Valley Parkway
Severance, CO 80550

History: Severance High School opened in the fall of 2019 with only Sophomore and Freshmen classes, adding a new class each year. There have now been 5 classes graduate from SHS and 5 proms. The SHS After prom committee began as a very small group of parents interested in providing a safe alternative for activities after the dance ended and was run by one parent for 2 years but not affiliated with the school. At the graduation of that parent's student, the event was at risk of not continuing. Fortunately, a group of 5 junior class parents stepped up in February of that school year and were able to raise enough funds with the help of the towns of Severance and Windsor providing half of the cost. At this time, the organization was still not affiliated with the school and at risk of not continuing. Working to establish an ongoing structure and relationship to support the students at SHS for many years to come, one member drafted bylaws and with the support of the remaining senior parents, the group became recognized as a parent organization with Weld re4 School District status. Although the senior students graduated, a few of those parents have been able to continue on the committee as they have younger students at SHS and are providing guidance and leadership. The continuation of the After Prom event at SHS has become a tradition and expectation by the student body and school. Through much time, dedication, and work, this will be the 6th After Prom Event!

Current Fundraising Balance: January 9, 2026 - \$10,085.17

Venue: The Main Event, Windsor, CO

Estimated Inclusive Cost for After Prom 2026: \$13,995.57**

****No other additional expenses for fundraising are allowed per District Policy (Weld RE4 Board Policy KBE-R: Option 1)**

Event Plan: SHS Junior and Senior Students and a guest may attend the SHS After Prom “Lock-In” at The Main Event regardless of attendance at prom as long as they arrive sober and follow admission rules and have met the criteria for attendance outlined by SHS (see attached document). At minimum, 15 adults must chaperone the event (14 parent volunteers and 1 school administrator). The SHS SRO was able to attend last year’s event and we are hopeful for the participation again. Attendees enjoy unlimited bowling, laser tag, arcade games and soda; pizza, salad & dessert buffet; and a variety of opportunities to win prizes throughout the night (encouraging them to stay to the end). Students may remain in their prom attire or change before entering. If a participant leaves the event, they will not be allowed to re-enter. Past students have told us that they were looking forward to the after-prom event more than prom itself! Highlights from last year’s event included: hidden Silver Knight duckies to win prizes; prize bags for every attendee; random drawings every 15 minutes; first to arrive door prizes (students were rushing to be first); and the end of the evening BIG prizes; the community came out in force to support this event with prize donations totaling almost \$3,500! After Prom goers were thrilled with the food, games, and social time. Holding the event at The Main Event has been such a success with students and requested again for the 4th time now! We have worked tirelessly to raise the needed funds and we are close. We are hopeful that with the Town of Severance Community Grant we will be that much closer to our fundraising goal and kindly request the \$1,000 award to make that happen.

Prizes: In Kind Donations are being requested from businesses and individuals to provide entertainment and incentives

Main Event Invoice:

EVENT OVERVIEW

Package Selection

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
Lock In (3 Hours) 1901.8440	300	per Guest	\$25.00	\$7,500.00

Menu

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
2 Slices of Pizza	300	per Guest	\$9.99	\$2,997.00
2 slices of pizza + medium soft drink				
Avocado Caesar Salad	300	per Guest	\$4.50	\$1,350.00
Assorted Dessert Bars	300	per Guest	\$9.00	\$2,700.00
Summerberry stack, chocolate peanut butter stack, chewy marshmallow, lemon crumb, cinnamon swirl, chocolate chunk, toffee crunch blondie, totally oreo brownie				

Activities

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
3 Hour Time Card	300	per Guest	Included	\$0.00

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
3 Hours of all you can play video games. No points or prizes awarded. Not valid for VR play. Only valid day of event. Rainbow colored card readers only.				
Bowling Shoes	300	per Guest	Included	\$0.00

Additional Items

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
Required Revenue Minimum	1	Each	\$0.00	\$0.00

Main Event requires a \$13,000 revenue minimum prior to tax and service charge for this event. If the group does not reach the revenue minimum, the guest agrees that the remaining balance, prior to tax and service charge will be charged as a room rental.

Discount

DETAILS	QTY.	UOM	PRICE EA.	TOTAL
Package Adjustment	1		\$-1,500.00	\$-1,500.00

One time package discount to bridge gap in package changes and cost increases. Valued repeat customer consideration.

Event Order Q-210102



CHARGES & PAYMENTS

Subtotal	\$13,047.00
Service Charge	\$810.00
Taxes (Exempt) and Fees	\$138.57
Grand Total	\$13,995.57
Payments Received	\$0.00
Balance Due	\$13,995.57

DONATE TO PROVIDE A SAFE, SOBER, AND FUN

SHS

AFTER PROM

Event



ACTIVITIES FUNDRAISING LINK : ENTER "AFTER PROM"



GOAL: \$14,000 BY MARCH

School Criteria for Attending Prom/After Prom:



Criteria for Spring Dances and Senior Final Exemption

Event	Grade Levels	Date of Event	Grade/Att Check Date	Behavior Criteria	Grade Criteria	Unexcused Absences	Unexcused Tardies	School Fees
Sadie Hawkins Dance	9-12	Saturday, February 8	Monday, February 3	OSS or Multiple ISS: ineligible	No more than 1 F	No more than 4 across all classes	No more than 4 total across all classes	All fees must be paid
Prom	11-12	Saturday, May 3	Monday, April 28	OSS or Multiple ISS: ineligible	No more than 1 F	No more than 15 across all classes	No more than 15 total across all classes	All fees must be paid
Senior Final Exemption	12	May 15-16	Monday, May 12	OSS or Multiple ISS: ineligible	A, B, or C in that individual class	No more than 3 in that class	No more than 4 in that individual class	All fees must be paid
Field Trips and Other after-school events	9-12	2nd Semester	Ongoing	OSS or Multiple ISS: ineligible	No more than 1 F	Must have at least 85% attendance rate	Excessive tardies: not able to attend	All fees must be paid

We want our students to be involved in extracurricular events! But it is also important to hold students to a high standard of focusing on academics first. Each of these events, along with other extracurriculars and after-school events, also carries a behavior criteria: an Out of School Suspension, multiple In School Suspensions, or ongoing behavioral concerns will result in disqualification for **the next event**.

For senior final exemption, each class carries its own criteria for exemption in terms of grades and attendance.

On the date that grades and attendance are checked, if a student is eligible for the event, he or she will remain eligible. However, if a student is ineligible for the event on the date that grades and attendance are checked, **he or she has the opportunity to raise grades or improve attendance before the event and become eligible.**

**TOWN OF SEVERANCE
RESOLUTION NO. 2026-07R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, APPROVING AND ADOPTING THE WATER SUPPLY MASTER PLAN
DATED OCTOBER 20, 2025.**

WHEREAS, the Town of Severance (“The Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter; and

WHEREAS, the Town expects future population growth and an increase of the residential and commercial water demands within the Town’s Water Service Area (“WSA”) and Growth Management Area (“GMA”), which will require an expansion of the Town’s water portfolio; and

WHEREAS, the Town engaged WestWater Research, LLC, (“WestWater”), to develop a Water Supply Master Plan in order to responsibly anticipate future growth and increased water demand the Town must better define the volume, timing, sources, and strategy around the water supply needed to satisfy future demands; and

WHEREAS, WestWater delivered the “WATER SUPPLY MASTER PLAN DATED OCTOBER 20, 2025” to the Town, that summarized WestWater’s research, findings, and recommendations for the Town’s future water demands, a copy of which is attached hereto and incorporated herein as Attachment A; and

WHEREAS, the Town Council finds and determines that the approval of the attached “WATER SUPPLY MASTER PLAN DATED OCTOBER 20, 2025” promotes the safety, security, and general welfare of the inhabitants of the Town of Severance.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:

Section 1. The attached WATER SUPPLY MASTER PLAN DATED OCTOBER 20, 2025, is hereby approved and adopted.

RESOLVED AND APPROVED THIS 10TH DAY OF MARCH 2026.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

Water Supply Master Plan

Prepared for

Nicholas Wharton
Town Manager
3 S Timber Ridge Parkway
Severance, CO 80550

By

WestWater Research
205 S Meldrum St.
Fort Collins, CO 80521

October 20, 2025



Table of Contents

Water Supply Master Plan	1
Table of Contents	2
Background & Purpose	4
Stakeholder Engagement	4
System Overview	4
Water Demand Projections	7
Historic Demands	7
Modeling Future Demand	7
Application to Land Use and Population	9
Demand Summary	9
Water Supply Gap Scenarios.....	10
Financial Assessment	12
Water Supply Alternative Inventory	16
Northern Integrated Supply Project.....	16
Ditch Company Shares.....	19
Colorado-Big Thompson Units.....	23
Non-tributary Groundwater	27
Contract Wholesale Water	30
Water Horse Project.....	32
Local Wells & Augmentation	33
Non-potable System Expansion	34
New Storage Project	35
Aquifer Storage & Recovery	35
Alternative Transfer Methods.....	36
Alternatives Screening	37
Evaluation and Prioritization	40
NISP	43
Units & Shares	46
VITA H2O Project.....	48
Final Alternative Comparison & Recommendations	51

Insights and Implementation	53
Appendix A: Demand Analysis Technical Memorandum	55
Appendix B: Financial Assessment Technical Memorandum	56
Appendix C: NISP Costs Technical Memo	57
Appendix D: Maps	58
Appendix E: Ranking Criteria	61
Appendix F: CLRWTA Costs	62

Background & Purpose

The Town of Severance (“Town” or “Severance”) is expecting future population growth and an increase of residential and commercial water demands both within the Town’s Water Service Area (WSA) and Growth Management Area (GMA). Any new development will place increasing demands on the Town’s existing water supply, requiring an expansion of the Town’s water portfolio. At present, Severance’s water supply is treated by the North Weld County Water District (North Weld), however, North Weld issued a moratorium on tap sales in 2021 citing a lack of system capacity.¹ The tap moratorium significantly impacts Severance’s ability to grow, and over the past several years the Town has sought to secure additional taps through negotiation with North Weld.² Although the tap moratorium has been recently lifted in some areas of the North Weld service area, new tap issuance for the Town and the Town’s future growth area remains stalled. Further, the volume being treated annually by North Weld is already pushing the limits of Severance’s agreement with the water provider. Moving forward, the Town of Severance is planning to treat and deliver new water supplies, and any volume from their existing portfolio that is above the North Weld cap, independently of North Weld.

To plan for future water supply needs and better define the volume, timing, sources, and strategy around water supplies needed to satisfy future demands, Severance engaged WestWater Research, LLC (WestWater) to develop a Water Supply Master Plan (Master Plan). In this Master Plan, an overview of Severance’s existing water supplies and system are provided as well as a projection of future demands in which together allow the Town’s expected water supply gap to be defined. Revenues, debts, and expenses associated with the Town’s Water Fund are similarly modeled to estimate the Town’s financial capacity for investing in new water supplies and delivery infrastructure. Available water sources are then identified and evaluated based on their cost, affordability, reliability, capacity for meeting the Town’s demands, and risk, among other factors. The Master Plan ultimately presents a set of recommendations and an implementation plan for acquiring and financing the water supply alternatives best suited to meet the Town’s future demands.

Stakeholder Engagement

To ensure community input was incorporated into the Master Plan, stakeholder engagement was conducted at all stages of the Master Plan’s development. The Town’s existing Citizen Advisory Board was consulted and presented with updates on July 2, 2025, August 6, 2025, and September 3, 2025. During these meetings, the Citizen Advisory Board assisted in selecting a target demand for planning purposes, ensured all potential water supply alternatives were considered, and provided feedback on their preferences for a future water supply (e.g., ensures a reliable and resilient water portfolio that supports commercial growth for the Town).

System Overview

The Town of Severance is located approximately 16 miles east of the City of Fort Collins and is framed largely by the intersection of Weld County Road 74 and Weld County Roads 21 and 23. The Town has approximately 2,800 water service connections serving an estimated population of 10,500. More

¹ *The Colorado Sun*. Developers have the go-ahead for new construction in northern Weld County after a three-year freeze. November 29, 2024

² Nicholas Wharton, personal communication. January 22, 2025.

than 60% of residential customers are connected to non-potable systems for irrigation. The Town's current water supply portfolio consists of two water sources: 1,332 Colorado-Big Thompson (CBT) units yielding 932 AF of water and 77 North Poudre Irrigation Company (NPIC) shares yielding 200 AF for a combined 1,132 AF of supply on average (**Table 1**). CBT units and NPIC shares have varying yields depending on hydrology. To allow for municipal supply planning under a range of conditions (e.g., wet versus dry years), the range of likely potential yields are shown in **Table 1**. Severance also owns 13 groundwater water wells and Loup Valley Reservoir Company (Loup Reservoir) shares, which are used for non-potable irrigation at city parks, and typically rents out the non-potable component of its NPIC shares.

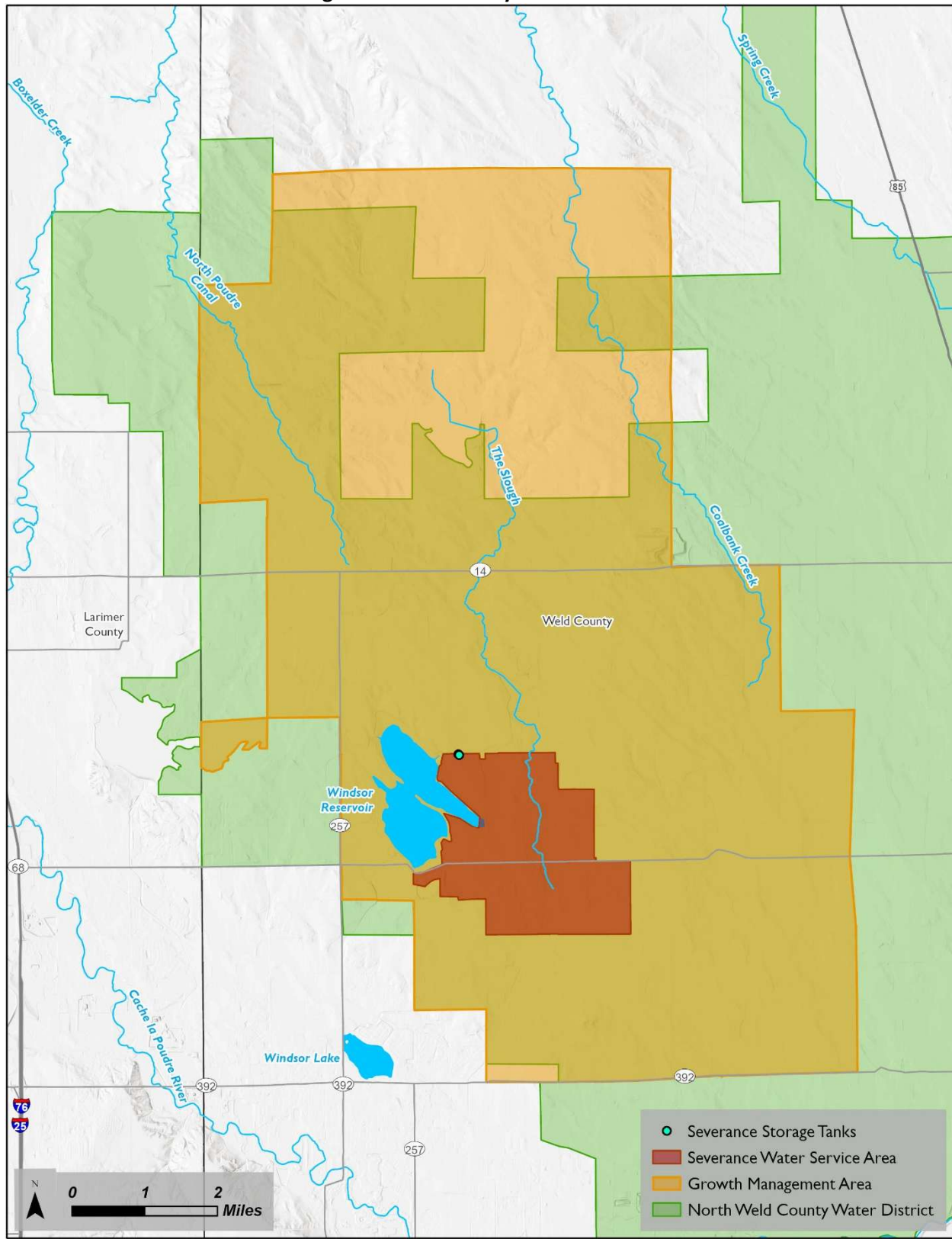
Table 1: Severance Sources of Municipal Supply

	CBT	NPIC	Total
Existing Supply	1,332	77	
Yield (AF/share)			
Low Yield	0.5	1	
Average Yield	0.7	2.6	
High Yield	1	3.25	
Total Supply			
Low Yield	666	77	743
Average Yield	932	200	1,132
High Yield	1332	250	1,582

The Town of Severance is located within the North Weld County Water District (North Weld) service area. However, the Town owns, operates, and maintains a separate and independent potable water storage and distribution system within North Weld. Water owned by the Town of Severance is first treated at the Soldier Canyon Filter Plant by North Weld and delivered through a mainline to two 500,000-gallon storage tanks owned and operated by the Town. From these tanks, water is distributed through Town-owned and operated infrastructure to individual taps. Severance is responsible for acquiring its own raw water supplies, which it transfers to North Weld on an annual basis for treatment and delivery.³ North Weld's service agreement with the Town, however, limits annual delivery to 224 million gallons (657 AF). **Figure 1** shows the key components of Severance's water supply and treatment system.

³ Town of Severance. (2020). *2020 Comprehensive Plan*.

Figure 1: Severance System Overview



Water Demand Projections

Demand projections were developed for the Town of Severance using a land-based approach that estimated future tap counts using current and planned future zoning designations and planned development densities from the Town’s municipal code. Water demand was calculated on a per-tap basis and differentiated by customer type: single-family residential, multi-family residential, and commercial. Historic water use data from existing taps serviced by the Town over the past six years (2019 to 2025) were analyzed to understand baseline water demand trends from which projections were extrapolated. The impact of local factors on water demand such as home size, lot size, climate, and price were accounted for in developing a range of future demand projections. The range captured a Low Bookend, Most Probable scenario, and High Bookend and quantified the Town’s total demand for potable water at buildout, with buildout defined as a future population of 15,985 reached in 2055. A detailed description of the methods, data, and findings for the demand analysis are provided in a separate *Demand Analysis Technical Memorandum* attached in Appendix A.

Historic Demands

As of 2024, Severance had an estimated population of 10,704. This population corresponded to an estimated 2,835 taps according to water utility account data. Historic water use over the five-year period of complete data from 2020 to 2024 was differentiated by account type and is summarized in **Table 2** below. On average, 591 AF of potable water is used annually by Severance account holders. Assuming a 18% loss of water through the treatment and distribution process, this translates to an estimated 721 AF of demand at the Severance Water Treatment Plant.⁴

Table 2: Historic Water Demands by Customer Type

Year	2020	2021	2022	2023	2024	Mean (2019-2024)
Population	7,683	8,317	9,747	10,552	10,705	
Metered Demand (AF)						
Single Family	543	572	594	520	577	561
Multi-Family	0	0	0	0	0	0
Commercial	22	19	20	20	26	22
Other	8	8	8	6	8	8
Total	573	599	623	546	611	591
Demand at WTP (AF)	700	732	761	666	746	721

Modeling Future Demand

To model future demand, the assumption was made that the future will not look like the present. Rather than extrapolating current water demands into the future based solely on the current relationship between population and water demand, relationships were defined between water use and a selection of demand factors: lot size, home size, price, and climate. The rationale and applicability for including each demand factor is summarized in **Table 3**. These demand factors were then used to adjust projected water demands to reflect a range of potential future scenarios. Key assumptions behind the selection of these demand factors are that indoor water use is likely to decrease as home size decreases, outdoor water use is likely to increase as lot size increases, total water use is likely to decrease as the cost of water increases, and outdoor water use is likely to

⁴ Total non-revenue water is estimated at 18.1%, a combination of 10% losses through the North Weld County Water District system and an additional 9% losses through the Town of Severance’s distribution system.

increase as average temperatures increase. Linear regressions were built from the historic water use data to then determine the relationship between home size and indoor water demand and coefficients were identified in the literature for the relationships between price, climate, and water demand.

Table 3: Demand Factor Descriptions

Adjustment Description	Factor Name	Rationale	Method	Use Classes	In/Out	Notes
Residential indoor demand a function of home area	Home Size	Indoor water use increases with home size	Regression of TOW mean indoor use per tap vs home size in square feet	SF, MF	Indoor	Insufficient data to calculate relationship for MF. Used SF for MF
Residential outdoor demand a function of lot area	Lot Size	Outdoor water use increases with irrigable area	Regression of TOW mean outdoor use per tap vs lot size in square feet ⁵	SF	Outdoor	Insufficient data to calculate relationship for MF. Cannot use SF for MF.
Residential total water use as function of water rates	Price Elasticity	Residential usage decreases with price	Literature values	SF & MF	Indoor + Outdoor	Insufficient data for TOW-specific determination of price elasticity
Outdoor use a function of irrigation water demand	Climate	Outdoor water use increases with temperature	Literature (FC WSVS & Greeley IWRP)	SF, MF, & C	Outdoor	

A conservative (Low Bookend), Most Probable, and aggressive (High Bookend) scenario were established to present a range of potential future scenarios. Under the Low Bookend, the lowest likely future water demand is estimated for a scenario with a decrease in home and lot size, the greatest increase in the cost of water, and no change in climate. Under the High Bookend, the highest likely future water demand is estimated for an alternate scenario with an increase in home size, no change in lot size or the cost of water, and the greatest increase in average temperature. In between the bookends is the Most Probable scenario, as shown in **Table 4**. To model future water demand, projected demand at buildout (projected first based on population) was adjusted under each scenario using the regression coefficients and literature coefficients described below.

⁵ Regression was based on single-family water use data for potable outdoor use only.

Table 4: Scenario Descriptions

Factor	Description		
	Low Bookend	Most Probable	High Bookend
Home Size ⁶	1,500 ft ²	1,900 ft ²	2,400 ft ²
Lot Size ⁷	6,300 ft ²	8,400 ft ²	9,750 ft ²
Price elasticity	Elasticity = -0.3. Rates increase at 2x Most Probable increase	Elasticity = -0.2. Rates increase at 10% (2025-2029), then 5% (2030-2039), then 2.5%	No response
Climate	No change in outdoor water demand	Outdoor water demand increases in response to 2°F warmer climate	Outdoor water demand increases in response to 5°F warmer climate
Tap Density	Low Density	Moderate Density	High Density
Development Area	Development occurs only within WSA	Development occurs only within WSA	Development expands south into GMA

Application to Land Use and Population

The resulting projections obtained from the methods described above reflected a water demand per tap at buildout. To translate water demand per tap to total water demand, the Town's future zoning across its Water Service Area (WSA) was summarized to get a total number of acres expected to be developed under different land use categories. A range of target tap densities per acre was multiplied by the sum of acres under each land use type to get a total number of single-family residential taps expected at buildout for each scenario. This process resulted in commercial tap count estimates that were higher than reasonably expected for the Town of Severance, so an alternative approach for estimating commercial tap counts using the existing population per commercial tap was explored. Using the same proportion of residents to commercial taps as in 2025 would suggest 46 commercial taps will be established in Severance at build-out. This estimate likely underpredicts the number of future commercial taps but sets a reasonable scale for tap count. Multi-family residential tap counts were added only for known future developments. Finally, the number of taps per customer type was multiplied by the demand per tap to get an acre-foot demand for each customer type under each scenario at buildout. Total water demand was then scaled based on population, as described in the next section.

Demand Summary

Severance's projected water demand at buildout was scaled to actual population predictions at five-year intervals. These demands were converted to a total water demand at Severance's Water Treatment Plant, assuming 18% non-revenue water. **Table 5** lists forecasted water demand by scenario across the next five decades while **Figure 2** shows the projections graphically. In 2055, at a planning population of 15,985, Severance is projected to have a total potable water demand at the Water Treatment Plant of 1,029 AF under the Most Probable scenario.

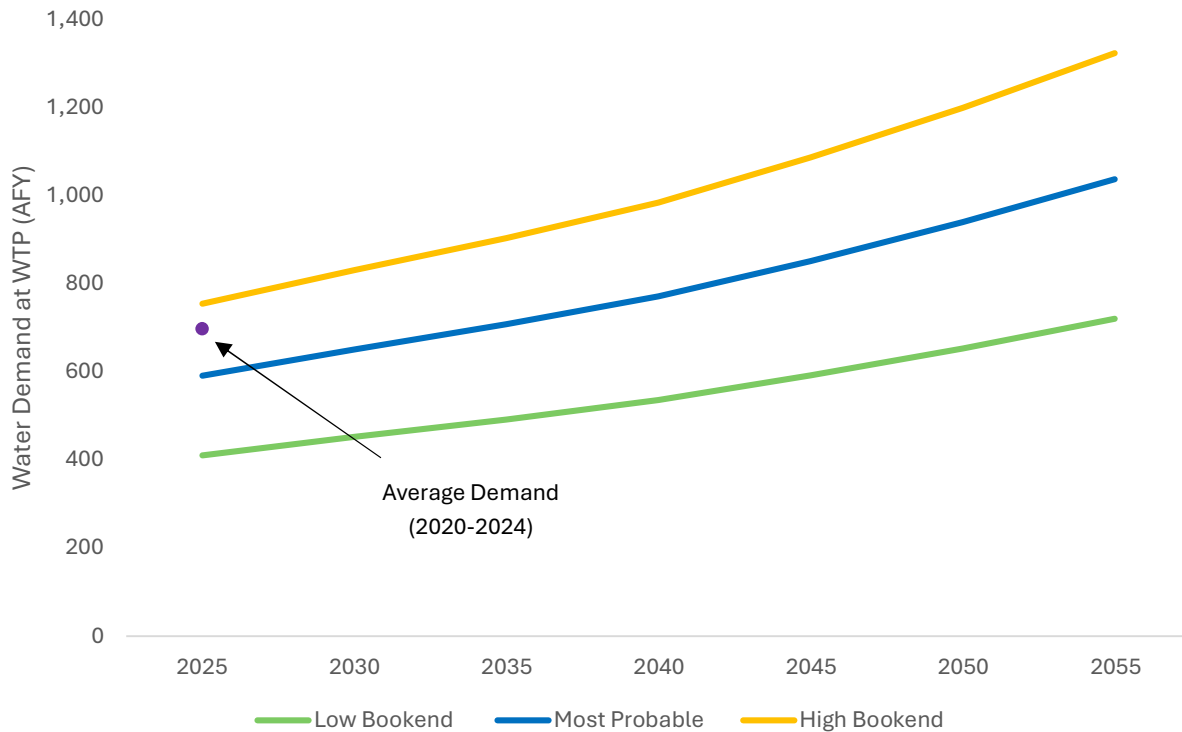
⁶ Most Probable home size was set as the average home size for homes built since 2010 in Severance. High and Low Bookends were set within the Town's minimum and maximums from municipal code and are based on likely sizes for future builds.

⁷ Most Probable lot size was set as the average lot size for homes built since 2010 in Severance. High and Low Bookends were set within the Town's minimum and maximums from municipal code and are based on likely sizes for future builds.

Table 5: Forecasted Total Water Demand at the Treatment Plant

Year	Population	Residential Taps	Demand (AFY)		
			Low Bookend	Most Probable	High Bookend
2025	10,859	2,838	408	587	749
2030	11,609	3,133	449	646	824
2035	12,262	3,417	488	702	897
2040	12,977	3,735	532	765	977
2045	13,911	4,122	587	845	1,078
2050	14,912	4,530	648	932	1,190
2055	15,985	4,979	715	1,029	1,314

Figure 2: Range of Future Water Demands



Water Supply Gap Scenarios

Severance currently sources its water supply from 1,332 CBT units and 77 NPIC shares. Using average yields for both assets equates to an annual supply of 1,132 AF, creating a supply surplus of 103 AF. In a dry year, however, the projected yield for Severance's potable water supplies drops to 743 AF, creating a supply gap of 286 AF under the Most Probable Scenario. Furthermore, the High Bookend scenario projects a supply gap of 571 AF in a dry year. A full breakdown of water supply gaps under different scenarios is shown in **Table 6**. To address the water supply gap under a Most Probable Scenario in a dry year, a 300 AF acquisition target is selected and used for planning purposes throughout the remainder of the Master Plan.⁸ Under the Most Probable scenario, dry year demands begin to surpass existing supplies in 2039.

⁸ This target was selected with input and support from Town staff and the Severance Citizen Advisory Board.

Table 6: Water Supply Gap Scenarios

		Low Bookend	Most Probable	High Bookend
	Demand	715	1,029	1,314
Water Year Type	Water Supply (AF)	Water Supply Gap (AF)		
Dry Year	743	28	(286)	(571)
Average Year	1,132	417	103	(182)
Wet Year	1,582	867	553	269

Financial Assessment

A financial assessment was conducted to evaluate the Town of Severance's ability to fund future water supply acquisitions and infrastructure projects through bonding. This initial analysis was conducted to provide a financial screen to help identify which water supply alternatives may not be feasible due to cost, while more detailed models are refined for select alternatives later in this report. A separate memorandum titled *Financial Assessment Technical Memorandum* and dated July 30, 2025, was provided to the Town that details the inputs, assumptions, and methodology for conducting the financial assessment and is attached in **Appendix B**. A brief summary is also provided below.

Severance's bonding capacity was analyzed using WestWater's Bonding Capacity Model (BCM), which applies Fitch Ratings' U.S. Water and Sewer Rating Criteria to the Town's Water Fund.⁹ The BCM centers on the Funds Available for Debt Service (FADS), a measure of how much money is available each year to make bond payments. Because revenues and costs fluctuate year to year, the model calculates FADS as a 10-year rolling average of net revenues, which provides a steadier and more realistic picture of long-term borrowing ability. For conservative planning, the FADS was adjusted using a target Debt Service Coverage Ratio (DSCR) of 1.25, even though Colorado only requires a DSC of 1.10 for municipal water loans.¹⁰ By planning around a DSC of 1.25, Severance ensures that it maintains healthy reserves and is positioned for long-term financial sustainability.

The financial model operates by expanding the Town's existing Water Fund across a future 30-year planning period (2025-2055), incorporating both recent trends and long-range expectations.¹¹ For example, although water rates increased sharply from 2020 to 2025, future increases are expected to be moderate. The model assumes rates will grow by 10% annually from 2025 through 2030, then slow to 5% from 2030 through 2040, and finally settle at 2.5% from 2040 through 2055. These projections are applied to single-family, commercial, and multifamily accounts, with most new accounts assessed at the ¾-inch tap rate. Other revenues include investment earnings, which are assumed at 4% of beginning-of-year balances, Raw Water Acquisition Fees (WAF) which are projected through 2028, and Plant Investment Fees (PIF) which are included through 2029 before being replaced with new bond-supporting fees. Minor operating receipts are also included and escalate at the same pace as water revenues. **Table 7** provides a summary the Water Fund's projected revenues by revenue category and planning scenario.

⁹ Fitch Ratings: *U.S. Water and Sewer Rating Criteria*. Criteria Report, February 24, 2025.

¹⁰ The DSC ratio compares the Town's revenues to its expenses and debts. A DSC of one means the Town has just enough revenue to pay its bills and debt payments. A DSC above one means it has extra reserves available. These reserves are important because they provide a financial buffer against unexpected costs or revenue losses.

¹¹ The Town's Water Fund components were recreated in model form using the fund's audited financial statements, budget documents, and account statements.

Table 7: Summary of Annual Revenues over Period of Analysis by Decade and Demand Scenario (\$M)

	2025	2035			2045			2055		
Revenue Type	All Scen.	Low	MP	High	Low	MP	High	Low	MP	High
Water Rates	\$2.91	\$5.79	\$6.95	\$7.91	\$9.63	\$11.62	\$13.61	\$14.26	\$17.35	\$20.97
Other Oper. Receipts	\$0.08	\$0.16	\$0.16	\$0.16	\$0.24	\$0.24	\$0.24	\$0.30	\$0.30	\$0.30
WAF Revenues	\$0.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PIF Revenues	\$0.89	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Investment Earnings	\$0.70	\$1.33	\$1.60	\$1.79	\$2.60	\$3.68	\$4.50	\$4.66	\$7.30	\$9.42
Totals	\$5.13	\$7.28	\$8.71	\$9.86	\$12.46	\$15.54	\$18.35	\$19.22	\$24.95	\$30.69

In terms of expenses, the Town's 10-year Capital Improvement Plan identifies several major projects including the Northern Integrated Supply Project (NISP), the Cobb Lake Water Treatment Plant, the Southline Water Loop, and the Emergency Water System Connection. Some of these projects will be bonded for directly, while others will be funded through the Water Fund. Beyond 2034, average capital costs are extended at an annual escalation of 3.5%. Operating costs were projected using 2024 costs as a baseline and escalating future costs using a range of rates based on the US Bureau of Reclamation's Operations and Maintenance Index for five-, ten-, and fifteen-year time periods. Debt is also considered an expense; however, Severance currently has no outstanding debt, so all projections of bonding capacity are based entirely on revenues compared to projected expenditures.

Table 8: Summary of Annual Expenditures over Period of Analysis by Decade and Demand Scenario (\$M)

	2025	2035			2045			2055		
Expense Type & Item	All Scen.	Low	MP	High	Low	MP	High	Low	MP	High
Operating										
Oper. & Maintenance	\$1.96	\$3.45	\$3.50	\$3.64	\$5.74	\$5.90	\$6.35	\$9.39	\$9.79	\$10.95
Capital										
Cobb Lake WTP	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Emer. Water Connx.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NISP Program	\$0.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Southline Water Loop	\$1.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Escalated Avg. CapEx	\$0.00	\$1.74	\$1.74	\$1.74	\$2.46	\$2.46	\$2.46	\$3.47	\$3.47	\$3.47
Totals	\$4.09	\$5.20	\$5.25	\$5.38	\$8.20	\$8.36	\$8.81	\$12.86	\$13.26	\$14.42

In the BCM, the FADS increases substantially across the planning horizon. Under the Most Probable demand scenario, FADS rises from about \$2.3 million in 2025 to nearly \$11.7 million by 2055. This growth reflects the combination of stabilizing water rate revenues, long-term account growth, and steady investment returns. Because the Town is planning around a DSC of 1.25, it ensures that these revenues can reliably cover future debt obligations while also building reserves.

The financial assessment indicates that Severance can begin taking on new debt as early as 2026 with funds becoming available in 2027. As an example, in 2026 the Water Fund could take on an additional annual debt payment of \$2.0 million while staying within the 1.25 DSCR target. Assuming a bond is applied for in 2026 and funds are allocated in 2027, a 20-year bond with a principal of \$26.2 million could be issued as soon as 2027. Alternatively, a 30-year bond could be issued for \$31.9 million in the same year. As revenues continue to grow, the Town's bonding capacity expands significantly, allowing for much larger investments in water supply and infrastructure. While results

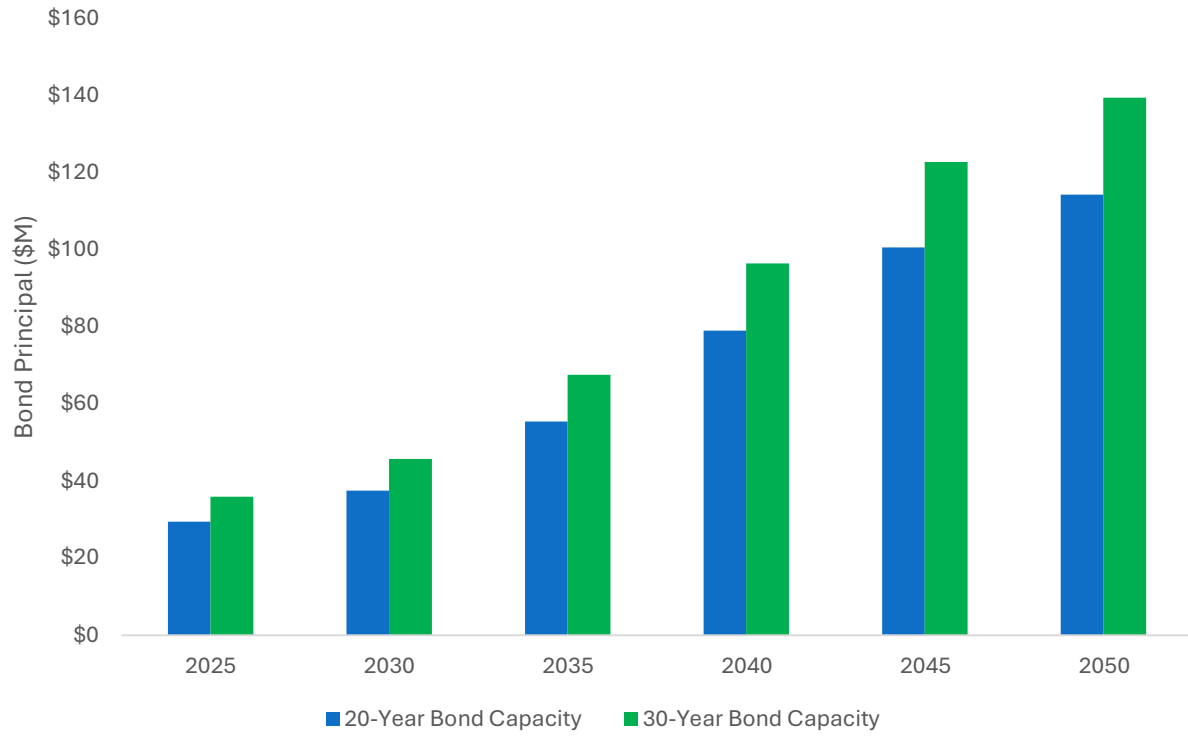
differ depending on the demand scenario, all scenarios demonstrate that Severance has meaningful bonding capacity to support major projects through 2055 (**Table 9**).

Table 9: Bonding Capacity Results – Most Probable Demand Scenario (\$M)

Year	WF Annual Account Metrics			Bonding Capacity Calculations		
	Average Net Revenues	Existing Debt Service	Forecasted FADS	Max Bond Payment	Bond Principal	
					20-Yr (4.0%)	30-Yr (4.5%)
2025	\$2.3	\$0.0	\$2.3	\$1.8	\$23.6	\$28.8
2026	\$2.5	\$0.0	\$2.5	\$2.0	\$26.2	\$31.9
2027	\$2.5	\$0.0	\$2.5	\$2.0	\$26.7	\$32.5
2028	\$2.6	\$0.0	\$2.6	\$2.1	\$27.1	\$33.1
2029	\$2.6	\$0.0	\$2.6	\$2.1	\$27.5	\$33.5
2030	\$2.7	\$0.0	\$2.7	\$2.2	\$28.3	\$34.6
2031	\$2.9	\$0.0	\$2.9	\$2.3	\$30.6	\$37.3
2032	\$3.5	\$0.0	\$3.5	\$2.8	\$37.1	\$45.2
2033	\$4.1	\$0.0	\$4.1	\$3.3	\$43.3	\$52.8
2034	\$4.8	\$0.0	\$4.8	\$3.9	\$50.5	\$61.6
2035	\$5.2	\$0.0	\$5.2	\$4.2	\$54.3	\$66.3
2036	\$5.6	\$0.0	\$5.6	\$4.5	\$58.2	\$71.0
2037	\$5.9	\$0.0	\$5.9	\$4.8	\$62.1	\$75.8
2038	\$6.3	\$0.0	\$6.3	\$5.1	\$66.1	\$80.6
2039	\$6.7	\$0.0	\$6.7	\$5.4	\$70.0	\$85.3
2040	\$7.1	\$0.0	\$7.1	\$5.6	\$73.9	\$90.1
2041	\$7.4	\$0.0	\$7.4	\$5.9	\$77.7	\$94.8
2042	\$7.8	\$0.0	\$7.8	\$6.2	\$81.7	\$99.7
2043	\$8.2	\$0.0	\$8.2	\$6.6	\$85.9	\$104.7
2044	\$8.6	\$0.0	\$8.6	\$6.9	\$90.2	\$110.0
2045	\$9.1	\$0.0	\$9.1	\$7.2	\$94.8	\$115.6
2046	\$9.5	\$0.0	\$9.5	\$7.6	\$99.5	\$121.3
2047	\$9.7	\$0.0	\$9.7	\$7.8	\$101.8	\$124.1
2048	\$10.0	\$0.0	\$10.0	\$8.0	\$104.1	\$127.0
2049	\$10.2	\$0.0	\$10.2	\$8.1	\$106.5	\$129.9
2050	\$10.4	\$0.0	\$10.4	\$8.3	\$109.0	\$132.9
2051	\$10.7	\$0.0	\$10.7	\$8.5	\$111.5	\$136.0
2052	\$10.9	\$0.0	\$10.9	\$8.7	\$114.1	\$139.2
2053	\$11.2	\$0.0	\$11.2	\$8.9	\$116.8	\$142.4
2054	\$11.4	\$0.0	\$11.4	\$9.1	\$119.5	\$145.8
2055	\$11.7	\$0.0	\$11.7	\$9.4	\$122.3	\$149.2

The Town of Severance is financially positioned to begin funding water supply and infrastructure projects through bonding in the near term, with capacity beginning in 2026. Its long-term financial outlook is strong, though it will depend primarily on water rate revenues and investment earnings as growth-related revenues such as WAF and PIF will phase out over the next decade. Although uncertainty is inherent in long-term forecasts and future expenses could rise above current estimates, this analysis shows that the Water Fund has the flexibility needed to support significant water supply investments. Bonding capacity results using the Most Probable demand scenario across the period of analysis are summarized in **Figure 3** below.

Figure 3: Future Bonding Capacity



Water Supply Alternative Inventory

The Town of Severance has several water supplies available with which to meet its future demands (300 AF). These water supplies are summarized in **Table 10** and expanded upon in the sections below to show a comprehensive suite of options for raw water supply development by the Town. The description of each water supply alternative includes an overview of how the Town would implement the alternative, an estimate of the available volume, pricing, the timing of the supply's availability, and key risks and advantages associated with the supply. For some alternatives, a fatal flaw was identified early on its assessment. These alternatives are described in short with an overview of the supply and an explanation of its fatal flaw. The long list of alternatives will be refined and filtered in later sections of this report, but includes the following here for further evaluation:

Table 10: Long List of Water Supply Alternatives

Alternative	Description
Northern Integrated Supply Project	New reservoir project bringing an estimated 40,000 AF to the Northern Colorado Front Range between two proposed reservoirs (Glade and Galeton).
Ditch Company Shares	Numerous ditch and reservoir companies service the Upper Poudre River Basin. Shares can be acquired to provide a source of potable municipal supply.
Colorado-Big Thompson Units	The Colorado-Big Thompson Project brings up to 310,000 AF of water from the Colorado River to the Northern Colorado Front Range. CBT units can be acquired to provide a source of potable municipal supply.
Non-tributary groundwater	Non-tributary groundwater is abundant in the Upper Laramie Aquifer (northern Weld County). Treated groundwater can be purchased and delivered from private groundwater developers.
Contract Wholesale Water	Regional water providers such as the North Weld County Water District offer a source of wholesale municipal water.
Water Horse Project	Proposed pipeline bringing water from the Green River in Utah and Wyoming to the Northern Colorado Front Range.
Local Wells & Augmentation	Alluvial groundwater is accessible within Severance's Water Service Area. Groundwater can be pumped, treated, and augmented to provide a source of municipal supply.
Non-potable System Expansion	Transitioning homes and public facilities that use potable water for outdoor irrigation to non-potable systems can free up the Town's potable supply to support new uses.
New Storage Project	The Town could construct a new, Town-owned reservoir and acquire storage water for a year-round source of municipal supply.
Aquifer Storage & Recovery	Injecting surplus surface water supplies into an aquifer with available capacity offers a source of supply in future years.
Alternative Transfer Methods	Agreements with local farmers that allow the transfer of agricultural water rights to the Town under certain conditions can offer a source of supply while preventing dry-up.

Northern Integrated Supply Project

Overview

Severance is already a participant in the Northern Integrated Supply Project (NISP) for 500 units. Under the Northern Integrated Supply Project (NISP) Alternative, Severance would reduce their NISP participation to 300 AF, divert their NISP units through a connection pipeline between the NISP delivery pipeline and Cobb Lake, and treat their delivered supply at the Cobb Lake Regional Water Treatment Authority (CLRWTA). **Table 11** provides a summary of the NISP Alternative and the alternative is further described below.

Table 11: NISP Alternative Summary

Volume (AF)		Cost		Timing	Development Timeline	Advantage	Risk
<i>AF per unit</i>	unknown	<i>\$/AF</i>	\$70,200-\$106,600	Year-round	10+ years	- Low regulatory risk - Partially reusable	-Development timeline is uncertain -Reliability and actual yield of the project are unknown -Requires treatment (CLRWTA) -Total cost is high and likely to escalate
<i>Project Total</i>	40,000	<i>Total</i>	\$21.1-\$32.0M				

Description

NISP is a proposed water supply and delivery project in the northern Front Range being developed by the Northern Colorado Water Conservancy District (Northern Water). Comprised of two new reservoirs – Glade and Galeton – NISP will supply an estimated 40,000 AF to roughly fifteen municipal participants.¹² If built as currently designed, Glade Reservoir will be located northwest of Fort Collins and divert water from the Cache la Poudre River while Galeton will be northeast of Greeley and filled with water piped from the South Platte River, as shown in **Figure 4**. The project’s total volume is likely to be split evenly between the two reservoirs with participant allocations broken up into 1 AF units. Reliability and yield of the project are unknown until Galeton is online. All of the project’s units are currently accounted for and held by Front Range municipalities; however, there has historically been market activity for units as municipalities increase or decrease their participation in NISP. Although NISP has faced a long timeline for development with significant uncertainty, the project’s permits have been approved, a settlement for litigation has been reached, and the project is awaiting final commitments from participants. Northern Water is optimistic that construction could begin in 2026.

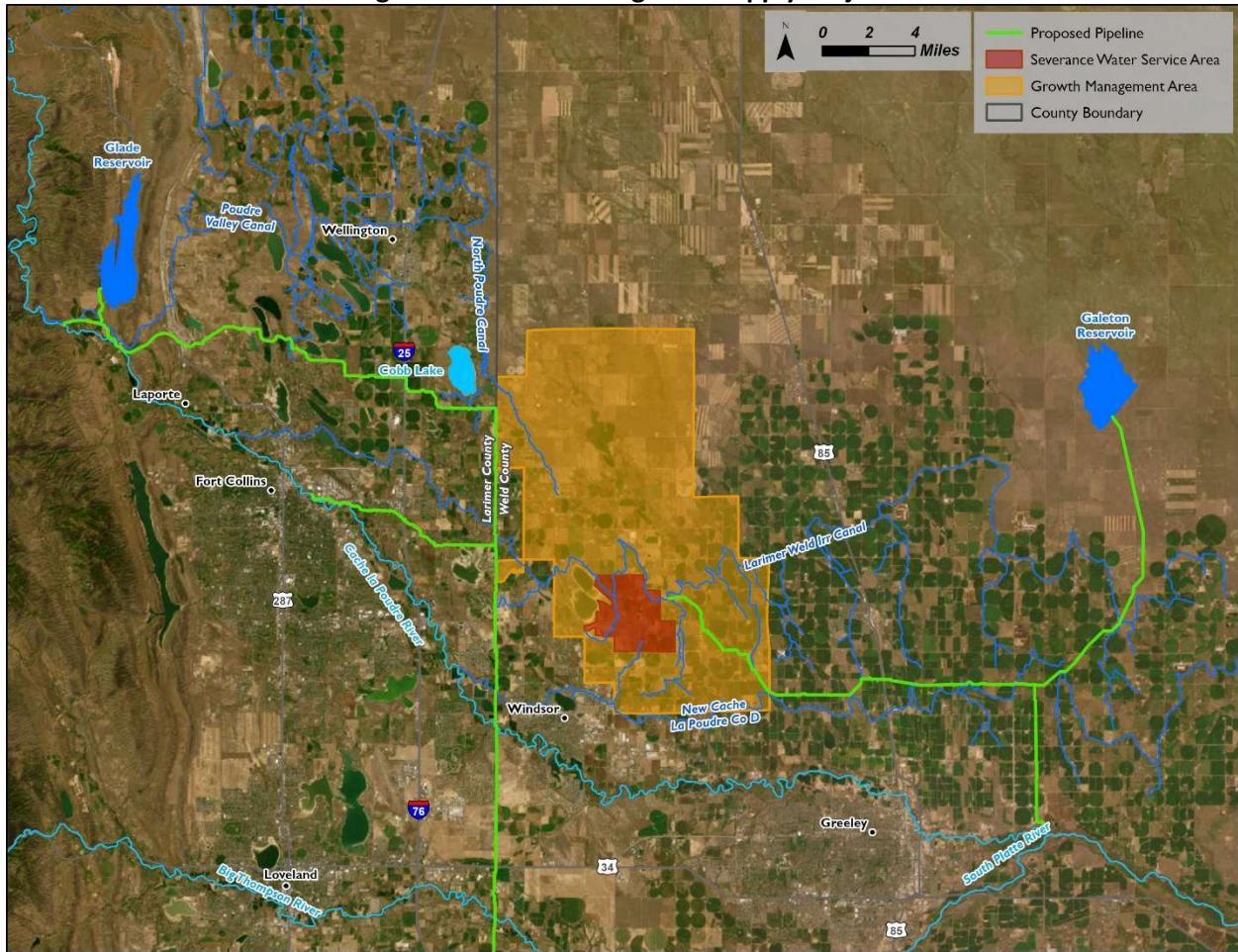
The official cost for NISP based on 2022 preliminary estimates plus the \$100 million (M) Save the Poudre Settlement (settled February 28, 2025) is \$2.2B. To reflect cost escalation since 2022 and the uncertainty around the project’s development timeline and future cost escalation, WestWater estimated costs for NISP under three scenarios:

- Scenario 1:** Current Construction Schedule & Costing as Provided by Northern
- Scenario 2:** Slight Construction Delays & Cost Overruns
- Scenario 3:** Moderate Construction Delays & Cost Overruns

A separate memorandum drafted by WestWater titled *Analysis of NISP Costs & Updated Estimates Under Three Scenarios*, attached in **Appendix C** provides a full description of each scenario, its assumptions, and estimated costs. Under these scenarios, total costs across Phase I and Phase II of NISP are expected to range from \$2.8-\$4.3B. A more detailed analysis of NISP costs as they pertain to Severance is provided in the *Evaluation and Prioritization* section of this report.

¹² The design and capacity of the NISP system are currently under review by Northern Water as rising costs and participant withdrawals necessitate considerations around downsizing the project.

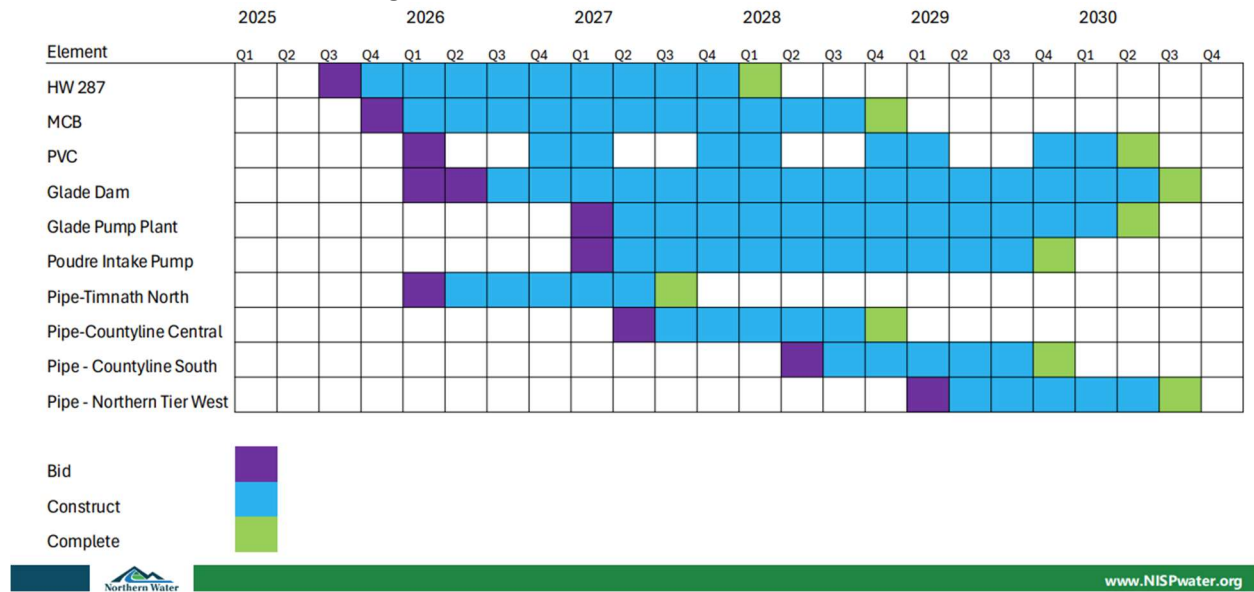
Figure 4: Northern Integrated Supply Project



Timeline

Construction for the reservoirs will begin in phases, with Glade being built first (Phase I). The most recent timeline estimates for Phase I, shared April 8, 2025, are shown in **Figure 5**. Wet water from Phase I is projected to be available in the early- to mid-2030s, depending on development scenario. Galeton (Phase II) is expected to begin construction between 2032 and 2038 with wet water available by the mid-2030s to mid-2040s. Significant uncertainty remains around the construction timelines of each reservoir with additional uncertainty around the timing of reservoir fill, which will be dependent on future hydrology. Once reservoirs reach capacity, it is assumed that water will be available year-round.

Figure 5: NISP Phase I Construction Timeline



Advantage

Primary advantages of the NISP Alternative include low regulatory risk and reusability. Once completed, water from NISP will already be approved for municipal use and will not require a change case. The portion of NISP's yield from Galeton Reservoir will be reusable, enabling participants to get additional uses out of approximately half of their NISP supply. For the Town of Severance, a reusable supply could be utilized as a source of non-potable supply, a source of direct or indirect potable supply (with future infrastructure), leased as a source of revenue, or exchanged with downstream ditch companies for municipal supplies (e.g., CBT from New Cache Irrigation Company). These potential reuse strategies are further discussed in later sections of this report.

Risk

The primary risks under the NISP Alternative include cost, timeline, and the need for treatment. NISP has a high and increasing total cost and although the project may be similar in unit price to other high-cost water assets on the Front Range in the long-term, the bonding timeline demands large, upfront payments in the near term. Bonding timeline is dictated by Northern Water and the project's construction schedule and is inflexible. With the recent Save the Poudre Settlement, the timeline for bonding has advanced, with large payments due by participants as soon as 2026. Similarly, there remains uncertainty around construction timeline, total cost, and availability of wet water, making NISP an unreliable supply for near- to mid-term water supply planning. The firm yield of a NISP unit is also unknown, further contributing to risk for water supply planning efforts. In addition, NISP supplies raw water requiring treatment before distribution to municipal taps. Utilizing NISP as a source of municipal supply requires treatment capacity such as through participation in CLRWTA.

Ditch Company Shares

Overview

The Town of Severance already owns NPIC shares, of which the multiple use component is used as a source of municipal supply. Under the Ditch Company Shares alternative, Severance would acquire additional ditch company shares, either from NPIC or other upper Poudre ditch companies

that can be diverted into the North Poudre Canal (either directly or via exchange). A carriage agreement would need to be established between the Town and NPIC to allow for the carriage of any foreign (i.e., non-NPIC shares) supplies through the NPIC system. Water would then be delivered to Hinkley Lake where it could be treated at the future CLRWTA and from there conveyed to the Town.

Table 12 provides a summary of the Ditch Company Shares and the alternative is further described below.

Table 12: Ditch Company Shares Alternative Summary

Ditch Company	Volume (AF)		Cost		Timing	Development Timeline	Risk	
NPIC	AF per share	2.6	\$/AF	\$95,000	Seasonal + Storage	5 years	- Low risk	
			\$/share	\$245,000				
WSSC	AF per share	60.1	\$/AF	\$66,500		5 years	- Low risk	
			\$/share	\$4,000,000				
Jackson Ditch Company	AF per share	108	\$/AF	\$64,800		5 years	- Limited pool of willing sellers	
			\$/share	\$7,000,000				
Divide Reservoir & Canal Company	AF per share	1.8	\$/AF	\$19,400		5+ years	- Limited pool of willing sellers - Shares have not yet been changed	
			\$/share	\$35,000				
Larimer & Weld Company						Seasonal + Storage	5+ years	- Shares have not yet been changed
Larimer & Weld Irrigation Company	AF per share	8.25	\$/AF	\$9,100				
			\$/share	\$75,000				
Larimer & Weld Reservoir Company	AF per share	8	\$/AF	\$20,700				
			\$/share	\$175,000				
Windsor Reservoir Company	AF per share	16.9	\$/AF	\$23,700				
			\$/share	\$400,000				
Southside Ditches					Seasonal + Storage		5 years	- High competition for a limited number of available shares
Arthur Irrigation Company	AF per share	2.35	\$/AF	\$15,500				
			\$/share	\$36,500				
New Mercer Ditch Company	AF per share	16.7	\$/AF	\$69,000				
			\$/share	\$1,152,000				
Larimer County No. 2 Canal Company	AF per share	28.9	\$/AF	Unknown				
			\$/share	Unknown				

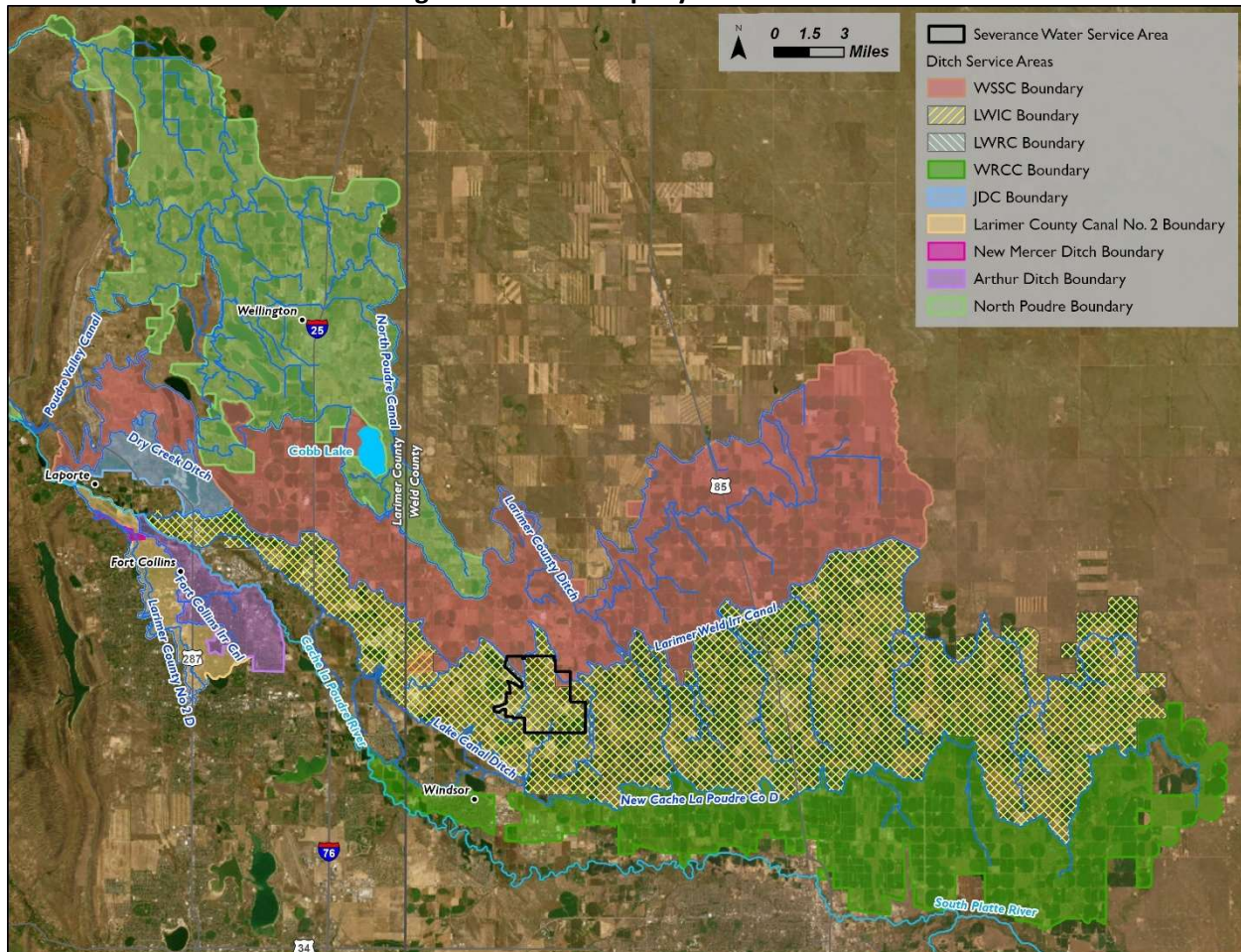
Description

There are approximately 20 ditches in the Poudre basin utilizing water from a variety of sources including the North Fork and main stem Cache la Poudre Rivers, as well as transmountain water supplies and CBT water. Poudre Basin ditch companies utilize an extensive network of canals, ditches, storage reservoirs, and diversion infrastructure to transport, store, and supply water throughout their service areas to shares holders. The existing infrastructure associated with each ditch company makes shares from some companies more easily accessible to the Town than others.

This report identifies ten ditch companies as potential alternative supplies for Wellington. These ditches were identified based on their accessibility to the Town's system through the North Poudre Canal and due to the availability of transferable water within their service areas. The ditch companies included are NPIC, Water Supply and Storage Company (WSSC), the Larimer Irrigation Company ditches (Larimer and Weld Irrigation Company, Larimer and Weld Reservoir Company, and Windsor Reservoir and Canal Company), Jackson Ditch Company (JDC), Divide Reservoir and Canal Company (Divide), and Southside Ditches (Arthur Irrigation Company, New Mercer Ditch Company,

and Larimer County No. 2 Canal Company).¹³ **Figure 6** shows nine of the ditch company's service areas. Service area data are unavailable for Divide.

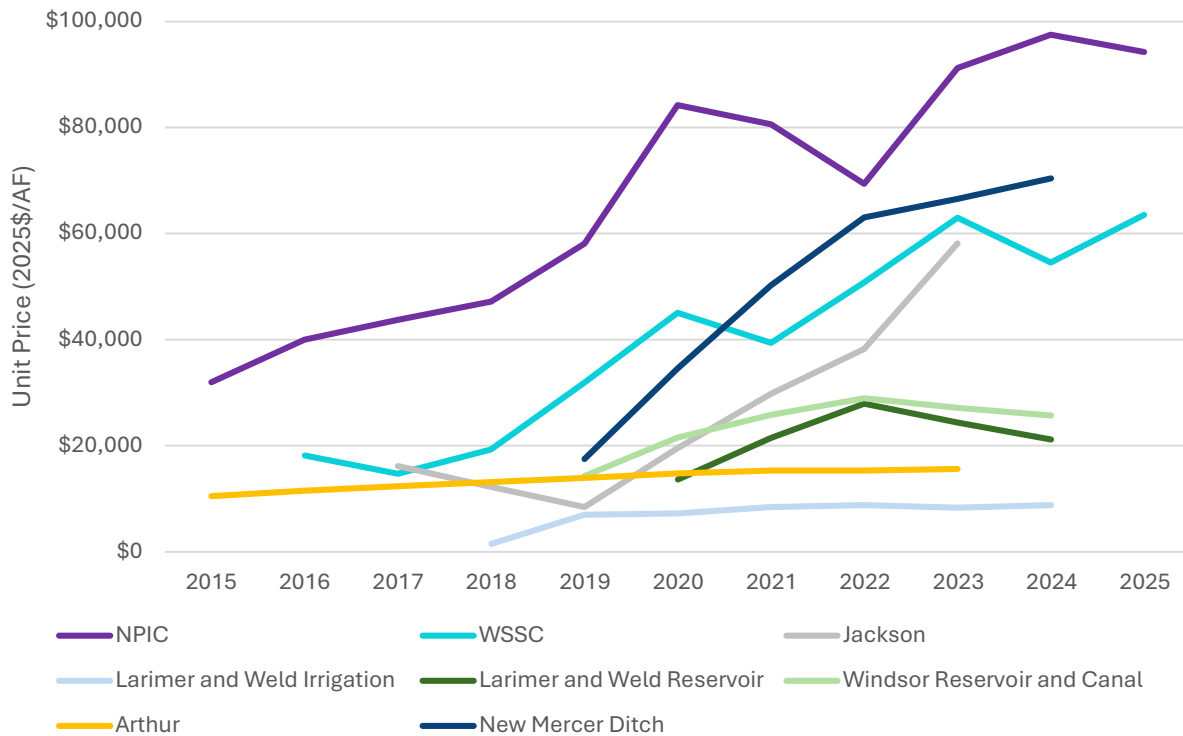
Figure 6: Ditch Company Service Areas



Across all ten ditch companies, there are an estimated 43,000+ acres in active irrigation, equating to 40,000 to 50,000 AF of transferrable yield. Pricing varies drastically across the identified ditch companies for a variety of reasons including share reliability, transferability, volume, and regulatory risk. Pricing ranges from \$9,100 to \$95,000 per AF as shown below in **Figure 7**. Ditch companies such as NPIC, WSSC, and JDC see higher prices as they have already been changed for municipal use while the Larimer and Weld Irrigation Company ditches have not yet seen any shares go through Water Court. Their lower prices reflect the fact that they have not yet been heavily targeted by municipalities.

¹³ The Pleasant Valley and Lake Canal Company is also often classified among Southside Ditches but is not used as an alternative supply for this report.

Figure 7: Average Unit Price of Ditch Company Shares by Company¹⁴



Timeline

Water from ditch company shares across the Poudre River Basin are available on a seasonal basis; however, storage at Hinkley Lake may enable their year-round use. Additional infrastructure is needed to fully develop the Ditch Company Shares alternative, including treatment at CLRWTA and conveyance infrastructure from CLRWTA to the Town of Severance, both of which can be completed by 2029. Although shares can be acquired immediately (or on an as-needed basis), most shares under this alternative must be changed in Water Court, a process that can take three to five years. An exception to this timeline lies with the ditch companies that have not yet been changed in Water Court. Shares from the Larimer and Weld Company ditches and Divide have not yet been through Water Court and will experience longer timelines.

NPIC shares provide another exception. NPIC shares already include a multiple use component (allowing municipal use) that does not require a Water Court proceeding. The timeline to develop NPIC shares as an alternative is therefore limited to the construction timeline for treatment and conveyance infrastructure and the time required to acquire new shares. Over the past 10 years an average of 60 shares transact per year. More recently, an average of 85 shares transact per year when looking at the past 5 years, indicating an increase in the number of transactions year over year as more municipalities turn their eyes to NPIC as their source of new water. With roughly 1,000 remaining shares available, this supply is likely to be depleted in 12 to 17 years, giving Severance less than 20 years to develop this alternative. Less is known about the number of remaining shares in other ditch companies and the timeline of their overall availability is uncertain.

¹⁴ There is insufficient sale data to add Divide to the graph and there are no known sales with pricing for Larimer County No. 2 Canal Company.

Advantage

A primary advantage of the Ditch Company Shares alternative is the flexibility it allows for shares to be acquired incrementally. Shares can be purchased or dedicated over time, eliminating the requirement for some large, upfront payments in the near term as with other alternatives. (Upfront investment would still be needed to develop the necessary infrastructure for treating and delivering water under this alternative.) Further, the ability to acquire shares either through purchases or dedication provides additional flexibility around how the Town implements its water dedication policy in the future. As an alternative that is compatible with dedication, the Town has the opportunity forgo water purchases altogether and require developers to bring shares to support future growth. Under this alternative, an advantage of acquiring NPIC shares specifically is the lack of system losses or carriage requirements along with low regulatory risk. System losses for NPIC shares are already built into share yields, whereas additional volumes would need to be acquired above the 300 AF if pursuing other ditch company shares to account for conveyance losses.

Risk

Primary risks under the Ditch Company Shares alternative include lack of diversification of supply, availability, and cost escalation risk. The Town of Severance already relies on NPIC shares as a major component of its water supply portfolio. Dependency on a few or a single source of supply heightens risk for municipal providers, whether from source contamination, changing hydrologic conditions (e.g., drought), political instability, or infrastructure failures that disrupt delivery. Further, several of the ditch companies have been or are being heavily targeted by other local municipal water providers and only a fraction of their outstanding shares may be available for acquisition, with declining supplies in the long term. It may be challenging for Severance to find willing sellers from the remaining potentially available shares in the more desirable ditch companies further out in the planning horizon. Likewise, some ditch company shares have seen drastic price escalation. NPIC shares, for example, have a long-term compounded annual growth rate (CAGR) of 9.57%. Further, it is presently unknown whether NPIC will allow delivery of the municipal portion of NPIC shares through the North Poudre Canal or if NPIC will agree to allow the carriage of foreign supplies through its canal. It is also unknown whether the delivery of any ditch company share can be made in time with future demands at CLRWTA or if storage at Hinkley Lake would be required. For any non-NPIC supplies carried through the NPIC system, losses estimated at 25% accrue, suggesting the need to acquire 400 AF of supply to satisfy 300 AF of demand.

Colorado-Big Thompson Units

Overview

Under the CBT Unit Alternative, Severance would acquire CBT units, divert them through the North Poudre Canal, and receive delivery at the future CLRWTA. A carriage agreement would need to be established between the Town of Severance and the NPIC to allow for the carriage of CBT units through the NPIC system. **Table 13** provides a summary of the CBT Unit Alternative and the alternative is further described below.

Table 13: CBT Unit Alternative Summary

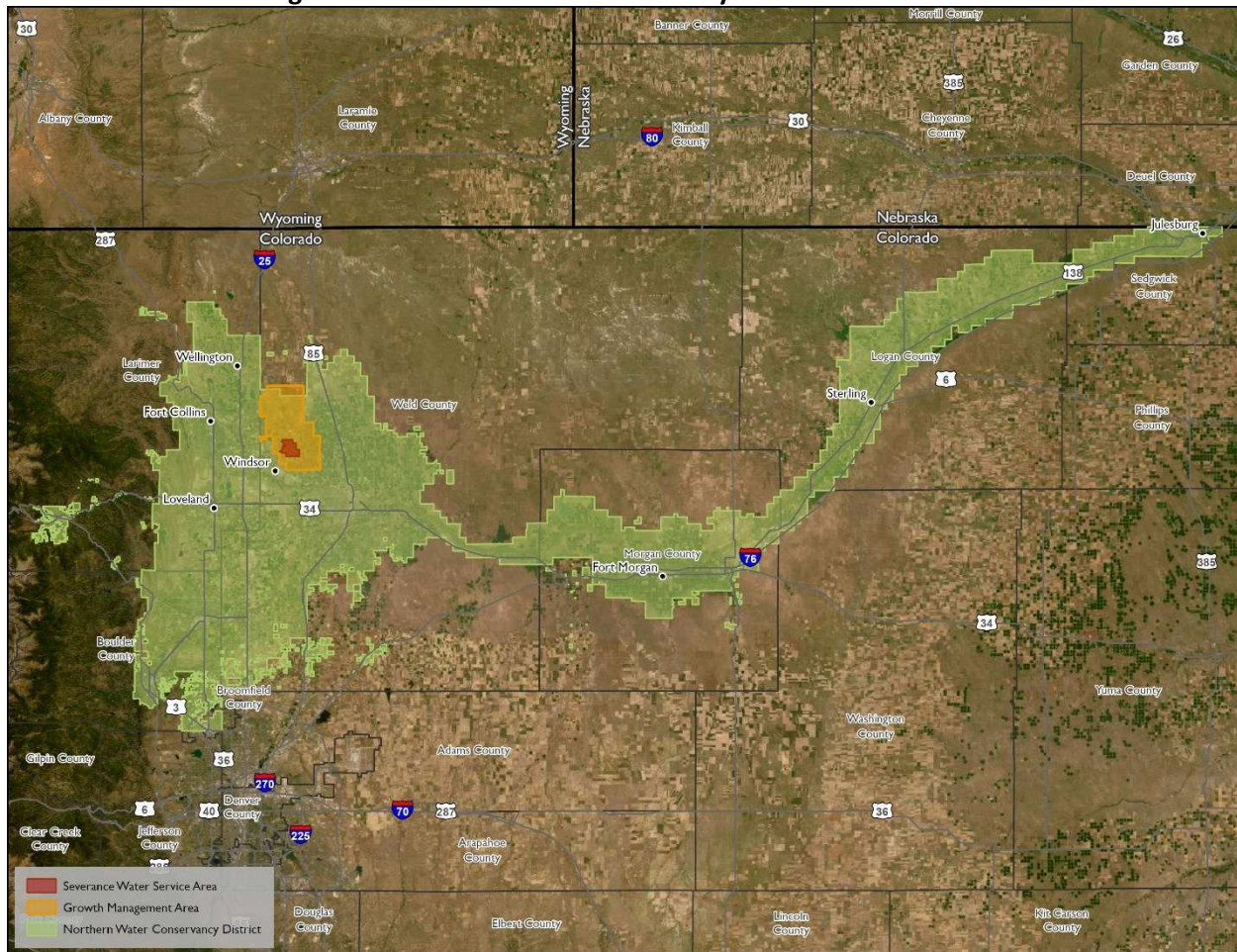
Volume (AF)		Cost		Timing	Development Timeline	Advantage	Risk
<i>Avg AF per Unit</i>	0.7	<i>\$/AF</i>	\$71K-\$86K	Year round with storage	-5 years -Units are available immediately -Use timeline is limited to establishment of a Carriage Agreement and treatment and conveyance infrastructure	- Availability -Timeline - Low regulatory risk	- Limited diversification of supply - High, escalating price - Carriage Agreement required - Must adhere to Northern Water rules and regulations, including municipal cap limits
<i>Est. Total Available</i>	16,800	<i>\$/unit</i>	\$50K-\$60K				

Description

The Colorado Big-Thompson (CBT) system delivers water from the Colorado River Basin to the Front Range through a vast network of pumps, tunnels, canals, and reservoirs. The CBT Project is managed by the Northern Colorado Water Conservancy District (Northern Water) and services users within a set service area (Figure 8). Water from the CBT Project is divided across 310,000 units, each yielding a maximum of 1 AF. CBT units are intended to be a supplemental source of supply and CBT contract holders must utilize an alternate source as their primary water supply. Other limitations surround the use of CBT, including caps placed on municipalities limiting the number of units a given municipality can acquire. Although the CBT Project originally provided water primarily to agricultural water users, most CBT units are now held by the municipal sector and are unlikely to transact. It is estimated that less than 24,000 CBT units remain in the agricultural sector with the potential to transact, equating to less than 16,800 AF¹⁵ at a 0.7 AF per unit allocation.

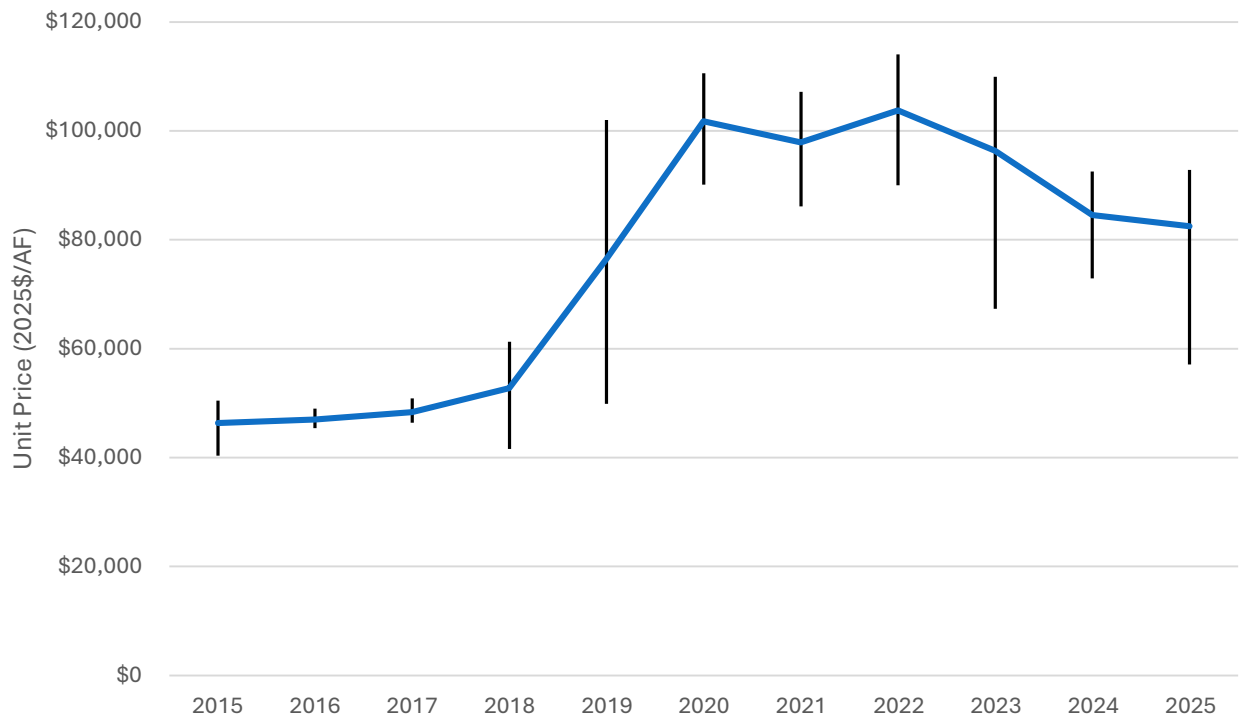
¹⁵ Many Front Range municipalities establish their water supply portfolios around an assumed 0.7 AF quota for CBT units. A more conservative estimate uses the firm yield for CBT units of 0.5 AF per share, suggesting a total firm yield from the remaining 24,000 units of 12,000 AF.

Figure 8: Northern Water Conservancy District Service Area



CBT units yield a variable amount of water each year, with quotas set annually by Northern Water. The long-term average quota is commonly referenced as 0.7 AF per unit. There is an active market for CBT units and pricing is well known. **Figure 9** shows the annual average price per acre-foot for CBT transactions over the last 10 years. The current market value for CBT units is between \$50,000 to \$60,000 per unit or roughly \$71,400 to \$85,700 per AF. CBT units are one of the most expensive and highly sought after water assets in the northern Front Range and have experienced significant price escalation over the past decade, exemplified by CBT's CPI-adjusted 10-year CAGR of 5.51%. CBT units would be delivered as raw water and require treatment at CLRWTA. These operational costs are considered in the further evaluation of this alternative later in this report.

Figure 9: Average CBT Unit Price¹⁶



Timeline

CBT water would be diverted through the North Poudre Canal during the irrigation season. Storage at Hinkley Lake would likely be required to enable CBT units to be a year-round water supply alternative for the Town. CBT units are frequently transacted and require minimal regulatory approvals for contract transfer, meaning CBT units can be acquired relatively immediately. The time to develop CBT as a water supply is limited to the time to establish a carriage agreement with NPIC and the time to identify and acquire available units, with the greatest timeline constraint being the construction of conveyance and delivery infrastructure. On average over the past 20 years 1,250 units of CBT have transacted annually (not all of them to municipal users). There has been a significant drop in market activity in recent years with both the slowing of the housing market and with municipalities reaching CBT caps. Over the past five years there has been an average of 750 units transacted annually. At this rate, it is projected that CBT will be exclusively owned by municipal users in a little over 30 years, giving the Town of Severance 30 years to develop this alternative. With CLRWTA expected to finish construction in 2029, the CBT Alternative can be fully executed within five years.

Advantage

Advantages of the CBT Unit Alternative include availability, timeline, and low regulatory risk. CBT units transact regularly, and many willing sellers exist in the market. In addition, CBT units can be acquired incrementally over the next 30 years, allowing flexibility in the Town's acquisition timeline and financing. Assuming a carriage agreement is established with NPIC, CBT may be acquired through direct purchases (supported by cash-in-lieu fees) or dedication from developers.

¹⁶ At 0.7 AF per CBT unit

Risk

Primary risks under the CBT Unit Alternative include cost escalation risk and limited availability of units along with the necessity of establishing a carriage agreement with NPIC and its associated losses. CBT units have seen rapid price escalation in previous years, as shown in **Figure 8**, and although prices have stabilized since 2020, it is possible they can see rapid price escalation again. CBT units are already one of the most expensive water assets in the northern Front Range and are highly sought after by many market participants. Although there is still a significant quantity of potentially available CBT units, the available supply will diminish over time as they are acquired by other municipalities. As a foreign supply, delivery of CBT units through the North Poudre Canal would require a carriage agreement with NPIC. Whether a storage agreement is required for use of Hinkley Lake is unknown. Reliance on excess capacity in the NPIC system includes inherent risk as deliveries to Severance would depend on excess physical capacity in the NPIC system. The agreement would not be a guaranteed conveyance. Likewise, the conveyance of foreign supplies such as CBT in the NPIC system accrues losses, meaning Severance would have to acquire supplies above the 300 AF target demand (estimated at 400 AF total after 25% losses) to account for seepage and evaporation. CBT units do not require a change case for municipal use, reducing regulatory risk compared to other ditch company share alternatives.

Non-tributary Groundwater

Overview

Under the Non-tributary Groundwater Alternative, Severance would buy into a non-tributary groundwater project being developed by a third party in the Upper Laramie Aquifer (ULA).¹⁷ Water could be delivered treated and connected directly to Severance's municipal water distribution, assuming a connection at CLRWTA. Several investor groups are pursuing non-tributary groundwater projects in the ULA – an aquifer northeast of Wellington with significant groundwater reserves. One such group – FrontRange H2O, LLC (FrontRange) – is more advanced in their project design and development than other regional investors. **Table 14** provides a summary of the Non-tributary Groundwater Alternative with cost estimates specific to the FrontRange project. The alternative is further described below.

Table 14: Non-Tributary Groundwater Alternative Summary

Volume (AF)	Cost		Timing	Development Timeline	Advantage	Risk
300	\$/AF	\$60,000	Year-round	5 Years	- Reusability - Diversification of supply - Reliability	-High upfront cost -Reliance on a third party for water deliveries -Non-renewable source of supply with limited lifespan -Permitting risk -Public perception
	Total Cost	\$18.0M				

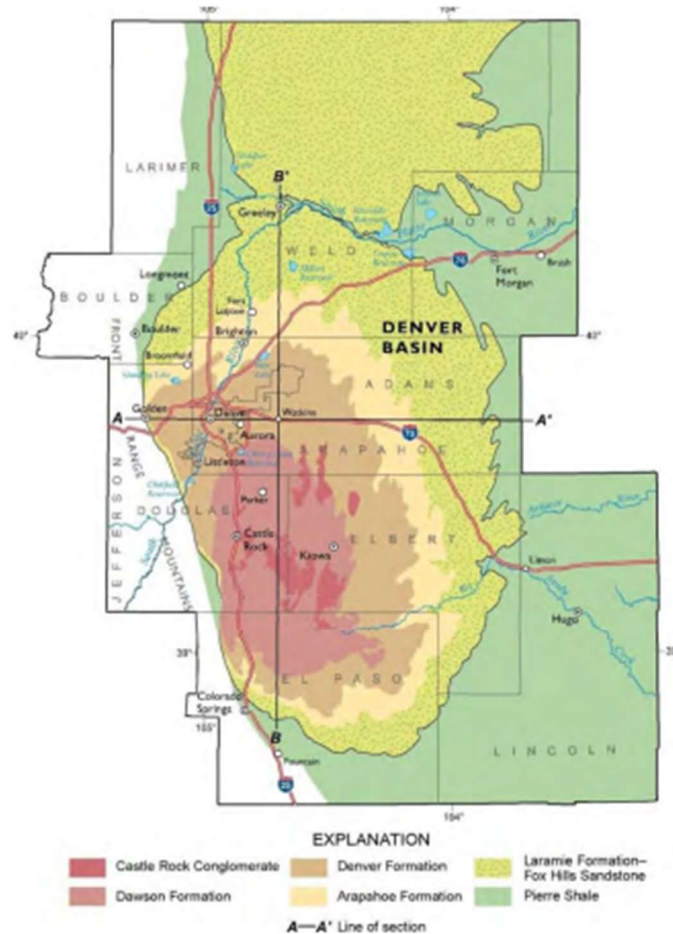
Description

Non-tributary groundwater is groundwater that is not hydrologically connected to surface water. As a result, it is designated as a wholly consumable supply and may be used to extinction without due return flows or the need for an augmentation plan. The ULA, as shown in **Figure 10**, is an extension

¹⁷ Independent development of Upper Laramie Groundwater could be pursued but is not feasible due to cost.

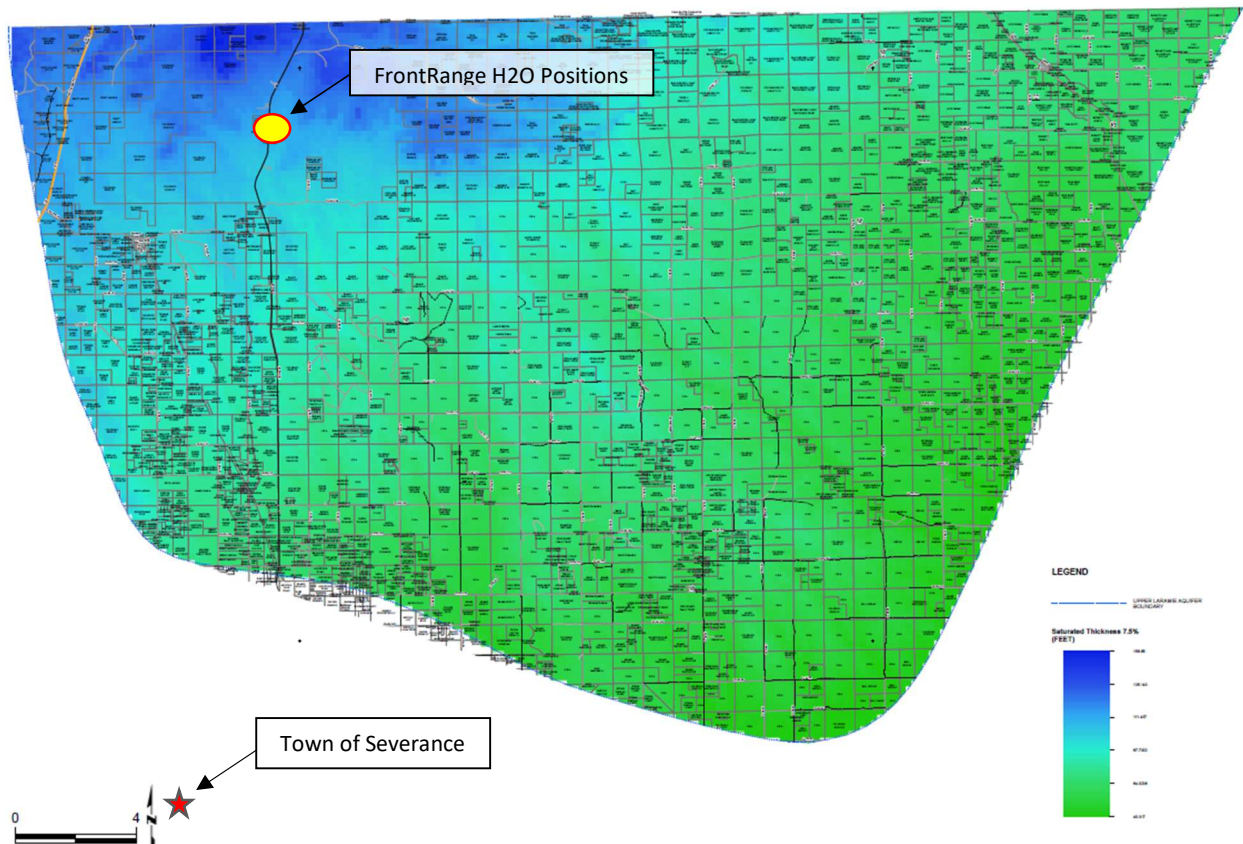
of the Laramie-Fox Hills Aquifer into Weld County and beyond to southern Wyoming. **Figure 11** shows the saturation of the ULA with the Colorado-Wyoming border as the map's northern extent, the dark blue zone straddling Highway 85, and the Town of Severance located off the map to the south. The ULA is home to millions of AF of groundwater and as such it has been pursued in recent years by investors and municipalities alike as an alternative source of supply for northern Front Range municipalities. The City of Greeley's Terry Bison Ranch project marked the first of its kind for northern Colorado and several similar projects have since been proposed.

Figure 10: Extent of the Denver Basin Aquifer¹⁸



¹⁸ Flor, Andrew. (2015). Groundwater Levels in the Denver Basin Bedrock Aquifers. *Colorado Division of Water Resources*. P.g., 10. Taken from Colorado Geological Survey Special Publication 53.

Figure 11: Upper Laramie Aquifer Saturation¹⁹



In Colorado, non-tributary groundwater rights allow up to 1% of the non-tributary volume to be pumped annually, giving the supply a 100-year lifespan at maximum withdrawal. Unused volumes can be banked for future years, extending the lifespan of the source well beyond 100 years at withdrawal rates below the 1% annual limit. Reuse and ASR can extend the lifetime of a non-tributary groundwater right even further. Conjunctive use, that is pairing non-tributary groundwater with a surface supply and operating groundwater as a supplemental supply in drought years only is a commonly employed water management technique and can extend aquifer life. A combination of these strategies can elongate the life of what is generally considered a non-renewable supply.

Water delivered from non-tributary groundwater sources is a completely firm supply, with no variability experienced due to hydrology. The FrontRange project is developing at least 500,000 AF (5,000 AF annually) of non-tributary groundwater in northern Weld County under the first phase of its VITA H2O project (VITA). Cost estimates specific to the Town of Severance have not yet been established, however, a purchase of VITA by Fort Collins-Loveland Water District (FCLWD) in 2025 priced the water at \$60,000/AF, putting the total for acquiring 300 AF at \$18.0M. Additional costs associated with this alternative but not incorporated in these estimates include annual treatment and delivery payments and the future cost to develop a reuse strategy. These operational costs are considered in further evaluations of this alternative.

¹⁹ Map developed by FrontRange H2O, LLC

Timeline

The different non-tributary groundwater investor groups are at various stages of development. The most accelerated timeline is seen with the FrontRange VITA project. FrontRange has established positions in northern Weld County, drilled production-scale test wells, obtained easements for their main transmission line, and is filing its water right application in 2026. FrontRange's planning documents and commitment to FCLWD in their purchase and sale agreement (PSA) state the VITA project will deliver water by Q1 2029. The delivery timeline aligns with the construction timeline of the CLRWTA transmission pipelines, indicating the VITA alternative can be fully developed within five years. Once completed, the project will be able to provide a year-round supply.

Advantage

Advantages of non-tributary groundwater include its reliability, reusability, and the increased diversification of supply. As described above, non-tributary groundwater is wholly consumable, enabling the execution of a reuse strategy or the generation of revenue through the leasing of effluent. Non-tributary groundwater is not subject to annual or seasonal fluctuations in hydrology, making it a highly reliable supply across its lifetime. In addition, non-tributary groundwater provides the benefit of diversification of supply.

Risk

Primary risks under the Non-tributary Groundwater Alternative include project sustainability, cost, dependency on a third party, and risk of project default. Non-tributary groundwater is not a perpetual source of supply meaning at some point in the future, the Town of Severance will exhaust any volume acquired from a non-tributary groundwater source. With strategic use, reuse, and storage, however, non-tributary groundwater can be made to last several hundred years. Additional supplies are also available for purchase and development as an initial purchase of 300 AF nears exhaustion. In addition, the infrastructure associated with developing, treating, and delivering non-tributary groundwater is costly. Working with private sector investors can provide financing support and flexible payment schedules but creates added risk through the need for investors to make a profit. Although a majority of easements have been acquired and similar non-tributary groundwater projects have set precedence in Water Court, there remains risk for new project developers around permitting and attaining a decree for groundwater rights. These risks are actively being mitigated as FrontRange seeks to partner around existing, decreed supplies. However, this alternative generates additional risk through its reliance on a third party for a municipal water supply.

Other risks include the potential for the project to default without enough offtakers to support the project's completion. Water quality poses a risk as well along with the public's perception of the project. Non-tributary groundwater in the ULA contains levels of uranium and fluoride above federal and state limits. These contaminants will be removed to non-detect levels using ion exchange treatment technologies. Previous non-tributary groundwater municipal projects such as Greeley's Terry Bison Ranch Project faced significant public backlash and the Town of Severance may face similar opposition from its residents.

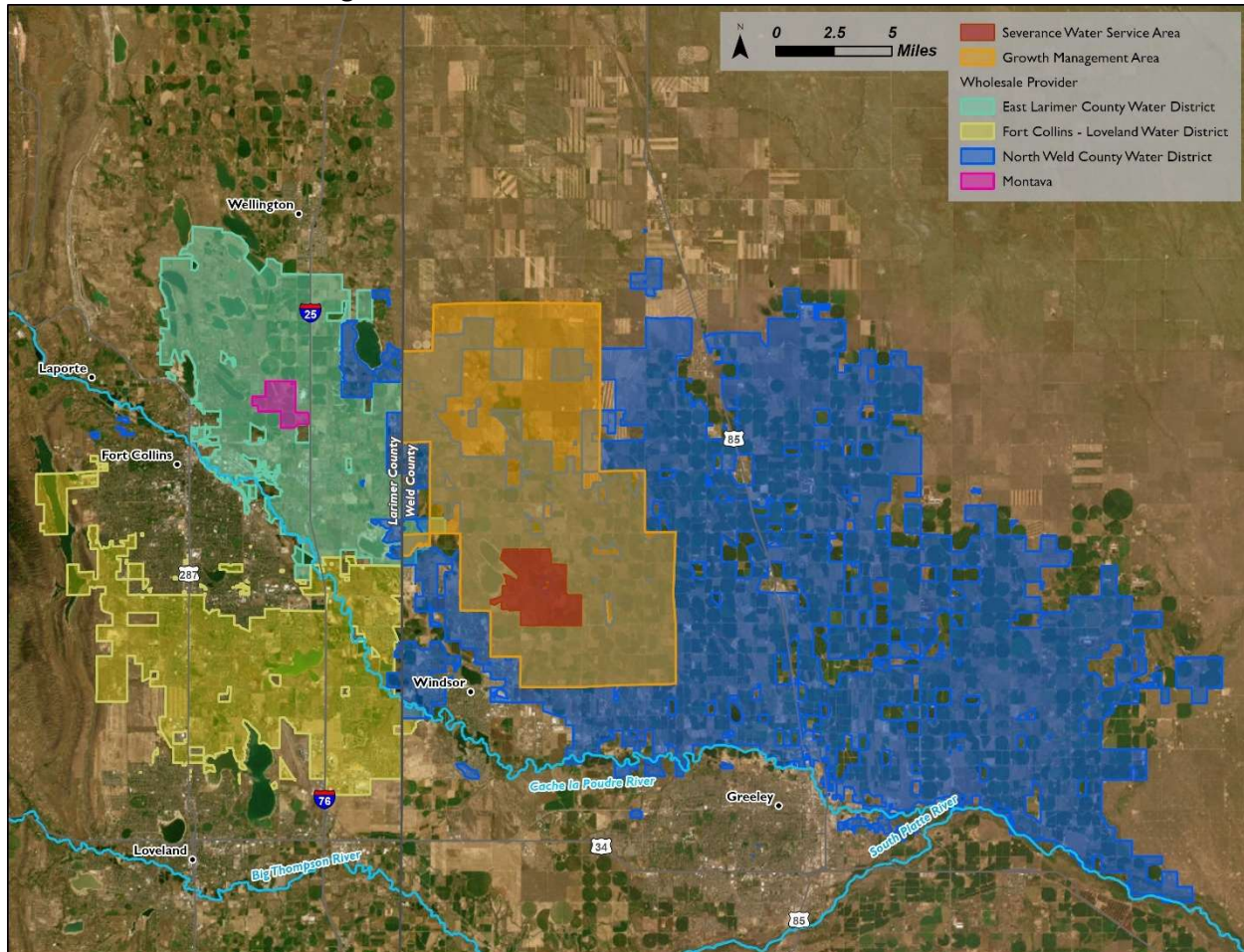
Contract Wholesale Water

Overview

The Town of Severance currently receives its treated water supply from North Weld, a regional wholesale water provider. Under the Contract Wholesale Water alternative, Severance could contract for additional wholesale water provided by North Weld or another provider. If provided by North Weld, existing delivery infrastructure could be used to convey additional treated supplies. For

contracts established with other regional providers, new delivery infrastructure would need to be established to connect Severance's WSA to the provider's distribution system. **Figure 12** shows the service areas of three major regional water districts plus that of Montava, a smaller organization seeking to become a water provider.

Figure 12: Wholesale Water Provider Service Areas



Fatal Flaw

Several fatal flaws exist for the Contract Wholesale Water alternative. Foremost, North Weld has indicated it will not treat or deliver additional water for use within Severance's WSA. As Severance already falls within the service area of one regional provider (North Weld), seeking connection to an alternate provider legally prohibited under Colorado state statute.²⁰ As such, Contract Wholesale Water is eliminated from further evaluation in the Water Supply Master Plan.

²⁰ CO Rev Stat § 32-1-1006

Water Horse Project

Overview

Under the Water Horse Project Alternative, Severance would buy into the Water Horse Project and establish the necessary infrastructure to connect to the project's main transmission line. Water would need to be delivered for treatment at and distribution from CLRWTA. **Table 15** provides a summary of the Water Horse Project Alternative and the alternative is further described below.

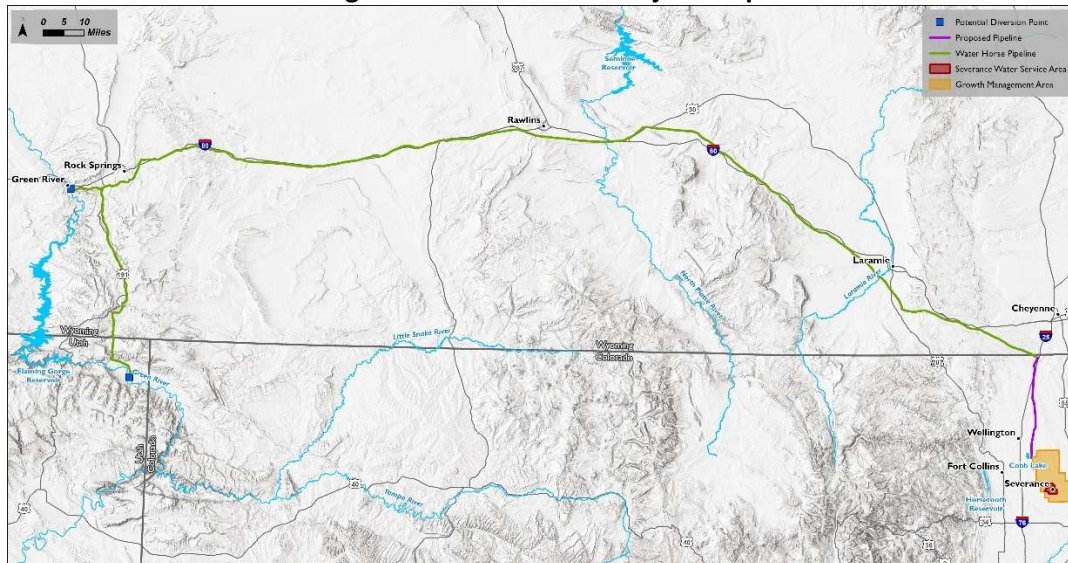
Table 15: Water Horse Project Alternative Summary

Volume (AF)	Cost		Timing	Development Timeline	Advantage	Risk
300	\$/AF	\$100k	Year-round	0-5 Years	- Supply diversification	-High upfront cost -Reliance on a third party for water deliveries -Low likelihood of project development -Permitting risk
	Total Cost	\$30M				

Description

The Water Horse Project is a proposed pipeline and water right development project that would divert water from two locations on the Green River, one in southwest Wyoming and the other in northeastern Utah (**Figure 13**). The project design includes a pipeline that follows the I-80 corridor across southern Wyoming and then south along I-25 into Colorado to deliver water to the northern Front Range. An additional water supply contract was requested from the Bureau of Reclamation that would allow Water Horse to utilize water from the Flaming Gorge Reservoir on the border of Wyoming and Utah. The project is still in the permitting phase for the water rights on the Green River in both states and has not yet begun land acquisition for the pipeline route.²¹ Nonetheless, the project owner anticipates that water deliveries may begin as early as 2028. Water for the project has been quoted by the project's owner at \$100,000 per AF as of October 2024.

Figure 13: Water Horse Project Map



²¹ Water Horse Resources. (2022). Retrieved on April 6, 2025. <https://www.waterhorseresourcesllc.com/timeline>

Timeline

The Water Horse Project is intended to provide a reliable, year-round supply of raw water from the Green River. The project is advertised as having wet water available by the end of 2028. The current status of the project's water right applications and land acquisitions suggest a longer timeline is likely.

Advantage

A primary advantage of the Water Horse Project Alternative is increased diversification of supply. The Water Horse Project brings water from the Green River and is therefore subject to different local hydrology than sources along the Front Range.

Risk

Primary risks under the Water Horse Project Alternative include cost, regulatory risk, and likelihood of project completion. A unit cost of \$100,000 per AF makes water from the Water Horse Project one of the most expensive water assets evaluated herein. The project still faces significant permitting and regulatory hurdles – both for water rights and pipelines – and must garner sufficient participation to fund the project's development. Until these challenges are overcome, there is significant uncertainty around whether the project will reach fruition. In addition, waters from the Green River are subject to administration under the interstate Colorado River Compact. As any new water rights would be junior to the Compact, they are subject to curtailment should water use reductions come into effect. No such curtailments have yet taken place, however, the operating procedures for the basin are currently under revision and there is uncertainty around how water shortages will be managed in the future.

Local Wells & Augmentation

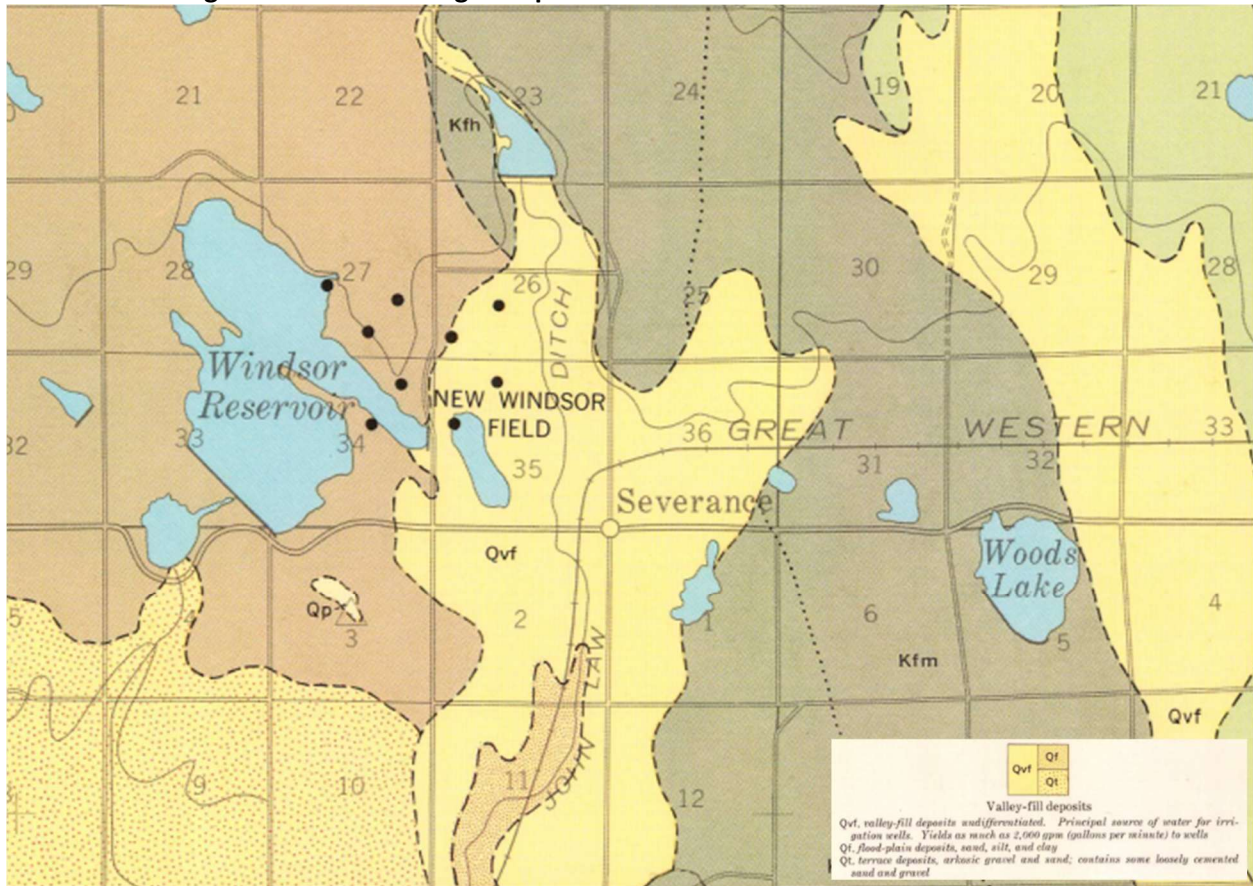
Overview

The Town of Severance is located above an alluvial aquifer (see **Figure 14** below and full USGS groundwater map in Appendix D) and utilizes 13 alluvial wells for the irrigation of town parks. Establishing a new wellfield could serve as a source of supply to the Town. Although the Town's existing alluvial wells are protected as Coffin wells and do not require augmentation, any new tributary groundwater pumping must be covered under a new augmentation plan approved by Water Court decree. Augmentation supplies can include ditch company shares, wholly consumable effluent, or other wholly consumable sources such as non-tributary groundwater. The volume of available alluvial groundwater is undefined but assumed to significantly surpass the Town of Severance's target volume. Severance would need to acquire another alternative supply to incorporate into the augmentation plan. The new wells would require onsite treatment and new infrastructure to connect to the Town's existing water mains and other transmission lines.

Fatal Flaw

Although there is likely sufficient alluvial groundwater to meet the Town's target demand, Severance has indicated it is not interested in establishing its own treatment infrastructure at this time or within the planning horizon. Therefore, the Local Wells & Augmentation alternative is eliminated from further evaluation in the Water Supply Master Plan.

Figure 14: USGS Geologic Map of the Lower Cache la Poudre River Basin²²



Non-potable System Expansion

Overview

Under the Non-potable System Expansion Alternative, Severance could expand their non-potable irrigation system to customers currently served only with potable water. By doing so, the Town would free up existing potable water supplies which could be dedicated to future potable water demands. Based on the Town's water use records for 2020-2024, outdoor water use serviced with potable water averaged of 590 AF. Replacing this supply with a new non-potable supply, such as the agricultural component of NPIC shares or other ditch company shares, would free up an equal amount for servicing new taps.

Fatal Flaw

Although the Non-potable System Expansion Alternative is sufficient to meet the Town's target demand, potable irrigation is concentrated in older developments where conversion to non-potable supply would require a significant investment in infrastructure and lack economy of scale. The high cost of infrastructure and disruption to the Town in the form of road closures and water supply interruptions make this an undesirable alternative. That said, it is recommended that the Town evaluate subdivisions for conversion to non-potable on a case-by-case basis when resident interest

²² Hershey, L. A. and Schneider Jr., P. A. (1972). Geologic Map of the Cache la Poudre River Basin, North-Central Colorado. Department of the Interior United States Geological Survey.

and available funding for infrastructure align. For this report, no further assessment is conducted regarding this alternative.

New Storage Project

Overview

This alternative evaluated the potential for the Town to develop new water storage project with focus on storage alternatives that could be developed independently by the Town, rather than participation in regional storage projects such as NISP, and avoid a federal nexus and therefore require Clean Water Act Section 404 permitting. Storage sites that could be filled from the NPIC system were prioritized. A potential new reservoir(s) could be filled by junior storage rights on the Poudre River conveyed through excess capacity in the NPIC system, which would be secured through a carriage agreement.

The yield of junior Poudre rights is limited and highly variable (particularly if NISP, which relies upon a junior Poudre right, were to be constructed). Conveyance capacity in the NPIC is limited to the irrigation season and will be further constrained during periods when a junior right is yielding – primarily during runoff in May and June. During this period, NPIC often runs their canals full to fill reservoirs, limiting the excess capacity potentially available to the Town. Therefore, it is anticipated the new storage would have a high storage to yield ratio, that is, the AF of storage required to yield 1 AF per year of demand on a firm basis. For the initial screening analysis, a storage to yield ratio of greater than 8 was assumed based on simple comparison with other past and current proposed Poudre River storage projects. This indicates a storage need of over 2,400 AF to generate a yield of 300 AF per year.

Fatal Flaw

Most attractive reservoir sites within and adjacent to the NPIC system were long ago developed by irrigation companies, including NPIC. The Town has few options for securing storage of such capacity within proximity to NPIC's canals. Further from the canal system, the storage alternative requires significant conveyance infrastructure to deliver water from the North Poudre Canal to a reservoir site and from there to CLRWTA for treatment and distribution to the Town. On its own, the development of a new storage project by the Town is likely to be cost inhibitive. For these reasons, this alternative is excluded from further analysis.

Aquifer Storage & Recovery

Overview

Aquifer Storage and Recovery (ASR) utilizes underground geologic porosity to store surface water in times of surplus for withdrawal during times of need. Stated simply, ASR acts as an underground reservoir; it does not yield a new water supply, rather it provides storage. ASR is commonly employed across the Western U.S. in areas reliant on groundwater. Federal regulations require water injected into aquifers used for domestic water supply to be treated to potable standards.

For Severance, water could be injected into a local aquifer disconnected from surface supply (i.e., a non-tributary source). Sources of water can include any of those identified in the alternatives above.

Fatal Flaw

No proven, freshwater non-tributary aquifers have been developed near Severance. While some exploratory water well development has occurred in relation to oil production, results with which to

evaluate the feasibility of ASR were unavailable for this report. ASR could occur in conjunction with development of the ULA. Because ASR does not generate new supply, it would need to be coupled with other alternatives that develop surface water supply. ASR is considered an option to couple with other alternatives evaluated herein.

Alternative Transfer Methods

Overview

Alternative Transfer Methods (ATMs) are water sharing agreements between two water users, typically an agricultural and municipal or environmental user, that allow for the temporary transfer of water between parties, avoiding typical “buy and dry” transactions. Often, ATMs incorporate rules around conditions that must be met before an ATM can be executed and include limitations on the frequency of execution. Under an ATM alternative, ATMs would be implemented by the Town with local irrigators to establish the right to use a landowner’s irrigation supply on a pre-defined rotational basis.

Fatal Flaw

ATMs do not create a new source of supply; rather, they are a type of transfer method that could be coupled with other water purchase alternatives. Due to the temporary nature of ATMs and the necessity of establishing multiple agreements to ensure a reliable annual supply provided from a mix of agricultural water users, ATMs are deemed an infeasible source for a firm municipal supply. No further assessment is conducted regarding this alternative.

Alternatives Screening

Development of the *Water Supply Alternative Inventory* resulted in a long list of alternatives for evaluation. The inventory included details on each alternative such as volume, baseline cost, development timeline, and general risks. Here, the details provided in the initial inventory are considered with respect to six key characteristics:

- **Volume:** Does the alternative have a sufficient volume to meet the target demand?
- **Timeline:** Can the alternative be developed within the Town’s demand timeline?
- **Reliability:** Does the alternative provide a reliable source of supply?
- **Cost & Affordability:** Can Wellington afford the alternative based on the alternative’s total cost and bonding timeline?
- **Risk:** Does the project face significant regulatory, political, permitting, public opposition, or other risks?
- **Feasibility:** Is the project likely to come to fruition or is there significant barriers or uncertainty around the water supply alternative’s development?

These characteristics were used as ranking criteria to screen alternatives for those most suitable to meet the Town of Severance’s demands within the planning horizon and were affordable, low risk, and feasible. The screening process utilized the target volume of 300 AF set in the *Water Demand Projections* section of this report and the Town’s high-level financial capacity identified in the *Financial Assessment*, among other criteria to assess the viability of each alternative and its suitability as a primary source of municipal supply. To objectively approach the screening process, a set of ranking criteria were established for each of the six characteristics used for evaluation. The ranking criteria were applied to the long list of water supply alternatives and summarized to give each a total score. Alternatives with higher scores were therefore identified as more suitable supplies for the Town of Severance. Alternatives with fatal flaws were assigned a score but ultimately eliminated from consideration regardless of rank. The ranking criteria used to assess alternatives are summarized in **Appendix E** with the results of the ranking effort listed in **Table 16**.

Table 16: Results of Applying Ranking Criteria to Alternatives

Water Supply Alternative	Fatal Flaw	Volume	Timeline	Reliability	Cost & Affordability	Risk	Feasibility	Total
Northern Integrated Supply Project		1	1	1	1	2	2	8
Ditch Company Shares		1	1	2	2	3	3	12
Colorado-Big Thompson Units		1	1	2	2	3	3	12
Non-tributary groundwater		1	1	3	2	2	3	12
Contract Wholesale Water	✓	1	1	3	3	3	1	12
Water Horse Project		1	1	1	1	1	1	6
Local Wells & Augmentation	✓	1	1	3	1	1	1	8
Non-potable System Expansion	✓	1	1	2	1	1	1	7
New Storage Project	✓	1	0	1	1	1	1	5
Aquifer Storage & Recovery	✓	0	0	3	1	1	1	6
Alternative Transfer Methods	✓	0	1	1	2	2	1	7

The resulting scores from applying the ranking criteria to the water supply alternatives place acquiring ditch company shares, CBT, non-tributary groundwater, or additional contract wholesale water as the most suitable alternatives for satisfying Severance's future water demands. However, contract wholesale water is not currently a feasible alternative for Severance and is removed from consideration. The next set of high-ranking alternatives include NISP and local wells and augmentation. Here, local wells and augmentation are also eliminated due to a fatal flaw, described in earlier sections of this Master Plan. Of the alternatives without fatal flaws, the Water Horse Project is eliminated through the screening process due to its low score, impacted by high costs, high permitting and political risk, unknown reliability, and a low overall likelihood of project completion. All alternatives with fatal flaws were eliminated from further consideration in the screening process. Ultimately, the results of the screening process reduced the long list of alternatives identified in the *Water Supply Alternative Inventory* to a short list of alternatives for further evaluation. This short list includes:²³

1. NISP
2. Ditch Company Shares
3. CBT Units
4. Non-tributary Groundwater

Of the water supply alternatives eliminated from consideration as a primary source of municipal supply, several offer the potential to serve as a supplemental source of supply or support a reuse strategy for any reusable supplies obtained by the Town. Although these supplies will not be evaluated further in this Master Plan, they should remain in consideration by the Town as demand or opportunities arise. **Table 17** lists the potential supplemental supplies and briefly describes the opportunity around each.

²³ Alternative elimination and short list determination were supported by the Citizen Advisory Board.

Table 17: Alternatives with Potential as a Supplemental Supply

Water Supply Alternative	Opportunity
Local Wells & Augmentation	Local wells can be used to support a reuse strategy for wholly consumable supplies where they are used for outdoor irrigation. At present, developers within Severance's WSA are required to bring non-potable water for outdoor irrigation. In the future, if Severance expands service to areas within its GMA that lack access to irrigation supplies, groundwater wells could be used to support irrigation. Pumping groundwater would require augmentation for depletions to the Poudre River, and effluent from the use of a wholly consumable supply (e.g., transbasin portion of ditch company shares, Galeton component of NISP, or nontributary groundwater) can be used as a source of augmentation.
Non-potable System Expansion	The Town of Severance's 2025 Water Efficiency Plan has identified select open space within the Town's service area that should be targeted for conversion to a non-potable supply for outdoor irrigation. Should Severance acquire treatment capacity at CLRWTA, the Town can convert any remaining schools or Town properties to dual systems paired with a non-potable water supply (e.g., the Town's existing Loup Reservoir shares or agricultural component of its NPIC shares), freeing up existing supplies for treatment at CLRWTA and incorporation in the Severance's municipal water supply portfolio.
Aquifer Storage & Recovery	Aquifer storage and recovery (ASR) can be paired with the non-tributary groundwater alternative to extend the lifetime of an acquired groundwater supply. The Town can use existing or new sources to recharge the ULA, replacing depletions as the groundwater supply is drawn on. The VITA project is already being established with ASR capabilities.
Alternative Transfer Methods	ATMs are often used by municipalities as a source of drought supply that avoids "buy and dry" of irrigated land. Should Severance acquire treatment capacity at CLRWTA, the Town can partner with local agricultural water users around the intermittent use of their irrigation water supply and treat the supply at CLRWTA during times of need. Partner farms would be limited to those in the Upper Poudre watershed that can be diverted into the North Poudre Canal for use at CLRWTA.

Evaluation and Prioritization

The *Alternatives Screening* process established a short list of four water supply alternatives for further consideration as a source of municipal supply to satisfy the Town's target demand. Those supplies include NISP, ditch company shares, CBT units, and non-tributary groundwater. Due to their similarities around the acquisition process and treatment and delivery requirements, ditch company shares and CBT units are combined as one alternative for the next level of analysis. Likewise, evaluation of the non-tributary groundwater alternative is refined to more closely evaluate the VITA H2O project specifically. In the following section, the evaluation of the short list of alternatives primarily takes a financial approach while considering the overall implementation strategy and dedication policy requirements needed to develop each alternative. This is not to say that a review of other water supply parameters (availability, reliability, quality, etc.) was sacrificed in place of financial analysis. Rather, each short-listed alternative is already well understood and so here, additional steps are taken to understand Severance's financial capacity to invest in each alternative based on the timing and extent of costs associated with each alternative's development. Whereas the initial Financial Assessment provided an ability to screen water supply alternatives at a high level based on cost, this assessment provides a more detailed understanding of the costs and cost timeline associated with remaining alternatives.

The overall approach for further evaluating each short list alternative involved expanding on the BCM developed in the Financial Assessment. In addition to the cost of acquiring or developing each short-listed alternative, models incorporated estimated capital and operating costs for each potential water supply. Costs were built out and escalated across the planning horizon (2025-2055) and incorporated into the FADS for subsequent years. Bonds and other expenses were introduced to each model across the development timeline for each respective alternative. Additional levers were built into the BCM that allowed for modeling across demand planning scenarios (Low Bookend, Most Probable, and High Bookend), modeling across NISP scenarios (Scenario 1, Scenario 2, and Scenario 3), and allowed for cash above reserves (CAR) to be drawn on to buy down principle when the FADS were insignificant for a given bond.²⁴ Ultimately, each model indicated whether Severance is expected to have the financial capacity to fully implement each short list alternative. In the following sections, additional detail is provided on the implementation strategy for each short list alternative, its development timeline, the various costs associated with developing the alternative, the alternative's financing options, and additional information such as the reusability of water within the alternative.

First, two concepts are introduced that will be relevant when considering the implementation of each short-list alternative: Municipal Water Financing Policies and a potential Reuse Strategy for the Town of Severance.

²⁴ Cash above reserves were modeled using a process outlined by Fitch that sets aside 90 days' worth of capital and O&M reserves. In this way, a buffer is created that signifies whether cash can be drawn on without jeopardizing the Town's ability to pay for upcoming expenses.

Municipal Water Financing Policies

For a municipal water provider such as Severance, it is common practice that growth pays its own way, meaning the financial burden of acquiring a new water supply to support future growth does not fall on existing rate payers. Instead, developers either directly or indirectly pay for the acquisition of new water supplies through cash-in-lieu programs or dedication policies. Which water dedication policy a water provider implements is dictated by the water supplies it has or would like to acquire. Each water dedication policy is defined below along with a description of the limitations it generates for the types of supplies that can be acquired.

- **Cash-in-Lieu:** A cash-in-lieu (CIL) program references a system where a municipal water provider purchases a water supply, either with cash payments or through bonding, that is later paid for by developers who bring cash in lieu of a water supply. (A CIL fee is set by the municipal water provider, typically paid on a per AF basis, that allows the municipality to recoup costs incurred from buying the supply.) Municipal bonds give a municipality the ability to invest in a wider variety of water supplies than can be accessed by developers (e.g., water supplies that involve investment in large infrastructure projects such as NISP or VITA). In this way, CIL programs can support greater flexibility and diversity in water supply planning. However, CIL programs create financial risk for municipalities. A municipality must first have either adequate cash reserves to purchase water supplies (or buy in to water projects) or enough bonding capacity to take on additional debt. The municipality then takes on the financial risk of relinquishing cash reserves or taking on a bond with the assumption that growth will occur to support payments or reimburse costs.
- **Dedication:** A dedication policy requires a developer bring a municipality the water needed to support their development. Typically, a developer will acquire CBT units or ditch company shares and dedicate them to the municipality in exchange for taps. A dedication policy is relevant where it is feasible for developers to acquire supplies and where developers have access to the type of supplies that can be incorporated into a municipality's water portfolio (i.e., compatible with the municipality's treatment and delivery system). Dedication policies shift the financial burden of acquiring water from the municipality to the developer but offer a municipality less control over acquiring water supplies.

Reuse Strategy

With the exception of CBT, transbasin supplies are considered wholly consumable in Colorado and can be used and reused to extinction. Severance does not currently own a reusable supply as a part of its water portfolio, but several water supply options within the short list of alternatives include wholly consumable water. As such, the potential uses for a reusable supply should be considered. A reuse strategy is largely dependent on the location of existing infrastructure and the types of water demands in a given area. Four potential uses exist for wholly consumable supplies on the Front Range, each with different levels of applicability to Severance. Below, the four uses are defined along with a description of whether and how the strategy could be applied by the Town.

- **Direct Reuse:** To directly reuse a wholly consumable supply, effluent from the water's initial use would need to be captured and piped directly to a water treatment facility. There, the water would be treated again to potable standards and distributed again as a source of municipal supply. Direct reuse is not common in Colorado and often faces significant public opposition. In addition, it requires significant infrastructure development to capture, transmit, and treat effluent. Direct reuse is not currently a feasible reuse strategy for the Town of Severance.
- **Indirect Reuse:** To indirectly reuse a wholly consumable supply, effluent must reenter a system downstream of the Town's diversion point for its source of municipal supply. Further, exchange capacity must exist between the effluent's reentry site and the point of diversion for municipal treatment to allow effluent to be exchanged upstream to the point of diversion. Due to the location of CLRWTA, indirect reuse is not a feasible reuse strategy for the Town of Severance.
- **Non-potable Use:** Effluent from a wholly consumable supply can be recaptured and used as a source of non-potable supply (e.g., irrigation for lawns or agricultural production). The recapture can occur downstream of the effluent's point of reentry to the system, or effluent can be exchanged upstream to a point of diversion for non-potable supplies. The Town of Severance (and many of its metro districts) currently use non-potable water from ditch companies as a source of irrigation for homes using dual systems, city parks, and other public spaces. All new development is required by the Town to bring non-potable water for outdoor irrigation, suggesting future demand for additional non-potable supplies. However, the lands slated for development within Severance's WSA have sufficient access to non-potable water. Further, the Town already owns sufficient non-potable supplies to meet the demands of any public spaces that have yet to convert to dual systems. Nonetheless, should Severance expand water service to new lands within its GMA that do not have access to historic irrigation supplies for non-potable use, a non-potable reuse strategy could be implemented utilizing wholly consumable supplies.
- **Augmentation:** Effluent from wholly consumable supplies is commonly used in augmentation plans to offset depletions from out-of-priority groundwater pumping. The Town of Severance does not currently generate depletions requiring augmentation. In the future, the Town could develop local wells as a source of municipal supply and use its reusable supply as a source of augmentation, however, this alternative has already been eliminated from consideration in the Master Plan. Alternatively, Severance could use local wells to support outdoor irrigation (non-potable use), paired with augmentation. This strategy is only applicable if the Town expands its WSA to include lands within the GMA that lack access to irrigation supplies.

NISP

Overview

A high-level summary of the NISP alternative was provided in the *Water Supply Alternatives* section of this report. To implement the NISP alternative, Severance would need to formally commit to financing its pro-rata share of project costs. Project construction for the reservoirs would be led by Northern Water, although the construction timeline remains uncertain. Three potential timelines were outlined in the *NISP Costs Technical Memo*, attached in **Appendix C**, and summarized in **Table 18** below. In addition to Northern's construction of the reservoirs, access to and use of its NISP units would require Severance's participation in CLRWTA and the development of transmission lines both connecting the NISP pipeline to CLRWTA (**Figure 4**) and bringing treated water from CLRWTA to Severance. The construction timelines for these supplementary infrastructure components are also listed in **Table 18**.

Table 18: NISP Construction Components and Timeline by Scenario

	Scenario 1: Current Schedule	Scenario 2: Slight Delays	Scenario 3: Moderate Delays
Pipeline Construction			
<i>Construction Begins</i>	2027	2027	2027
<i>Construction Ends</i>	2029	2029	2029
CLRWTA Construction			
<i>Construction Begins</i>	2029	2029	2029
<i>Construction Ends</i>	2031	2031	2031
Phase I			
<i>Construction Begins</i>	2026	2027	2029
<i>Construction Ends</i>	2031	2033	2037
Water Available	2031	2033	2037
Phase II			
<i>Construction Begins</i>	2032	2034	2038
<i>Construction Ends</i>	2036	2039	2047
Water Available	2036	2039	2047

Financial Modeling

For each of the four primary construction components associated with the NISP alternative, bonds were modeled and incorporated into the BCM. The process for estimating bond costs for NISP Phase 1 and 2 are detailed in the *NISP Costs Technical Memo* in **Appendix C**. Likewise, pipeline and treatment cost estimates for CLRWTA are outlined in detail in **Appendix F**. All costs were escalated to the midpoint of construction for their respective component. Once a bond was introduced to the BCM, its annual bond payments were incorporated as a new factor influencing FADS for future bonds.

In addition to the construction components, implementing the NISP alternative would incur new operating costs as well. These costs include the annual operations and maintenance of CLRWTA and the new transmission pipelines as well as annual assessments paid to Northern for the operation of NISP. The process for estimating NISP operating costs is outlined in the *NISP Costs Technical Memo* in **Appendix C** and estimates for operating the CLRWTA treatment plant and

pipelines are outlined in **Appendix F**. Operating costs were brought online for each of the NISP project components at the end of each component’s respective construction timeline, as listed in **Table 18**. Operating costs were then projected out across the planning horizon for each scenario and incorporated into the BCM to support the affordability determinations for each subsequent bond.

Figure 15 shows the results of a more detailed financial analysis of the NISP alternative. In the figure, three graphs show the bonding timeline and amount for each of the three NISP scenarios. Where FADS were insufficient to support the entire bond, CAR was drawn on to buy down principle and enable the issuance of a smaller bond to support the alternative. The figure shows that **Severance has sufficient bonding capacity and cash reserves to buy in to all components needed to execute the NISP alternative under all three potential NISP timeline and cost scenarios**. In **Table 19**, the costs shown in **Figure 15** are summarized in terms of net present value. In terms of present value, the NISP alternative is expected to cost between \$74-\$78M, depending on scenario.

Table 19: Present Value of Projected Total Cost of NISP Alternative by Scenario (\$M)

Item	Scenario 1	Scenario 2	Scenario 3
Capital Costs	\$70.39	\$71.20	\$75.01
O&M Costs	\$4.03	\$3.93	\$3.66
Total	\$74.43	\$75.13	\$78.68

Note: Present value of costs are lower in Scenario 3 compared to Scenario 2 due to the fact that construction of Galeton is pushed further into the future, meaning there are fewer years of accumulating operating expenses during the planning horizon.

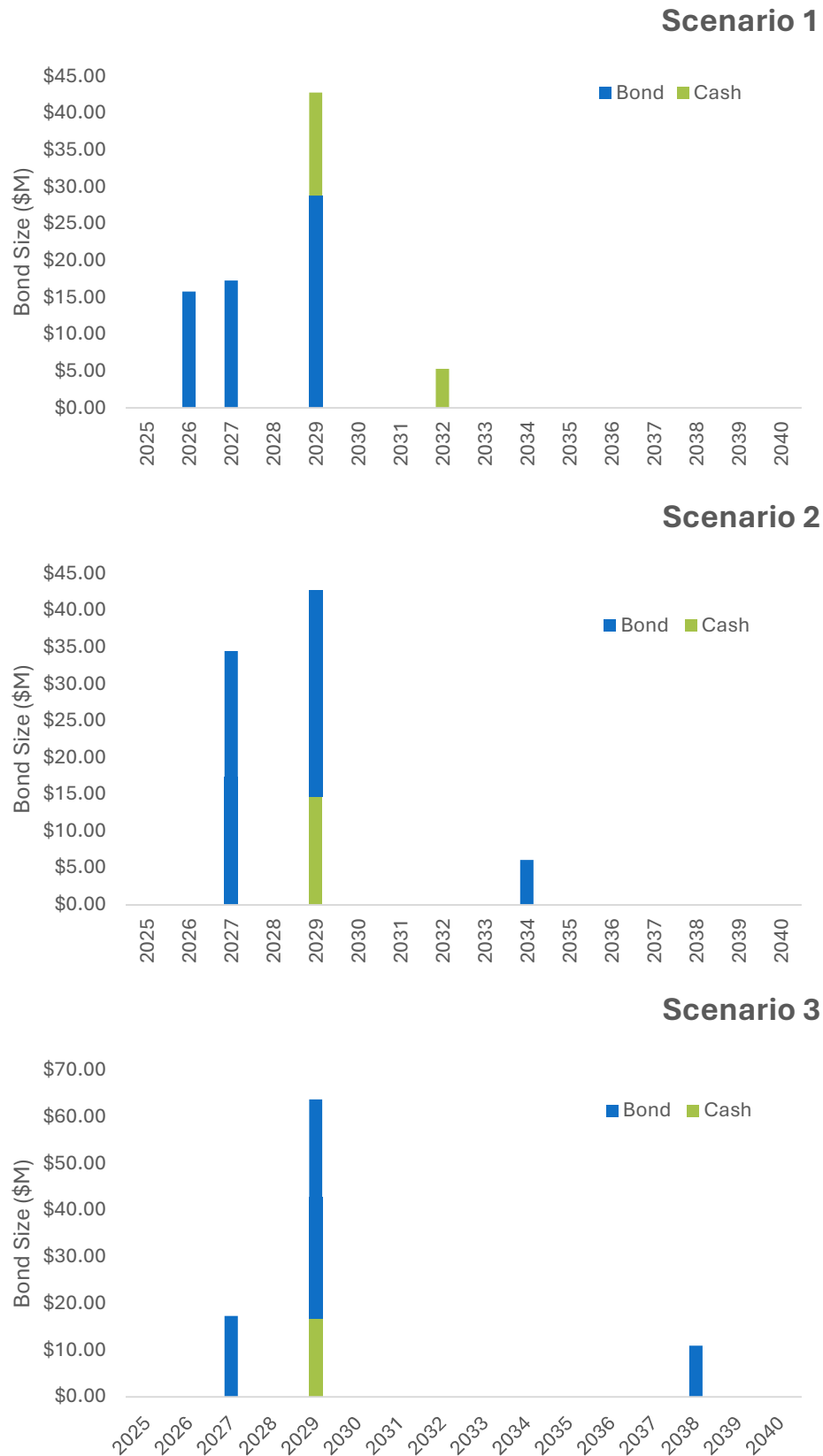
A major caveat to the affordability of the NISP alternative is that **NISP is only affordable if the Emergency Interconnect project is delayed**.²⁵ Under the current CIP schedule, Severance intends to bond for the Emergency Interconnect project in 2030. Adding a bond for the Emergency Interconnect to the BCM for the NISP alternative adds financial constraints in the early 2030s. Under the current CIP timeline, Severance could afford to bond for Phase I of NISP and the CLRWTA pipelines and use a combination of bonding and CAR to buy in to CLRWTA. Severance would not have enough financial capacity in the year immediately after funding CLRWTA to support bonding for the Emergency Interconnect, making the combined interconnect and NISP alternative unaffordable. The NISP development timeline is inflexible, however, the timeline for construction of the Emergency Interconnect can be adjusted. Delaying the Emergency Interconnect project five to seven years enables Severance to execute the NISP alternative and CIP. **Table 20** lists the year in which the Emergency Interconnect can be bonded for under each NISP scenario.

Table 20: Emergency Interconnect Bond Year Enabling NISP + CIP Affordability

Scenario 1	Scenario 2	Scenario 3
2036	2036	2038

²⁵ Capital improvement projects (CIP) including the Emergency Interconnect are discussed in depth in the *Financial Assessment Technical Memorandum* in **Appendix B**.

Figure 15: Bond Size and Timeline Across NISP Scenarios



Dedication Policy

Executing the NISP alternative would necessitate implementing a CIL program. NISP is not a project developers can invest in and dedicate to municipal water providers. Instead, buying in to NISP would require significant bonding and cash payments from the Town of Severance. A CIL program that reflects the unit cost of Severance's contribution to NISP would need to be initiated to recoup costs and support Severance's participation in the project. However, since utilizing water from NISP would require treatment at CLRWTA and new transmission lines, Severance would have the ability to treat and convey ditch company shares as well. Although a CIL program should be Severance's primary dedication policy to recoup costs under the NISP alternative, additional consideration should be given to the role of dedication and acceptance of ditch company shares by Severance in the future.

Reusability

Additional considerations for the NISP alternative include the reusability of water from Phase II, or the Galeton component of the project. Access to a reusable water supply allows Severance to implement a potential Reuse Strategy, described above. Galeton is not expected to come online until between the mid-2030s to mid-2040s, giving Severance a ten-to-twenty-year timeframe within which to outline and prepare to execute a reuse strategy. Alternatively, reusable effluent can be leased to downstream parties as a source of supply or augmentation.

Units & Shares

Overview

A high-level summary of the Ditch Company Shares and CBT Units alternatives were provided in the *Water Supply Alternatives* section of this report. Here, the two alternatives are combined and further assessed as one alternative due to their common implementation strategy. To implement the Units & Shares alternative, Severance would need to invest in treatment capacity at CLRWTA and develop conveyance infrastructure to treat and deliver an acquired water supply.

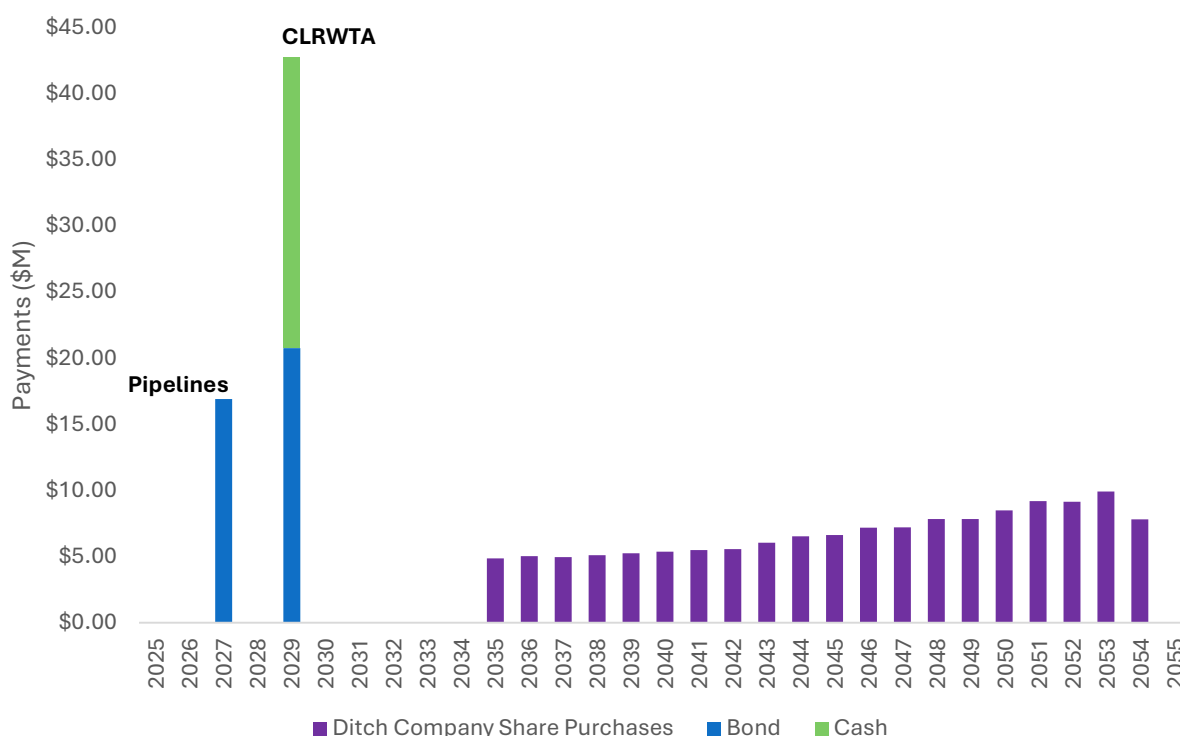
Financial Modeling

As with the NISP alternative, CLRWTA pipeline and treatment cost estimates are outlined in **Appendix F**. Costs were escalated appropriately, bonds issuances were modeled, and bond payments were incorporated and reflected in future FADS. O&M costs for the pipeline and treatment (see **Appendix F**) plant were likewise estimated and incorporated into the BCM for the Units & Shares alternative, along with annual assessments for newly acquired shares (varies by ditch company). In addition, the model also incorporated the establishment of a carriage agreement with NPIC, regardless of whether a foreign supply was being purchased. Carriage agreement costs in the model included a one-time fee for the establishment of the agreement (estimated at \$25,000), an annual set fee for the agreement's operation (estimated at \$5,000 annually), and a carriage fee on a per AF basis (estimated at \$25/AF).

Beyond the initial construction components and carriage agreement contracting, implementing the Units & Shares alternative solely requires the acquisition of a water supply in the form of ditch company shares or CBT units. Rather than bonding for water purchases, the model was designed to "purchase" ditch company shares with CAR. Levers could be set for when purchases began, which ditch company shares were purchased (or the split of acquisitions across multiple companies), and the percentage of CAR that could be drawn on. Model iterations were considered successful if Severance could afford the CLRWTA treatment plant and pipelines using a combination of bonding and cash, and could acquire supplies to meet the target demand by 2055, with acquisitions

beginning no later than 2039.²⁶ **Figure 16** shows the results of an example model iteration for the acquisition of NPIC shares. In the figure, pipelines are bonded for in 2027, CLRWTA is bonded for in 2029, and Severance does not have capacity to begin purchasing ditch company shares until 2035. Despite the delay in beginning to acquire supplies, Severance can still acquire the target demand prior to 2055.

Figure 16: Payment Size and Timeline for NPIC Acquisition Alternative



In similar model iterations, **Severance is able to acquire all 300 AF of its target demand from CBT, NPIC, or other ditch company shares** by 2055 even with the limitation of beginning acquisitions in the mid-2030s so long as roughly 10-15% of CAR is used to support water purchases. **Table 21** summarizes the net present value of the Units & Shares alternative using CBT, NPIC, and WSSC acquisitions as examples and ranging from \$105-\$114M. The table also lists the percent of CAR that must be drawn on for purchases and the acquisition start year that supports a successful model. As with the NISP alternative, a major caveat to this finding is that **Severance can only finance CLRWTA infrastructure and pipelines and independently purchase the target demand within the planning horizon if the Emergency Interconnect is delayed**. **Table 21** also lists the bond year in which Severance regains sufficient bonding capacity for the Emergency Interconnect. Under the WSSC scenario, the interconnect is not affordable within the planning horizon.

²⁶ As shown in the *Demand Analysis Technical Memorandum* in **Appendix A**, additional supplies are needed starting in 2039 under the Most Probable planning scenario in a dry year.

Table 21: Present Value of Projected Total Cost by Ditch Company (\$M)

Item	CBT	NPIC	WSSC
Capital Costs	\$51.12	\$51.12	\$51.12
Water Costs	\$60.25	\$54.25	\$51.63
O&M Costs	\$2.75	\$2.64	\$2.66
Total	\$114.12	\$107.89	\$105.42
Total Less Water Acquisitions	\$53.87	\$53.76	\$53.78
Percent of CAR Drawn on	12%	9%	8%
Purchase Start Year	2036	2035	2035
Em. Interconnect Bond Year	2053	2053	-

Additional findings include that, although CBT units are currently “cheaper” than NPIC shares, acquiring NPIC units is a more affordable alternative due to losses and additional fees associated with carrying foreign supplies through the NPIC system. However, acquiring supplies that are “cheaper” than CBT, such as WSSC, can decrease the overall cost of the Units & Shares alternative, even with carriage agreement losses and fees. The affordability of the Units & Shares alternative can also be significantly improved by executing a dedication-focused dedication policy.

Dedication Policy

Financing the Units & Shares alternative can be accomplished through either a CIL-based or dedication-based dedication policy. Executing the Units & Shares alternative as modeled above, with Severance directly purchasing ditch company shares or CBT units, would necessitate the implementation of a CIL policy whereby costs are recouped through fees paid by developers.²⁷ However, by instead requiring dedication, whereby developers purchase CBT or ditch company shares for dedication to the Town, Severance retains its cash reserves to support additional bonding. In this way, Severance can afford to bond for the CLRWTA treatment plant, pipelines, and the Emergency Interconnect while still acquiring units and shares to meet the target demand through dedication. By eliminating the Town’s purchases of units and shares, the alternative’s present value of total costs drops to approximately \$54M (**Table 21**).

Reusability

Most water supplies with the potential for acquisition under the Units & Shares alternative are not wholly consumable, with some exceptions. For example, WSSC shares include a transbasin supply, and a portion of WSSC shares are reusable. If WSSC shares are acquired under the Units & Shares alternative, Severance can consider implementing the Reuse Strategy described above. Alternatively, reusable effluent can be leased to downstream parties as a source of supply or augmentation.

VITA H2O Project

Overview

A high-level summary of the non-tributary groundwater alternative was provided in the *Water Supply Alternatives* section of this report. Here, focus is given to the VITA project as the most advanced and feasible of the non-tributary groundwater projects under development. To implement the VITA

²⁷ Note that a CIL policy would only recoup the costs of acquiring units and shares. Recovering capital investments in CLRWTA and associated pipelines would occur through separate tap fees.

alternative, Severance would purchase the target demand from FrontRange H2O, the third party developing the groundwater project. (Acquisition costs are an all-in price for the purchase of water rights and the buyer's pro-rata share of infrastructure costs (i.e., design, permitting, and construction).) Construction of production and monitoring wells, treatment infrastructure, and transmission lines to CLRWTA would be led by FrontRange. Severance would also enter a long-term operating agreement with FrontRange for the operation and maintenance of the system including well pumping, treatment, and delivery.

In addition, Severance would need to develop transmission infrastructure from the Town's storage tanks to FrontRange's point of delivery at CLRWTA. (See **Appendix D** for a full-size map depicting the VITA project and all planned and concept-level conveyance lines pertaining to Severance.) This pipeline is the same as that proposed for connection to CLRWTA under the NISP and Units & Shares alternatives. Although delivery of VITA water would be made to the CLRWTA site, the water would come already treated and would require no further treatment at CLRWTA, with the exception of chlorination boosts across the transmission line. Under the VITA alternative, it is not necessary for Severance to participate in the CLRWTA treatment plant.

Financial Modeling

To further evaluate the affordability of the VITA alternative, the BCM was expanded to include two bonds for the construction of pipelines to CLRWTA and for the purchase of 300 AF of the VITA project. Pipeline cost estimates are the same as those for the prior two alternatives (less the NISP Connection for the NISP alternative) and are outlined in **Appendix F**. Specific cost estimates for an acquisition by Severance in the VITA project have not yet been drafted by FrontRange; however, water from the VITA project has previously been acquired by FCLWD at \$60,000/AF. This price-point is utilized in the model, although it is likely that Severance may see a higher cost on a unit basis due to the lack of economies of scale. (The FCLWD purchase was for 2,600 AF compared to Severance's potential 300 AF.) As with the previous models, all costs were escalated to the mid-point of construction and bond payments were incorporated into the model and reflected in the FADS for subsequent years.

In addition to the construction and water purchase components, implementing the VITA alternative would take on additional O&M costs as well. O&M quotes provided to the Town of Wellington were used to extrapolate potential costs to the Town of Severance, estimated here at \$4.985/kgal or \$1,624/AF. Pipeline O&M costs were again estimated as 0.5% of pipeline construction costs (**Appendix F**). Operating costs were brought online for the pipeline after pipeline construction completion (2029) and for the VITA project after water deliveries begin (projected to align with the onset of unmet demands in 2039). Operating costs were then projected out across the planning horizon for each scenario and incorporated into the BCM to support the affordability determinations for each subsequent bond.

Figure 17 shows the results of the more detailed financial analysis of the VITA alternative. In the figure, both the pipelines and VITA acquisition can be fully bonded for without drawing on CAR. In addition, the Emergency Interconnect can be bonded for along its planned development timeline in 2030. Water becomes available as soon as the necessary pipelines and VITA infrastructure are complete in 2029. The results of the modeling effort indicate the VITA alternative is affordable and can successfully supply the target demand within the planning horizon. As shown in **Table 22**, the present value of costs associated with acquiring 300 AF under the VITA alternative, excluding the Emergency Interconnect, total \$36M.

Figure 17: Bond Size and Timeline for VITA Alternative

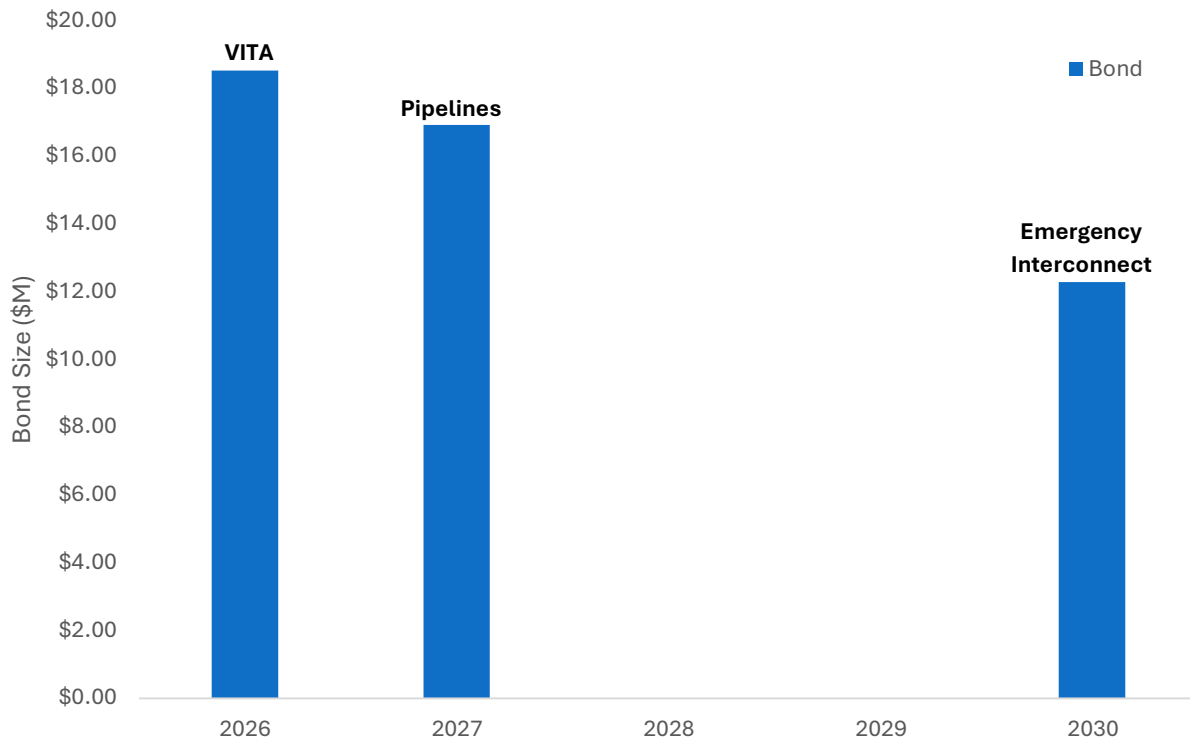


Table 22: Present Value of Projected Total Cost of VITA Alternative (\$M)

Item	300 AF	500 AF	750 AF
Capital Costs	\$33.16	\$44.97	\$59.73
O&M Costs	\$3.07	\$3.01	\$2.94
Total	\$36.23	\$47.98	\$62.67

Dedication Policy

Executing the VITA alternative would necessitate implementing a CIL program. As with NISP, VITA is not a project developers can invest in and dedicate to municipal water providers.²⁸ Buying in to VITA would require bonding from the Town. A CIL program that reflects the unit cost of Severance's VITA purchase would need to be initiated to recoup costs.

Reusability

Non-tributary groundwater is a wholly consumable supply and the entirety of Severance's acquired supply under the VITA alternative would be reusable. Severance does not have an immediate need for a reusable supply, however, some reuse opportunities exist, as described in the Reuse Strategy above. Alternatively, reusable effluent can be leased to downstream parties as a source of supply or augmentation.

Other Considerations

The VITA alternative is the only short-listed alternative that does not include participation in CLRWTA, meaning Severance does not receive new treatment capacity. At present, Severance's

²⁸ Developer involvement is under consideration by FrontRange H2O but a program allowing developer dedication is not yet defined.

service agreement with North Weld allows for a maximum treated and delivered volume of 214 MG or 658 AF. In an average year, Severance's current portfolio yields 1,132 AF. Without additional treatment capacity, Severance will not have access to approximately 474 AF of municipal supply. As a result, Severance may need to acquire additional volumes from VITA above the 300 AF modeled in this analysis. The 300 AF water supply gap was estimated assuming Severance fully utilizes its entire water supply portfolio. Under the VITA alternative, the supply gap may be up to 747 AF.

To determine the affordability of acquiring a larger volume, a scenario was built where Severance acquires 750 AF in the VITA project. The same pipeline and acquisition costs were used but VITA O&M was adjusted to \$4.50/kgal. Under this modified scenario, VITA remains an affordable alternative, however, the Emergency Interconnect cannot be bonded for along its planned timeline (2030). Delaying bonding for the Emergency Interconnect by one year (2031) again makes VITA and all planned CIP components affordable. The present value of costs to implement the VITA alternative with the acquisition of 750 AF are also listed in **Table 22** and total \$63M. A third option for the acquisition of 500 AF is also shown in **Table 22**. Under this scenario, the Emergency Interconnect can be bonded for along its planned timeline (2030).

Final Alternative Comparison & Recommendations

Findings from the evaluation of short-listed alternatives suggest the Town of Severance is in a strong financial position and can feasibly develop any of the alternatives. **Table 23** summarizes the construction components, present value of costs, affordability, necessary dedication policy, and primary risks for each alternative. Although reusability was referenced above, reusability is not of high importance to the Town and is not used as determining factor for final recommendations.

Table 23: Summary of Short List Water Supply Alternative Implementation Strategies

Consideration	NISP	Units & Shares	VITA
Construction Components	NISP + CLRWTA+ Pipelines	Units & Shares + CLRWTA + Pipelines	VITA + Pipelines
Present Value of Total Costs	\$74-\$78M	\$105-\$114M (with CIL) \$54M (with dedication)	\$36M (300 AF) \$48M (500 AF) \$63M (750 AF)
Affordable	Yes ^a	Yes ^b	Yes ^c
Dedication Policy	CIL ^d	CIL or Dedication	CIL
Primary Risk Components	Uncertain timeline and yield	Limited availability of shares	Non-renewable supply

- a) With delay of Emergency Interconnect
- b) With delay of Emergency Interconnect if utilizing a CIL policy
- c) With delay of Emergency Interconnect if acquiring 750 AF
- d) Dedication of ditch company shares or CBT can occur under the NISP alternative but is not recommended. NISP itself cannot be dedicated and must utilize CIL.

All of the evaluated alternatives are affordable, with some requiring a delay to bonding for the Emergency Interconnect to support the required water acquisition timeline. However, the purpose of the Emergency Interconnect project is to construct an emergency water system connection to the City of Greeley's water system, providing redundancy and protection against water shortages or service disruption. Developing any of the three short-listed alternatives also provides redundancy and system protection, in which case the Emergency Interconnect with Greeley may not be needed. Removing the Emergency Interconnect from the BCM altogether suggests all modeled alternatives are affordable.

Evaluating the alternatives next in terms of overall cost suggests that acquiring 300 AF of VITA is the least-cost alternative. If acquiring 750 AF of VITA, the Units & Shares alternative instead becomes the least-cost alternative. Although the Units & Shares alternative paired with CIL presents as the highest cost alternative, water acquisition costs are ultimately recouped through CIL fees, and Severance's net costs under this alternative should ultimately match costs associated with the Units & Shares alternative when paired with dedication. With CIL fees or dedication bringing down the cost of the Units & Shares alternative, NISP becomes the highest cost alternative of the three short-listed alternatives.

NISP also remains the highest risk alternative, with significant uncertainty remaining around the project's total cost, timeline, yield, and reliability. Significant risks remain for the Units & Shares and VITA alternatives as well. Primarily, a limited number of ditch company shares and CBT units remain available for potential acquisition, creating pressure to acquire necessary supplies earlier in the planning horizon. Likewise, VITA water is a non-renewable supply and commitment to the VITA alternative involves stranding a portion of Severance's current water supply portfolio. Although conjunctive management and reuse can extend the lifetime of VITA water to several hundred years, additional water may need to be acquired in the future once initial volumes are exhausted.

Other outstanding risks remain around the development of CLRWTA. The CLRWTA treatment plant was proposed by its participants to treat and deliver water from NISP. Uncertainty around each municipality's participation in NISP, and around if and when NISP will be completed, generate uncertainty around whether the CLRWTA treatment plant will be constructed. **If CLRWTA is not constructed, VITA becomes the only feasible alternative for supplying treated water to the Town of Severance. If CLRWTA is constructed, all alternatives remain viable but the Units & Shares or NISP alternatives become WestWater's recommended alternatives to avoid stranding portions of Severance's existing water supply portfolio.** Across all alternatives, conveyance infrastructure is required from the Town's storage tanks to the CLRWTA site. As such, it is recommended that Severance participate in the construction of pipelines south from CLRWTA (Segment 1 in **Figure 18, Appendix F**) and a pipeline east from Severance to Segment 1 (Segment 3 in **Figure 18, Appendix F**, likely in partnership with Eaton).

Ultimately, the selection of a water supply alternative as the future supply for the Town of Severance is heavily dependent on outstanding planning and political factors. Here, a single recommendation around the selection of an alternative is not made, rather, recommendations are made that support the common components across all alternatives and generate optionality for Severance for future water planning decisions. However, assuming the construction of CLRWTA, WestWater recommends prioritizing the water supply alternatives as follows:

1. Units & Shares
2. NISP
3. VITA

Insights and Implementation

The findings of the Water Supply Master Plan suggest the Town of Severance is in a strong position both in terms of its current water portfolio and the financial capacity of its Water Fund. The Town is not in immediate need of additional water but is projected to have a dry-year water supply gap of up to 300 AF by 2055, with additional dry-year demand beginning in 2039. Severance is in a position to afford all short-listed water supply alternatives; NISP, Units & Shares, or VITA non-tributary groundwater. WestWater's primary recommendation is to preserve optionality around all three alternatives. At present, Northern Water has extended agreements with NISP participants through May 2026, and it is likely that uncertainty will remain around NISP and CLRWTA within this time frame. Until more is known regarding the feasibility, cost, and timeline of NISP and CLRWTA, Severance should move forward with a few key planning initiatives. These specific recommendations and key takeaways from the Master Plan are summarized below:

- 1. Participate in CLRWTA pipeline.** Conveyance infrastructure from the CLRWTA site to the Town of Severance is needed under all three short-listed alternatives. The main line (Segment 1) will extend south from the CLRWTA site to the eastern end of FCLWD's service area near County Line Rd and Weld County Rd 78. In the near term, Severance should commit to participating in Segment 1 of the CLRWTA pipeline.
- 2. Build pipeline from Severance to CLRWTA main line.** Conveyance infrastructure from the CLRWTA pipeline (Segment 1) to the Town of Severance is needed under all three short-listed alternatives. An additional transmission line (Segment 3) is needed to complete the conveyance system from CLRWTA to Severance's storage tank. The Town of Eaton is also expected to require conveyance capacity along this corridor. In the near term, Severance should work with Eaton to build pipeline Segment 3, paralleling County Rd 78 before turning south toward the Town's storage tanks off of Weld County Rd 21.
- 3. Reconsider size of participation in CLRWTA.** Based on a review of Severance's water demands, the Town should reconsider its share in the CLRWTA treatment plant and pipelines to ensure the sizing is appropriate for its projected 300 AF of demand. Oversizing of infrastructure could unnecessarily increase costs for the Town.
- 4. Greeley Emergency Interconnect may not be necessary.** The Emergency Interconnect is intended to create redundancy and security for Severance's water distribution system. With the development of a water supply alternative (i.e., NISP, Units & Shares, or VITA), redundancy is added to the system, potentially nullifying the need for the Emergency Interconnect with Greeley. Since bonding for the Emergency Interconnect along its planned CIP timeline (2030) generates financial risk for the water supply alternatives, Severance should re-evaluate the value the project brings should a new water supply alternative be developed and consider eliminating the project from the Town's CIP.
- 5. Significant uncertainty remains around regional projects.** NISP and CLRWTA are regional projects that depend on multiple other participants to move forward. Many NISP participants are currently reevaluating their involvement in the project, and two have formally withdrawn. Participant decisions around CLRWTA likely won't be made until more decisions are made around NISP. Decisions around NISP aren't likely until after May 2026.
- 6. The Units & Shares alternative is the primary recommendation if CLRWTA moves forward.** The Units & Shares alternative requires treatment capacity at CLRWTA and

should not be committed to until commitments are made around the CLRWTA treatment plant. Acquiring ditch company shares or CBT units has a lower net cost than NISP, is lower risk, allows Severance to utilize the entirety of its existing portfolio, and offers greater flexibility around establishing a dedication policy. Either (or both) CIL or dedication can be used to support the acquisition of the target demand under the Units & Shares alternative.

7. **Without CLRWTA, VITA is the only viable alternative.** Without additional treatment capacity, receiving treated water from the VITA project offers the only viable alternative for acquiring Severance's target demand. If significant uncertainty remains around CLRWTA, or the project is altogether terminated, VITA becomes the primary recommendation.
8. **Move forward with all alternatives.** Severance is well positioned to meet its near-term water demands, with sufficient existing supplies and the financial capacity to invest in future resources as needed. While several viable long-term supply options exist, each carries notable uncertainties that warrant caution. Given these conditions, the Town should refrain from committing to a single supply strategy at this time. Instead, Severance should advance low-cost, low-risk elements of multiple options to preserve optionality and ensure readiness as future conditions and opportunities become clearer.
9. **Retain flexibility for setting a future dedication policy.** The type of water dedication policy (i.e., CIL or dedication of raw water) that can be implemented by the Town of Severance is dependent on which water supply alternative is developed. Both NISP and VITA can only be financed through bonding later reimbursed by CIL fees. The Units & Shares alternative requires bonding for its infrastructure components, which would be paid for through taps fees, but can utilize either CIL or dedication to support water acquisitions. Until a single water supply alternative is selected for development, a specific recommendation cannot be made. Likewise, specific tap and CIL fees cannot be estimated at this time. Severance should maintain its current dedication policy until decisions are made regarding the development of a water supply alternative.

Appendix A: Demand Analysis Technical Memorandum

Appendix B: Financial Assessment Technical Memorandum

Appendix C: NISP Costs Technical Memo

Appendix D: Maps

1. USGS Groundwater Map

2. VITA Concept Map

Appendix E: Ranking Criteria

Volume	Rank
The alternative can provide a sufficient volume to meet target demands.	1
The alternative cannot provide a sufficient volume to meet target demands.	0

Timeline	Rank
Alternative can be developed in time to meet Severance's future water demands.	1
Alternative cannot be developed in time to meet Severance's future water demands.	0

Cost & Affordability	Rank
Low	3
Moderate cost	2
High	1

Reliability	Rank
Supply has high reliability	3
Supply has moderate reliability	2
Supply has low reliability or reliability is unknown	1

Risk	Rank
Low	3
Moderate	2
High	1

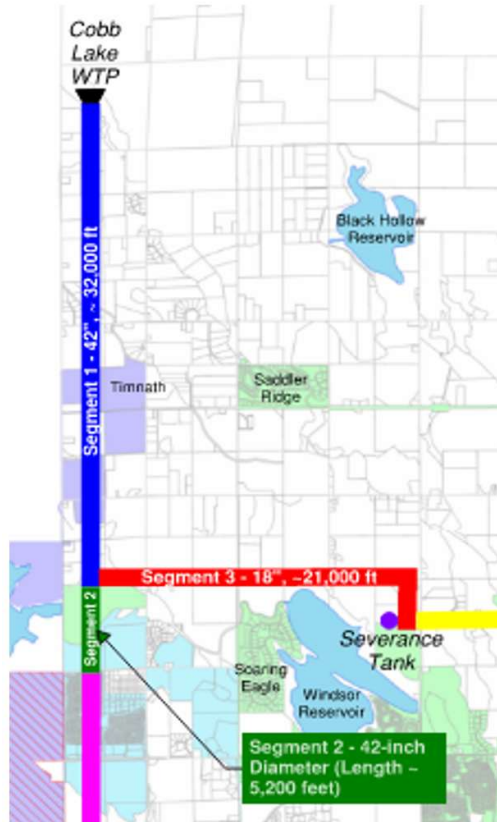
Feasibility	Rank
High	3
Moderate	2
Low	1

Appendix F: CLRWTA Costs

The Towns of Severance, Eaton, and Windsor and FCLWD are participants in the CLRWTA Project. Originally conceived to treat and convey water from NISP, the CLRWTA addresses critical components common to most if not all water supply alternatives: treatment capacity and conveyance infrastructure. While the VITA alternative provides a treated water supply, the remaining two alternatives require both treatment and conveyance infrastructure. **Figure 18** shows the capacity attributed to each participant, the treatment plant's location, and the pipeline components associated with the project. The Town of Severance is currently committed to 2.39 MGD of capacity in CLRWTA which includes capacity in the treatment plant as well as in pipeline segments 1 and 3. For the NISP alternative, an additional pipeline segment is needed to bring water from the NISP pipeline to Cobb Lake. This segment is expected to be approximately one mile in length and constructed with the same specifications as Segment 1.

Figure 18: CLRWTA Participation and Pipeline Segments

Confirm methodology in July Board



Segment 1 – Mainline, 42" Pipe, 32,000 LF

Entity	Capacity / Demand (MGD)	Responsibility (%)
FCLWD	26	76.25%
Windsor	3	8.80%
Severance	2.4	7.04%
Eaton	2.7	7.92%
Totals	34.1	100%

Segment 2 – FCLWD/Windsor Extension, North Phase, 42" Pipe, 5,200 LF

Entity	Capacity / Demand (MGD)	Responsibility (%)
FCLWD	26	89.66%
Windsor	3	10.34%
Totals	29	100.0%

Segment 3 – Severance / Eaton Service Line, 20" PVC Pipe, 21,000 LF

Entity	Capacity / Demand (MGD)	Responsibility (%)
Severance	2.4	47.06%
Eaton	2.7	52.94%
Totals	5.1	100.0%

To incorporate the relevant components of the CLRWTA project into the BCM for each short-listed alternative, WestWater developed capital cost estimates for the CLRWTA treatment plant, utilized pipeline cost estimates provided by FCLWD (August 2025), and estimated operating costs for both the treatment plant and associated pipelines. The methodology for estimating each cost component and resulting costs are summarized below.

Capital cost estimates for the CLRWTA treatment plant were developed through a review of costs for recently constructed water treatment plants. This analysis considered greenfield projects only and excluded water treatment plant retrofits and expansion projects. The analysis was not limited to specific treatment technologies given the treatment technologies at the CLRWTA have not been finalized. Average costs were estimated and organized according to total treatment volume. **Table 24** presents the cost estimates for low to high volume plants. All costs are presented in 2025 dollars. The data revealed significant economies per scale can be obtained for larger volume plants.

Table 24. Unit cost of Water Treatment Plant Construction

Size	\$/MGD	Approximate Treatment Volume (MGD)
Large Volume	\$9.17	70-135
Medium Volume	\$15.40	14-60
Low Volume	\$22.52	0.4 - 7.2

Per this scale, CLRWTA will construct a medium-sized treatment plant. **Table 25** presents the total estimated cost of CLRWTA and the cost share per municipality. Severance's cost share for 2.4 MGD treatment capacity is estimated to be \$36.95M. It is recognized that Severance's participation in CLRWTA is in excess of the capacity needed to treat the target demand. WestWater discusses this further in the *Implementation & Financing Plan* section of the report.

Table 25. Estimated Cost Share in CLRWTA Water Treatment Plant

Facility	MGD	AFY	Total Cost (\$M)
FCLWD	26	29,124	\$400.28
Windsor	3.0	3,360	\$46.19
Severance	2.4	2,688	\$36.95
Eaton	2.7	3,024	\$ 41.57
Total	34.1	38,197	\$524.99

WestWater estimated operational expenditures for the CLRWTA treatment plant using a similar approach to that for the treatment plant, reviewing multiple sources, including the 2025 budget for the Soldier Canyon Water Treatment Authority. This analysis, covering a range of treatment capacities and technologies, produced an estimated \$2.01/kgal for treatment at the CLRWTA Water Treatment Plant. For comparison, operational expenses at Soldier Canyon were estimated at \$0.784/kgal.

WestWater estimated construction costs for the transmission pipelines using data provided by FCLWD to CLRWTA participants in August 2025 and the Colorado Water Conservation Board's (CWCB) Cost Estimator Tool. **Table 26** lists the capacity commitment and cost distribution by participant for each pipeline segment Severance is participating in. The unit cost for Segment 1 is estimated at \$1,850 per linear foot (approximately \$10 million per mile), while Segment 3 is estimated at \$1,136 per linear foot (approximately \$6 million per mile). While WestWater notes that these figures are high relative to typical pipeline costs, the engineering team attributes the estimates to the inclusion of substantial risk and contingency allowances. Using the CWCB tool to estimate the cost of the NISP Connection resulted in a significantly lower unit cost—\$933 per linear foot—underscoring the cost impact of CLRWTA's higher risk and contingency allowances. Pipeline O&M costs were estimated at 0.5% of total construction costs for each participant.

Table 26. Town of Severance's Cost Share in the CLRWTA Transmission Pipelines

Segment 1 - Mainline 48" Steel Pipe			
	Capacity (MGD)	Responsibility (%)	Total Cost (\$)
FCLWD	26	76%	\$48,980,645
Windsor	3.0	9%	\$5,651,613
Severance	2.4	7%	\$4,521,290
Eaton	2.7	8%	\$5,086,452
Total	34.1	100%	\$64,240,000
Segment 3 - Severance / Eaton Service Line, 20" PVC Pipe			
	Capacity (MGD)	Responsibility (%)	Total Cost (\$)
Severance	2.4	47%	\$10,964,706
Eaton	2.7	53%	\$12,335,294
Total	5.1	100%	\$23,300,000
NISP Connection 48" Steel Pipe			
	Capacity (MGD)	Responsibility (%)	Total Cost (\$)
FCLWD	36	76%	\$3,742,433
Windsor	3.0	9%	\$443,183
Severance	2.4	7%	\$344,698
Eaton	2.7	8%	\$393,940
Total	34.1	100%	\$4,924,254

**TOWN OF SEVERANCE
RESOLUTION NO. 2026-08R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, APPROVING AND ADOPTING THE WATER EFFICIENCY PLAN
DATED DECEMBER 9, 2025.**

WHEREAS, the Town of Severance (“The Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter; and

WHEREAS, the Town owns and operates a water system which is supplied with water from various sources for the benefit of the inhabitants of the Town; and

WHEREAS, the Colorado General Assembly enacted the Water Conservation Act of 2004, which requires all municipal water providers to prepare a water efficiency plan to be eligible to receive certain state grants and loans, and which requires such plans to consider a 10-year planning horizon and be renewed every 7 years;

WHEREAS, the Town engaged WestWater Research, LLC, (“WestWater”), to develop a Water Efficiency Plan to satisfy the requirements of the Water Conservation Act of 2004; and

WHEREAS, the WestWater delivered to the Town a document titled “WATER EFFICIENCY PLAN, DATED DECEMBER 9, 2025”, a copy of which is attached hereto and incorporated herein as Exhibit A, and which covers the years 2026-2035 and serves as an update to the Town’s 2017 water efficiency plan; and

WHEREAS, the Town Council finds and determines that the approval of the attached “WATER EFFICIENCY PLAN, DATED DECEMBER 9, 2025”, promotes the safety, security, and general welfare of the inhabitants of the Town of Severance.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:

Section 1. The attached WATER EFFICIENCY PLAN, DATED DECEMBER 9, 2025, is hereby approved and adopted.

RESOLVED AND APPROVED THIS 10TH DAY OF MARCH 2026.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk



Water Efficiency Plan

2026 Water Efficiency Plan



December 9, 2025

Prepared by

WestWater
RESEARCH

Table of Contents

1.	Introduction	5
1.1	Statutory Requirements	6
2.	Profile of Existing Water System	7
2.1	Overview	7
2.1	Water Supply and Reliability	7
2.2	Supply-Side Limitations and Future Needs.....	9
3.	Severance Water Demand and Historical Demand Management	12
3.1	Demographics and Service Area Characteristics	12
3.2	Historical Potable Water Demand	13
3.2.1	Severance's Annual Total Potable Demand	13
3.2.2	Annual Potable Water Use by Category	14
3.3	Indoor and Outdoor Demand.....	15
3.3.1	Single versus Dual Water Systems	16
3.3.2	Parks and Open Space.....	17
3.5	Past and Current Demand Management Activities	18
4.	Integrated Planning and Water Efficiency Goals	20
4.1	Baseline Potable Demand Forecast	20
4.2	Water Efficiency Goals	22
5.	Water Efficiency Roadmap	25
5.1	Summary of the Selection Process.....	25
5.2	Water Efficiency Activities	26
5.3	Water Savings by Customer	32
5.4	Modified Water Demand Forecast	35
6.	Implementation and Monitoring Plan	36
6.1	Implementation Plan	36
6.2	Monitoring Plan	38
7.	Public Engagement, Policy Adoption, and State Approval	39
7.1	Efficiency Plan Adoption	39
7.2	Public Review Process.....	39
7.3	Efficiency Plan Approval.....	39
7.4	Water Efficiency Plan Review and Update	39
8.	References	40

List of Figures

Figure 1: Severance System Overview	8
Figure 2: CBT, NPIC, and WSSC Average Price 2012-2025	10
Figure 3: Percentage of Total Demand by Category (2020-2024)	15
Figure 4: Percent Indoor/Outdoor Use by Customer Type (2019-2024)	15
Figure 5: Average Monthly Indoor/Outdoor Water Use	16
Figure 6: Range of Future Water Demands	21
Figure 7: Town of Severance Water Efficiency Implementation Plan (2026-2035).....	37

List of Tables

Table 1: Severance Sources of Potable Municipal Supply	7
Table 2: Median Household Income Comparison	12
Table 3: Severance Population and Growth 2012-2024	13
Table 4: Severance Annual Demand 2019-2024	13
Table 5: Severance Annual Demand 2012-2016	14
Table 6: Severance Annual Water Use by Category	14
Table 7: Severance Historical Water Demand	17
Table 8: Severance Parks and Acreage	18
Table 9: 2017 Water Efficiency Plans Activities and Status (2025)	18
Table 10: Forecasted Total Water Demand at the Treatment Plant	21
Table 11: Water Supply Gap Scenarios	22
Table 12: Town of Severance Performance against 2017 Water Efficiency Plan	23
Table 13: Current and New Water Efficiency Activities	27
Table 14: Projected Residential Indoor Water Savings	32
Table 15: Projected Residential Outdoor Water Savings	33
Table 16: Projected Commercial Outdoor Water Savings	34
Table 17: Projected Non-Revenue Water Savings	35
Table 18: Modified Demand and Water Efficiency Targets for 2035	35
Table 19: Water Efficiency Plan Monitoring Program	38

List of Acronyms

AF	Acre-feet
AWWA	American Water Works Association
CBT	Colorado-Big Thompson
CWCB	Colorado Water Conservation Board
CWLI	Colorado Water Loss Initiative
FCLWD	Fort Collins-Loveland Water District
gpcd	Gallons per Capita per Day
HB	House Bill
HOA	Homeowners' Association
MU	Multiple Use
NISP	Northern Integrated Supply Project
NRW	Non-Revenue Water
NWCWD	North Weld County Water District
POA	Period of Analysis
SB	Senate Bill
ULA	Upper Laramie Aquifer
WEA	Water Efficiency Activities
WEP	Water Efficiency Plan
WSA	Water Service Area
WSSC	Water Supply and Storage Company

1. Introduction

The Town of Severance (“Severance” or “the Town”) is a rapidly growing community located in Weld County in northeast Colorado. Its proximity to the expanding urban centers of Fort Collins, Loveland, and Greeley offers residents a unique blend of small-town character and convenient access to urban amenities. This desirable setting contributed to significant population growth in recent decades, prompting the Town to respond quickly to increasing water demand. Effective water supply planning requires a comprehensive approach—one that evaluates existing and projected water needs, identifies available water sources, and addresses infrastructure requirements along with demand management.

The State of Colorado recognizes water conservation’s crucial role in water supply planning to reduce demand and optimize the use of limited resources. The Colorado General Assembly enacted the Water Conservation Act of 2004, which requires all municipal water providers to prepare a Water Efficiency Plan to be eligible to receive state grants and loans. Plans must consider a 10-year planning horizon and be renewed every seven years. The Town of Severance’s 2026 Water Efficiency Plan (WEP), presented in this document, covers the years 2026–2035 and serves as an update to the 2017 plan.

This plan was prepared under the direction of the Town’s Manager, with input from the Deputy Town Manager, Planning Department, the Public Works Department, Citizen Advisory Board, and the Town Council. This WEP has been developed in accordance with guidance provided by the Colorado Water Conservation Board (CWCB) for water efficiency planning. The CWCB acknowledges that each water provider faces distinct challenges related to demand and supply and therefore encourages WEPs to be tailored to the specific needs, priorities, and financial capacity of each water provider. This plan includes the following key components:

1. Profile of the Existing Water System
2. Water Demand and Historical Trends
3. Integrated Planning and Water Efficiency Goals
4. Water Efficiency Roadmap
5. Implementation and Monitoring Strategy
6. Public Engagement, Policy Adoption, and State Review

The focus of this plan is on the efficient use and conservation of potable water supplies. In Colorado, potable water is typically tied to specific beneficial use designations—such as municipal, commercial, or industrial—which makes these supplies both limited and costly. The added requirement for treatment further increases their value, underscoring the importance of careful management. In contrast, raw (non-potable) water supplies, often designated for agricultural use, are generally more abundant and easier to acquire. The Town of Severance has strategically adapted to this regulatory framework by using raw water for lawn irrigation and reserving its potable supplies, to the extent possible, for domestic, municipal, and commercial purposes. It is important to note that the Town of Severance directly manages only a small portion of raw water supplies, primarily for parks and other public open spaces. Most residential irrigation supplies are managed by the metropolitan districts or homeowners’ associations that serve each subdivision.

The development of this plan coincides with other key planning efforts, namely the development of a Water Supply Master Plan. The Water Supply Master Plan will provide the Town a wholistic view of its future water demands, potential water supply opportunities, and recommendations for water resource project investments, water right portfolio expansion, and water supply financing. The co-development of these plans

ensures the Town of Severance takes an integrated water management approach, recognizing the critical link between water supply and conservation. This coordinated planning strengthens the Town's water security, enhances resilience to drought by proactively managing demand, and supports long-term environmental sustainability by reducing impacts on natural ecosystems.

1.1 Statutory Requirements

The development and structure of this plan are guided by a series of statutory requirements:

The **1992 Energy Policy Act** was a federal law that set federal standards for residential appliances, including tank type toilets, showerheads and faucet aerators.

The **Water Conservation Act of 2004 (House Bill (HB) 04-1365)** – State law requires all water retailers delivering more than 2,000 acre-feet (AF) annually to prepare a water conservation plan for approval by the CWCB and makes funding available for water conservation and drought mitigation projects. While the Town delivers less than 2,000 AF per year, this legislation still applies indirectly, as developing a Water Efficiency Plan is a prerequisite for eligibility to apply for state grants and loans.

Senate Bill (SB) 15-008 requires that Water Efficiency Plan evaluate “best management practices for water demand management, water efficiency, and water conservation that may be implemented through land use planning efforts.” This bill recognizes that outdoor water use is a significant portion of any municipality's annual water use, and it presents some of the greatest opportunities for active and passive water management.

SB14-103 established Colorado as a WaterSense State in 2016 by requiring that all indoor appliances (bathroom faucets, showerheads, tank-toilets, and urinals) sold after January 1, 2016, be WaterSense certified.

The **HB19-1231** expanded on SB-14-103 by adopting updating energy and water efficiency standards and expanding requirements to additional products. Notably, it required that sprinkler heads sold in Colorado be 20% more efficient than standard models when irrigation system pressure exceeds 60 psi.

The **HB20-1095** requires that municipal master plans with a water supply element must include water conservation policies.

State Turf Replacement Program (HB22-1151) – This act provides financial incentives to eligible entities, which includes local governments, districts, Native American tribes, or non-profits, for replacing high-water-use turf with water-wise landscaping. It targets the use of turf in nonessential areas that receive little use, such as medians, areas adjacent to transportation corridors, stormwater drainage and detention basins, and commercial, institutional, or industrial properties.

Water-wise Landscaping In Homeowners' Association Communities (SB23-178). This bill increased homeowners access to drought tolerant landscaping by requiring Homeowners' Association (HOAs) to provide at least three pre-approved xeriscape designs that emphasize drought-tolerant and native plants. It also prevented HOA from banning vegetable gardens in the front, back, or side yard. This legislation was an update to HB21-1229, which also addressed HOAs' ability to prohibit xeriscaping.

Prohibit Landscaping Practices for Water Conservation (SB24-005) – After January 1, 2026, local governments are prohibited from installing, planting, or placing nonfunctional turf, artificial turf, or invasive plant species on commercial, institutional, or industrial property, common interest community property, or a street right-of-way, parking lot, median, or transportation corridor. Artificial turf on athletic fields of play is exempted from the prohibitions. A fact sheet is available [here](#).

2. Profile of Existing Water System

2.1 Overview

The Town of Severance is located in Northern Colorado approximately 16 miles east of the City of Fort Collins and is framed largely by the intersection of Weld County Road 74 and Weld County Roads 21 and 23. The Town has approximately 2,800 water service connections serving an estimated population of 10,500. More than 60% of residential customers are connected to non-potable secondary systems (“secondary systems”) for irrigation.

The Town of Severance is located within the North Weld County Water District (NWCWD) service area. However, the Town owns, operates, and maintains a separate and independent potable water storage and distribution system within NWCWD. Water owned by the Town of Severance is first treated at the Soldier Canyon Filter Plant by NWCWD and delivered through a mainline to two 500,000-gallon storage tanks owned and operated by the Town. From these tanks, water is distributed through Town-owned and operated infrastructure to individual taps. Severance is responsible for acquiring its own raw water supplies, which it transfers to NWCWD on an annual basis for treatment and delivery¹. Figure 1 shows the key components of Severance’s water supply and treatment system.

2.1 Water Supply and Reliability

The Town’s current water supply portfolio consists of two water sources: 1,332 Colorado-Big Thompson (CBT) units and 77 North Poudre Irrigation Company (NPIC) shares. NPIC shares include CBT supply. These sources are further described in subsequent sections. Severance also owns 13 groundwater water wells and Loup Reservoir Company shares and uses these supplies to irrigate city parks.

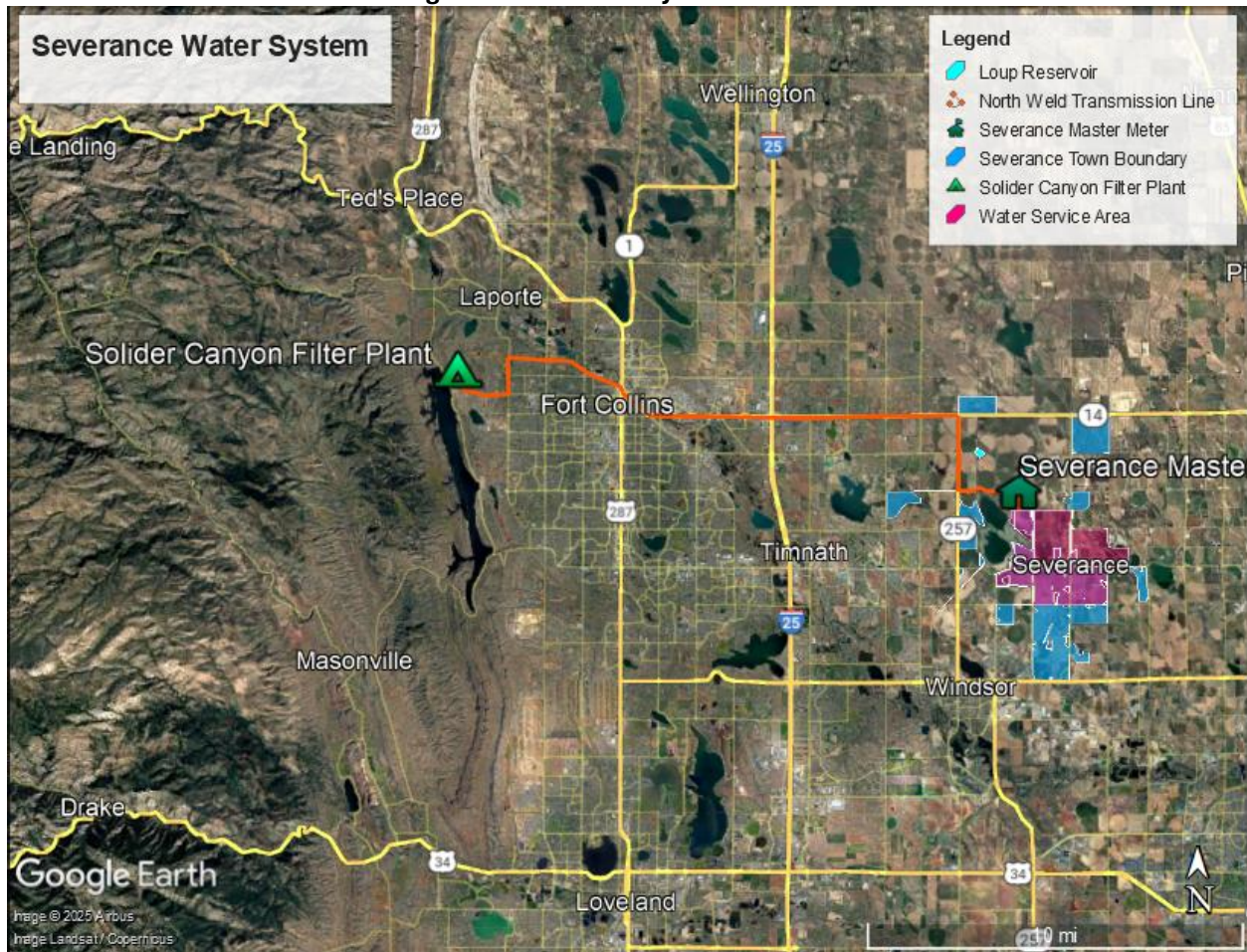
The Town employs conservative, dry-year yield estimates when defining its current water supply portfolio. The firm yield of CBT water is accepted to be 0.5 AF per unit, as the project has never delivered less than 0.5 AF for each allotted unit. For comparison, the average yield of CBT over the course of its delivery is over 0.7 AF per unit. NPIC shares provide an average yield of 2.6 AF per share of CBT water, but Severance assumes a firm yield of 1.0 AF per NPIC share based on historic ditch allocations. The Town’s water right holdings for potable uses are listed in Table 1 alongside the firm yield for each water source. For planning purposes, Severance’s current water portfolio is assumed to total 743 AF.

Table 1: Severance Sources of Potable Municipal Supply

Source	Quantity	Unit Firm Yield	Firm Yield (AF)
CBT Units	1,332 units	0.5 AF/unit	666
NPIC Shares	77 shares	1 AF/share	77
Total			743

¹ Town of Severance. (2020). *2020 Comprehensive Plan*.

Figure 1: Severance System Overview



2.1.1 Colorado-Big Thompson Project Units

The CBT project diverts water from the headwaters of the Colorado River to the Northern Front Range. The project is administered by the Northern Colorado Water Conservancy District ("Northern" or "Northern Water") and supplies water to municipalities and irrigators that own CBT allotment contracts. The entire yield of the CBT project is divided into 310,000 units based on a maximum legal diversion of 310,000 AF annually. Each year, Northern determines the quota, expressed as the percentage of 1 AF, that CBT allottees will receive. A near-average quota of 70% means that each unit of CBT will receive 0.7 AF of delivery.

Over the entire history of the CBT project, the quota has never fallen below 0.5 AF. Most municipalities recognize 0.5 AF as the firm yield for CBT. For the purposes of this report, Severance's firm yield for its CBT units is 0.5 AF per unit, which equates to 666 AF.

2.1.2 North Poudre Irrigation Company Shares

NPIC supplies water to both municipalities and irrigators in the Severance area. Over 75% of NPIC shares are currently owned by northern Front Range municipal water providers. Municipalities acquire NPIC shares in part to utilize the 4 CBT units which form the Multiple Use (MU) component of each NPIC share. When NPIC shares are transferred to municipal ownership, the CBT units remain under NPIC ownership, and the CBT units are not directly transferred to the municipality. NPIC allocates MU water every year to shareholders.

These allocations vary based upon CBT allocations from Northern Water and NPIC water needs. The average allocation is 2.6 AF/share. The lowest recorded MU allocation of CBT water is 1 AF per share, which for Severance represents the firm yield of municipal supply derived from NPIC shares.

2.1.3 Raw water supplies

While not the focus of this plan, Severance owns 13 groundwater water wells and Loup Reservoir Company shares, which are used largely for lawn irrigation purposes at city parks and other public properties. These are important components of the Town's water supply portfolio that allow the Town to conserve high-value and limited potable water resources. The Town also benefits from the use of raw water supplies for lawn irrigation at new residential developments, as described in Section 3.3.1. The Town does not directly manage these supplies, and therefore, they are not included in the Town's water portfolio.

2.2 Supply-Side Limitations and Future Needs

The water market in northern Front Range has grown more competitive in recent years, increasing the price of municipal water supplies. Severance relies on CBT, which has increased in price by 123% over the last 10 years, for much of its municipal supply. Other municipal water assets that Severance is considering include native Cache la Poudre ("Poudre") River water, the Northern Integrated Supply Project, and the VITA non-tributary groundwater project.

2.2.1 CBT Units

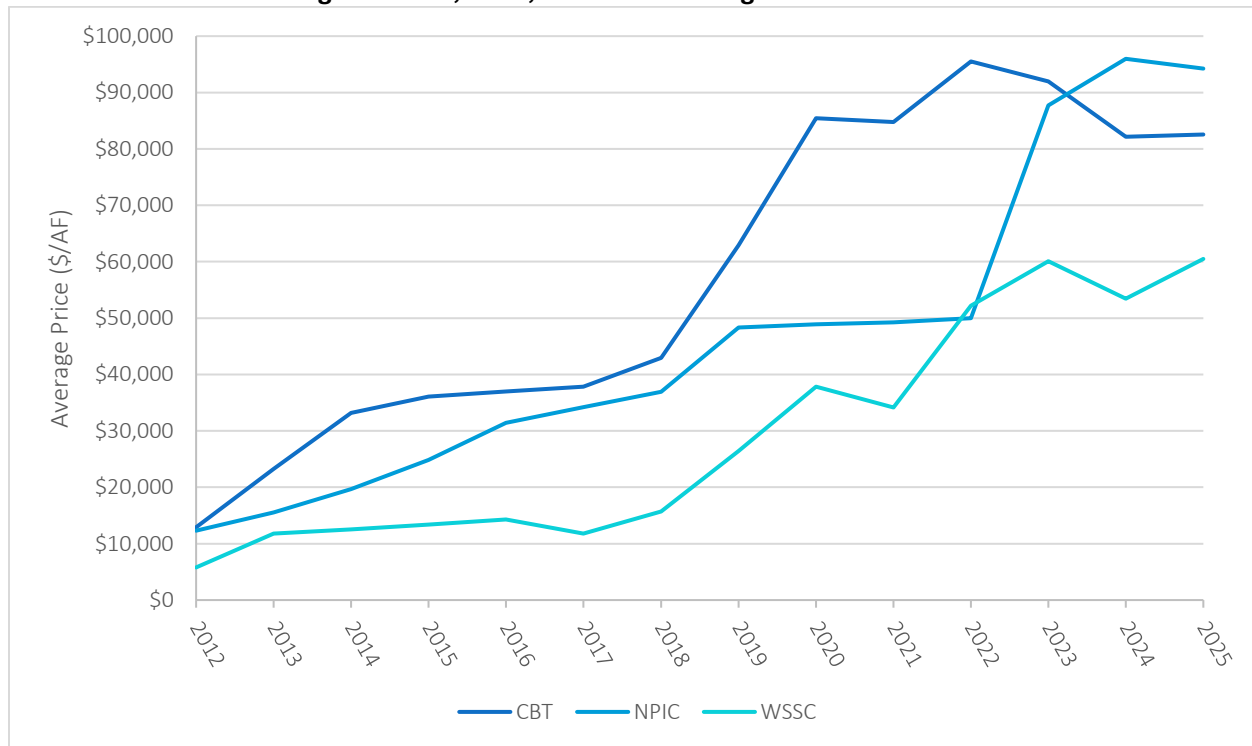
CBT is the most versatile and widely used municipal water supply source in the northern Front Range. It is highly available, reliable, and treatable, making it a valuable water asset. Since CBT is used by many water providers and transacts frequently, it generally sets the market for municipal water supply in the region.

The price of CBT has risen steadily for decades but experienced particularly rapid price escalation from 2017 to 2022. In 2017, the average price for a CBT unit was approximately \$38,000/AF, but by 2022 had risen to over \$95,000/AF. Since 2022, the market has corrected slightly and stabilized at approximately \$82,500/AF. In recent years, NPIC shares have begun trading for higher unit (per AF) prices than CBT. The market price for NPIC shares is currently at \$245,000/share or \$94,250/AF on an average yield basis.

2.2.2 Cache la Poudre Native Supply

Severance owns native Poudre water rights as part of its NPIC holdings but does not use the native water portion of NPIC for municipal supply. There is intense competition for native supply on the Poudre, and ditch company shares regularly trade for over \$50,000 per AF. Water Supply and Storage Company (WSSC), a commonly transacted native Poudre source used for municipal supply, currently trades for approximately \$60,500 per AF. Trends in WSSC, NPIC, and CBT prices are shown in Figure 2.

Figure 2: CBT, NPIC, and WSSC Average Price 2012-2025



2.2.3 Northern Integrated Supply Project (NISP)

NISP is a proposed water supply and delivery project in the northern Front Range being developed by Northern Water. Comprised of two new reservoirs – Glade and Galeton – NISP will supply a total of 40,000 AF to fifteen municipal participants. Glade Reservoir will be located northwest of Fort Collins and divert water from the Poudre River while Galeton will be northeast of Greeley and filled with water piped from the South Platte River. The project's total yield is anticipated to be split evenly between the two reservoirs with participant allocations broken up into 1 AF units. Reliability and yield of the project are unknown until the project is fully designed and online. All of the project's units are currently accounted for and held by Front Range municipalities; however, there has been market activity for units as municipalities increase or decrease their participation in NISP. Severance is a NISP participant with an allotment of 500 AF. Severance initially held a 1,300 AF allotment but sold 1,000 AF to Fort Collins-Loveland Water District (FCLWD) in 2024. Although NISP has faced a long timeline for development with significant uncertainty, the project's permits have been approved, a settlement for litigation has been reached, and the project is awaiting final commitments from participants. Construction is expected to begin in late 2025. Construction is expected to begin in late 2025 and the estimated unit costs range from \$70,200/AF to \$106,600/AF².

² Utilizing public data from Northern Water, WestWater developed cost estimates for NISP construction costs (at mid-point) under three scenarios, which depict progressively higher costs and lengthier construction delays. The lowest cost scenario aligns with Northern's planned construction schedule as of August 2025.

2.2.4 VITA Groundwater

Following Greeley's successful investment in the Terry Bison Ranch groundwater project, several private developers have sought a stake in the Upper Laramie Aquifer (ULA) with the hopes of marketing non-tributary groundwater to meet growing demands in the Northern Front Range. VITA H2O (VITA) is a non-tributary groundwater project being developed southeast of Terry Ranch along Highway 85 approximately five miles north of Nunn. Much like Terry Ranch, the project proposes a wellfield to pump non-tributary groundwater into a centralized onsite treatment system using ion exchange technology. The treated water will then be conveyed to end users. The project is being designed for aquifer storage and recovery in later phases. The primary delivery route is to the proposed Cobb Lake Regional Water Treatment plant (CLRWTA). Other pipelines are being explored from CLRWTA east to Severance and Eaton as well as south along the Highway 85 corridor. The VITA project is expected to yield 4,000 AF per year in Phase I with capacity being developed for up to 11,000 AF per year in later phases. The final delivery cost for VITA is anticipated above \$60,000 per AF.

3. Severance Water Demand and Historical Demand Management

In its 2017 WEP, Severance estimated it could reduce water use by 10.9%, or 807 AF, during the 10-year planning period through water efficiency activities. This section will discuss the various factors that impacted Severance’s performance against their reduction goal. One notable occurrence was the significant population growth that Severance experienced from 2018-2021, where growth rates ranged from 17% - 24% annually. By 2023, the population was nearly double the population projected for 2026 in the WEP. As such, the Town felt a better metric to evaluate the success of its WEP is a review of per capita water use in gallons per capita per day (gpcd). In the succeeding sections, the Town will present water use in this unit such that impact of per capita water usage is evident despite the significant increase in population that drives the total treated water demand.

3.1 Demographics and Service Area Characteristics

Severance delivers water within a water service area (the “WSA”) that contains most of the Town’s population. The remainder of Severance’s population is served by other water providers, principally NWCWD. Although the Town does not track population specifically within the WSA, estimates are derived from customer billing records, specifically the number of taps added during the analysis period. The 2017 WEP reports a WSA population of 2,954 and 1,110 customer taps in 2016, yielding a ratio of 2.69 persons per tap. This ratio is applied to estimate WSA population for the years 2017 through 2024. Table 3 shows the Town’s reported Town population and estimated WSA population for the years 2012–2024. Severance foresees sustained growth within their WSA, though at lower rates than those observed from 2017–2022. Section 4.1 forecasts future water demands through 2055.

Severance currently does not have any multi-family housing units but does have planned future multi-family developments totaling 195 taps. Still, single-family homes will remain the dominant home type for the foreseeable future. Severance is relatively high-income compared to nearby cities like Fort Collins and Greeley, with the median household earning \$127,257³. Severance’s median income compared to nearby cities and the rest of the state is shown in **Table 2**.

Table 2: Median Household Income Comparison⁴

City/State	Median Household Income
Severance	\$127,257
Fort Collins	\$81,199
Greeley	\$76,462
Colorado	\$97,113

³ data.census.gov 2024 American Community Survey 1-Year Estimates

⁴ 3 *Ibid*

Table 3: Severance Population and Growth 2012-2024

Year	Town Population	Year-over-Year Population Growth	WSA Taps	WSA Population	Year-over-Year WSA Population Growth
2012	3,319		961	2,743	N/A
2013	3,412	3%	985	2,805	2%
2014	3,587	5%	1,011	2,862	2%
2015	3,862	8%	1,030	2,930	2%
2016	4,195	9%	1,100	2,954	1%
2017	4,500	7%	1,112	2,954	1%
2018	5,277	17%	1,214	2,986	1%
2019	6,436	22%	1,632	3,260	9%
2020	7,993	24%	1,948	4,383	34%
2021	9,639	21%	2,441	5,231	19%
2022	10,597	10%	2,677	6,555	25%
2023	10,820	2%	2,772	7,189	10%
2024	11,554	7%	2,830	7,444	4%

3.2 Historical Potable Water Demand

3.2.1 Severance's Annual Total Potable Demand

Water is treated by NWCWD and delivered to the Town's two master meters where it enters the WSA. The water is then delivered to taps within the Town's service area. Data from the Town's master meter was provided by the Town along with data for all customer meters within the WSA. Table 4 shows annual potable water deliveries from NWCWD to Severance's master meter from 2019–2024, the period of analysis (POA) for this report, in both AF and gpcd.

Table 4: Severance Annual Demand 2019-2024

Year	Demand (AF)	Demand (gpcd)
2019	500.49	101.95
2020	664.28	113.36
2021	699.22	95.23
2022	716.21	88.94
2023	617.19	74.02
2024	675.54	79.36
Average	645.49	92.14

In the Town's 2017 WEP, the gpcd demand was far higher than per capita estimates in recent years. This suggests that Severance used water more efficiently as its population grew. Additional analysis reveals that Severance's water use became more efficient for both indoor and outdoor purposes, which will be discussed further in Section 3.3. Annual demand and average per capita water use as reported in the 2017 WEP is shown in Table 5.

Table 5: Severance Annual Demand 2012–2016

Year	Demand (AF)	Demand (gpcd)
2012	491.90	160.09
2013	421.10	134.02
2014	410.90	128.17
2015	431.30	131.41
2016	446.10	134.82
Average	440.26	137.70

3.2.2 Annual Potable Water Use by Category

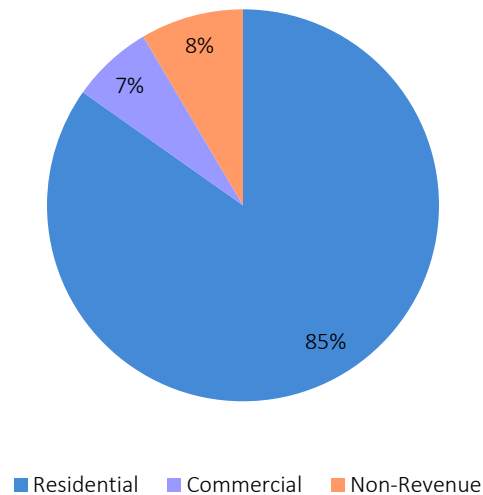
Severance divides water customers into two sectors: residential and commercial. All other water use, including losses, is categorized as non-revenue water (NRW). NRW is defined as water that is delivered to the Town via a master meter but is not billed to residential or commercial accounts; it can account for system losses, meter inaccuracy, billing errors, non-metered uses (often municipal), and theft. Most of Severance's water demand falls under residential use, which shows a significant decline in use from averages reported in the 2017 WEP. Non-revenue is the next-largest demand category, and commercial use accounts for the remainder of demand. Commercial water use has remained relatively constant for the Town, indicating population growth has coincided with a proportional increase in commercial use. In the 2017 WEP found that NRW accounted for less than 5% of demand, the Town's data for POA showed that about 8% of total water demand is NRW. Annual water use by category is shown in Table 6 and Figure 3.

Table 6: Severance Annual Water Use by Category

Year ⁵	Res. Demand (AF)	Res. Demand (gpcd)	% Res	Com. Demand (AF)	Com Demand (gpcd)	% Com	NRW (AF)	NWR (gpcd)	% NWR
2012	441.50	143.59	90%	29.70	9.67	6%	20.7	6.74	4%
2013	374.70	119.17	89%	22.20	7.07	5%	24.2	7.70	6%
2014	360.20	112.28	88%	21.80	6.80	5%	28.9	9.01	7%
2015	397.20	120.94	92%	22.10	6.73	5%	12	3.66	3%
2016	399.70	120.71	90%	28.70	8.67	6%	17.7	5.35	4%
2012-16 Average	394.66	123.34	90%	24.90	7.79	6%	20.70	6.49	5%
2019	431.42	118.06	86%	39.24	10.75	8%	29.83	8.17	6%
2020	554.11	112.79	83%	52.13	10.62	8%	58.03	11.82	9%
2021	579.79	98.88	83%	47.59	8.12	7%	71.84	12.26	10%
2022	603.74	82.17	84%	46.97	6.40	7%	65.51	8.92	9%
2023	528.49	65.58	86%	33.71	4.19	5%	54.99	6.83	9%
2024	582.70	69.83	86%	39.03	4.68	6%	53.82	6.45	8%
2019-24 Average	546.71	91.22	85%	43.11	7.46	7%	55.67	9.08	8%

⁵ Insufficient data is available for the years 2017-2019.

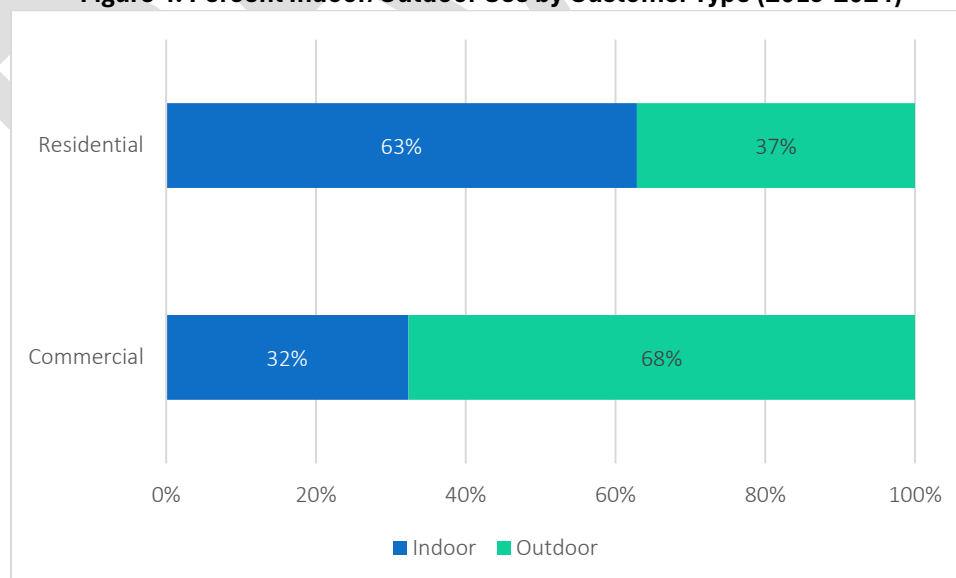
Figure 3: Percentage of Total Demand by Category (2020-2024)



3.3 Indoor and Outdoor Demand

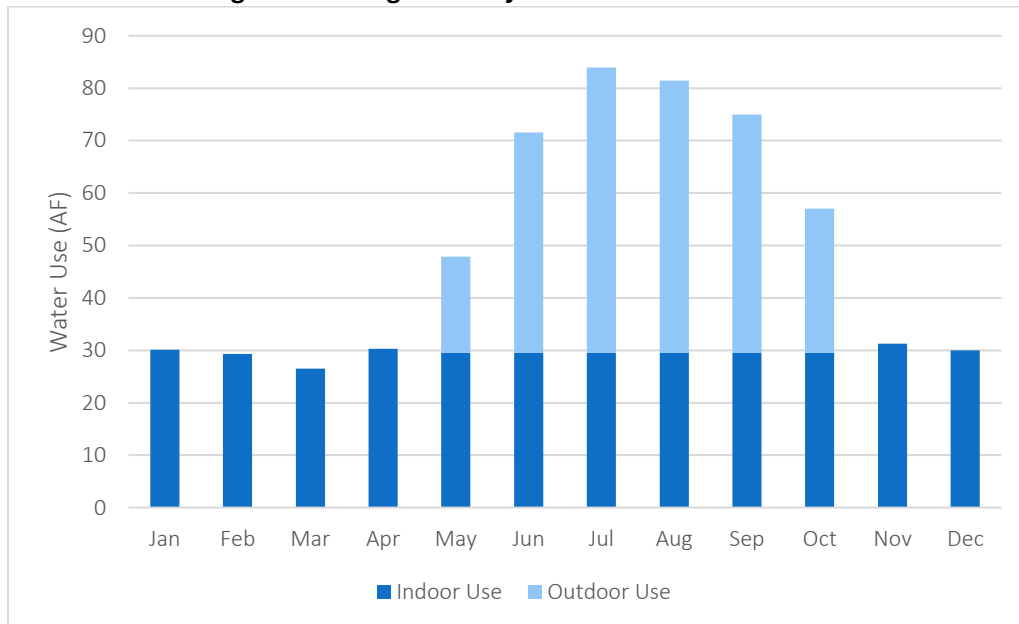
Indoor and outdoor water demand varies by customer type. The predominant water demand among residential water users is for indoor use at 63% while 37% of water demand is for outdoor use. Indoor water use is comprised of activities like cooking, cleaning, bathing, and laundry, while outdoor use covers lawn and ornamental irrigation. This contrasts the portion of indoor and outdoor demand at commercial establishments, which are 32% and 68%, respectively. Figure 4 shows the percentage split in indoor and outdoor water by customer type for the 2019 to 2024 period.

Figure 4: Percent Indoor/Outdoor Use by Customer Type (2019-2024)



Most outdoor water use in Severance occurs between May and October with the Summer months of June through September accounting for the majority of outdoor water use as shown in Figure 5. This is due to lawn irrigation, which is not necessary during the winter months. Globally, this represents a large shift from water use patterns reported under the prior WEP. Between 2012–2016, outdoor use fell from 58.5% to 39% of total billed water use, while indoor use grew from 41.5% to 61%. This significant shift in indoor and outdoor trends can be attributed to the introduction and requirement of dual water systems, as discussed in the next section.

Figure 5: Average Monthly Indoor/Outdoor Water Use



3.3.1 Single versus Dual Water Systems

Customers under the Severance WSA are categorized as single or dual water systems. Single water systems utilize potable water for both indoor and outdoor use, while dual systems utilize two separate pipe networks to supply potable water for indoor use and raw water for outdoor use. The raw water system is called a secondary system. For all subdivisions with the Town's WSA, the Town provides potable water supply for indoor use. The majority of existing homes – and all future homes – in Severance have secondary water systems, significantly reducing the amount of potable water used for irrigation and other outdoor uses.

One of the most significant changes over the POA was the Town's requirement that new developments install secondary water systems for residential lawn irrigation. While formally codified in June 2024 under Ordinance No. 2024-10, the Town began requiring the installation of secondary water systems in 2017. This ordinance requires that residential developments in designated areas construct secondary water systems to provide irrigation for residential lots and common areas within the subdivision. Developers are also responsible for acquiring and supplying the raw water necessary for these systems in both adequate quantity and quality. Given the prevalence of metropolitan districts and HOAs within the Town, the Town Council mandates that these entities operate, maintain, and repair the secondary systems. If a managing entity dissolves or fails to fulfill its responsibilities, the Town may assume operation of the system, and ownership of the associated

water rights will be transferred to the Town to ensure continued service. The majority of these supplies are sourced from local ditches, which are delivered into to Town reservoirs or directly to the subdivisions.

Table 7 depicts the impacts of this local legislative action, as the average indoor demand doubled from 2012-2016 to 2019-2024. Over the same period, the outdoor demand declined as all new developments incorporated dual water systems, and the Town made efforts to convert all remaining parks and open spaces to secondary water systems.

Table 7: Severance Historical Water Demand⁶

Year	Water Usage (AF)	Indoor Demand AF	Outdoor Demand AF
2012	492	204	288
2013	421	175	246
2014	411	171	240
2015	431	179	252
2016	446	185	261
Average	440	183	258
2019	500	128	202
2020	664	283	290
2021	699	336	263
2022	716	354	269
2023	617	364	181
2024	676	370	241
Average	645	306	241

3.3.2 Parks and Open Space

Town installed secondary systems for all new parks and converted nearly all existing parks to a raw water supply. The Town uses groundwater well and its Loup Reservoir Company shares to irrigate all parks with the exception of the green space around Town Hall. The water distribution to the parks is not currently metered, although the wells are metered. The parks and their approximate acreage are provided in Table 8.

⁶ Data for 2012-2017 was sourced from the Town's 2017 WEP. 2019-2024 data was provided by the Town. No data was available for 2017 or 2018.

Table 8: Severance Parks and Acreage

Park	Acres
Community Park	10.60
Overlook Park	6.88
Summit View Park	4.80
Blue Spruce Park	3.80
Lakeview Park	3.60
Town Hall	2.88
Severance Shores	2.51
Hunter's Crossing Park	2.39
Karen Suman Park	1.90
Hidden Valley Park #2	1.53
Dog Park	1.10
Hidden Valley Park #1	0.34
Brownell Park	0.30
Tailholt Park	0.18

3.5 Past and Current Demand Management Activities

Past and current demand management efforts were largely guided by the 2017 WEP, wherein the Town identified 18 water efficiency activities for implementation, which are summarized in Table 9. Severance targets three types of water use - residential, commercial, and losses (non-revenue water). Based on discussions with Town staff, Severance did not implement all activities in the planning period (see table for status updates). The Town experienced delays in implementing several activities; however, by the time of this report, many were in advanced stages of implementation. These include development of a Water Supply Master Plan, deployment of an Enhanced Automatic Water Meter Reading System, and initiation of Slow the Flow Residential Irrigation Audits. All planned and unplanned water efficiency activities are discussed in detail in Section 5. For activities not implemented, the primary challenge cited was limited staff resources.

Table 9: 2017 Water Efficiency Plans Activities and Status (2025)

Activity		Use Category			Implemented
		Residential	Commercial	NRW	
1	Leak Detection and Repair Program			X	Yes
2	Automatic Water Meter Reading Installation and Operations	X	X	X	Yes
3	Enhanced Automatic Water Meter Reading Installation and Operations	X	X	X	In Progress
4	Watering Restrictions	X	X		Yes
5	Water Efficient Rate Structure with Regular Updates	X	X		Yes
6	Tap Fees with Water Use Efficiency Incentives (Lot based water dedication)	X	X		Yes
7	Water Waste Ordinance	X	X		Yes
8	Landscape Design Ordinances and Restrictions	X	X		Yes
9	Education Activities (Combined areas)	X	X		Yes

Activity		Use Category			Implemented
		Residential	Commercial	NRW	
10	Xeriscape Demonstration Garden	X	X		Yes
11	Garden in a Box	X	X		Yes
12	System Wide Water Audits			X	No
13	Slow the Flow Residential Irrigation Audits	X			Planned for 2025
14	Indoor Residential Water Audits	X			No
15	Master Plans/Water Supply Plans	X	X	X	In progress
16	Residential and Commercial Ultra High-Efficiency Toilet Upgrade Service or High-Efficiency Toilet Rebate Program	X	X		No
17	Giveaways: Water Audit Kits	X	X		No
18	Landscape Design (Xeriscape) and Maintenance Classes	X	X		No

4. Integrated Planning and Water Efficiency Goals

4.1 Baseline Potable Demand Forecast

A baseline potable water demand forecast was developed for the Town of Severance using a land-based approach that estimated future tap counts using current and planned future zoning designations and planned development densities from the Town's municipal code. Water demand was calculated on a per-tap basis and differentiated by customer type: single-family residential, multi-family residential, and commercial. Historic water use data from existing taps serviced by the Town over the past six years (2019 to 2025) were analyzed to understand baseline water demand trends from which projections were extrapolated. The impact of local factors on water demand such as home size, lot size, climate, and price was accounted for in developing a range of future demand projections. The range captured a low, most probable scenario, and high projection and quantified the Town's total demand for potable water at buildout, with buildout defined as a future population of 15,985 reached in 2055.

The resulting projections obtained from the methods described above reflected a water demand per tap at buildout. To translate water demand per tap to total water demand, the Town's future zoning across its WSA was summarized to get a total number of acres expected to be developed under different land use categories. A range of target tap densities (water taps per acre) was multiplied by the sum of acres under each land use type to get a total number of single-family residential taps expected at buildout for each scenario. This process resulted in commercial tap count estimates that were higher than reasonably expected for the Town of Severance, so an alternative approach for estimating commercial tap counts using the existing population per commercial tap was explored. Using the same proportion of residents to commercial taps as in 2025 would suggest 46 commercial taps will be established in Severance at build-out. This method, confirmed by Town staff, sets a reasonable scale for tap count. Multi-family residential tap counts were added for known future developments. Finally, the number of taps per customer type was multiplied by the demand per tap to get an acre-foot demand for each customer type under each scenario at buildout.

Severance's projected water demand at buildout was scaled to actual population predictions at five-year intervals. These demands were converted to total water demand at the Soldier Canyon Filter Plant, assuming 18% non-revenue water⁷. Table 10 lists forecasted water demand by scenario across the next five decades while

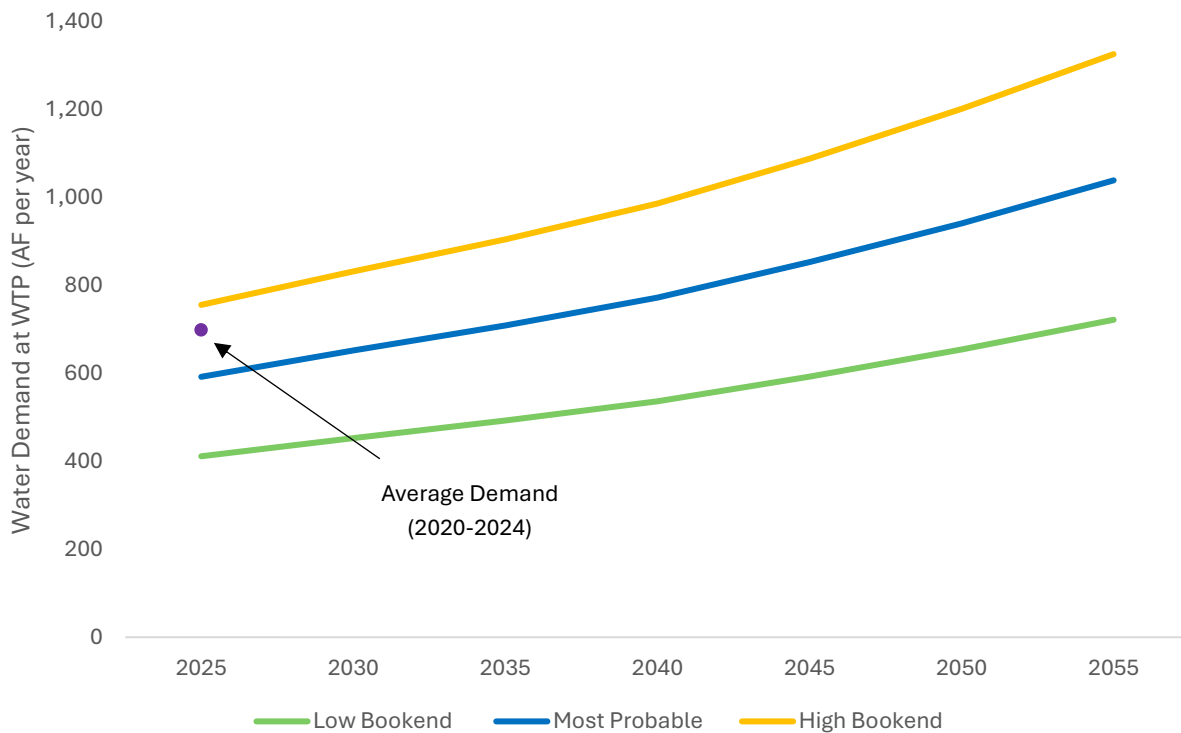
Figure 6 shows the projections graphically.

⁷ 18% non-revenue includes 8% non-revenue water within the Severance WSA and 10% losses between the Soldier Canyon Filter Plant and the Severance Master Meter, a loss rate that is defined by NWCWD.

Table 10: Forecasted Total Water Demand at the Treatment Plant

Year	Population	Residential Taps	Demand (AF per year)		
			Low Bookend	Most Probable	High Bookend
2025	10,859	2,838	408	587	749
2030	11,609	3,133	449	646	824
2035	12,262	3,417	488	702	897
2040	12,977	3,735	532	765	977
2045	13,911	4,122	587	845	1,078
2050	14,912	4,530	648	932	1,190
2055	15,985	4,979	715	1,029	1,314

Figure 6: Range of Future Water Demands



4.1.1 Water Supply Gap Scenarios

Severance currently sources its water supply from 1,332 CBT units and 77 NPIC shares. Using average yields for both assets equates to an annual supply of 1,132 AF, creating a supply surplus of 103 AF. In a dry year, however, the projected yield for Severance's potable water supplies drops to 743 AF, creating a supply gap of 286 AF under the Most Probable Scenario. Furthermore, the High Bookend scenario projects a supply gap of 553 AF in a dry year. A full breakdown of water supply gaps under different scenarios is shown in Table 11.

Table 11: Water Supply Gap Scenarios

		Low Bookend	Most Probable	High Bookend
	Demand	715	1,029	1,314
Water Year Type	Water Supply (AF)	Water Supply Gap (AF)		
Dry Year	743	28	(286)	(571)
Average Year	1,132	417	103	(182)
Wet Year	1,582	867	553	269

4.1.2 Baseline Demand Assumptions

It is important to note that this demand forecast accounts for several water efficiency and conservation measures through per-tap water use adjustments. Key assumptions⁸ include:

- Price elasticity: Higher water rates are expected to result in lower water use.
- Climate impacts: Rising average temperatures are anticipated to increase water use.
- Raw water conservation: Consistent with municipal code, new developments are assumed to meet outdoor irrigation needs with a raw water supply provided by developers.

The water savings identified in this plan are in addition to those achieved through existing water efficiency programs.

4.2 Water Efficiency Goals

4.2.1 Performance Review

Water efficiency goals provide the foundation for the screening and selection of selected activities, as described in Section 5. Town Staff began by reviewing water efficiency goals from the 2017 WEP goals and Severance's actual performance. Overall water use has not increased proportionally with population growth in the Town. Between 2016 and 2024, Severance experienced unprecedented population growth (Table 3), adding 4,646 residents within the Town's WSA, reaching a total population of 7,444 in 2024. This far exceeded the 2017's WEP 2024 projection of 4,565 within the WSA, surpassing the estimate by 64%. Despite this under-projection, actual water uses in 2024 totaled 675 AF—only 13% than the 2017 WEP's projected demand of 595 AF.

Table 12 shows Severance performed strongly on its water savings goal related to per capita use, **exceeding its target by more than 36%**. The Town set a goal to reduce water use from 138 gpcd in 2016 to 125 gpcd by 2024. Actual 2024 use declined further, reaching 92 gpcd, based on 675 AF of demand and a population of 7,600 (see Table 4). For comparison, under the 2017 WEP's projected population of 4,565, water use would have been 644 AF at 126 gpcd versus 471 AF at 92 gpcd. **This indicates Severance achieved a cumulative savings of 173 AF over the POA beyond what was projected in the 2017 WEP when adjusted for population, demonstrating Severance's strong performance in water efficiency.**

⁸ Additional details on Baseline Demand are presented the Town of Severance: Water Supply Master Plan.

For goals regarding customer categories, the 2017 WEP presents baseline demand in each category for 2017-2026 and the total volume of savings target. It is difficult to directly compare the Town's performance against its customer category goals for several reasons:

1. The plan projected savings over a 10-year period, through 2026, and neither 2025 nor 2026 data is factored into this analysis.
2. The Town could not share water use data from 2017 to 2018 due to a change in billing systems in 2019.

In total, this represents four years of incomplete data, which were excluded from the analysis. Over the 6-year POA, the Town achieved 716 AF of residential water savings, averaging 119 AF per year. If similar trends held for 2017–2018 and continue through 2026, the Town is on track to exceed its residential goals, underscoring the impact of dual water systems on savings. Conversely, for the commercial category, the Town increased use by 6 AF, and for the non-revenue water category, the Town increased use by 124 AF. The growth in commercial use is unsurprising given the significant growth in population, while the growth in non-revenue warrants further investigation.

Table 12: Town of Severance Performance against 2017 Water Efficiency Plan

Preliminary Goals	2017 WEP Baseline	2017 Target Savings	2024 Performance	Status
Lower the total per capita water use by 10% over the 10-year planning period	138 gpcd ⁹	125 gpcd	92 gpcd	Surpassed goal by 36%
Targeted 10-year water reduction goals for the following customer categories ¹⁰ :				
Residential: 11%	6,663 AF	733 AF	716 AF	Likely achieved goal
Commercial: 5%	420 AF	57 AF	-6 AF	Not achieved
Non-Revenue Water: 4%	350 AF	26 AF	-124 AF	Not achieved
Develop a water efficiency program that can be implemented within Town staffing constraints and with Town Board approval	Achieved			
To implement water efficiency activities that are compatible with the community and their Town Board representatives	Achieved			

4.2.2 Preliminary Water Efficiency Goals

The Town prepared this list of preliminary water efficiency goals to guide the development of its Water Efficiency Roadmap in Section 5. This list of goals is informed by discussions with Town staff and the observed strengths and weaknesses of the 2017 WEP. These water efficiency goals establish targeted objectives designed to achieve specific benefits and outcomes for the Town.

The Town proposes two quantitative and two qualitative goals to serve as the basis of water savings targets:

- **Goal 1: 10% reduction of the water supply gap.** The Town of Severance is projected to have a water supply gap of 286 AF at full build-out of the WSA. As such, the Town proposes meeting at least 10%

⁹ Average per capita use 2012-2016.

¹⁰ The baseline column presents unmodified projected use for 2017 – 2016.

of the water supply gap, 28.6 AF, through water efficiency and water conservation efforts described in this plan.

- **Goal 2: Reduce non-revenue water to no more than 5%.** A review of water use data for 2019-2024 reveals the Town's non-revenue water levels averaged 8% over the period of analysis. This represents a 3% increase from levels reported in the 2017 WEP. This increase coincided with significant population growth and average per capita NRW rose from an average of 6.49 gpcd for 2012 -2016 to 9.08 gpcd for 2019-2024. The Town will take steps to investigate the increased NRW and return to a maximum level of 5%.
- **Goal 3:** Develop a water efficiency program that can be implemented within Town staffing constraints and with Town Board approval.
 - This goal acknowledges that Severance, as a small municipality, has a limited staff with many competing responsibilities. Given the size of the water utility, the Town cannot justify hiring a full-time Water Conservation Specialist. Therefore, water conservation duties to support this plan's implementation will be distributed among existing staff and integrated into their current roles. This goal ensures that selected activities remain realistic and achievable within the Town's staffing capacity.
- **Goal 4:** Implement water efficiency activities that are compatible with the community and their Town Board representatives.
 - This goal recognizes that lasting water efficiency depends on the support and participation of the community it serves. By implementing activities that are compatible with both residents and their Town Board representatives, the Town can foster trust, transparency, and collaboration in achieving its water efficiency objectives. Building community buy-in helps ensure that water-saving practices are understood, accepted, and sustained over time.

5. Water Efficiency Roadmap

The Town of Severance will continue to build on existing efficiency strategies and incorporate new strategies to meet its efficiency goals. These strategies will be designed to reach the entire WSA and will focus on creating a diverse, balanced, cost-effective portfolio that supports long-term water efficiency. This plan defines optimal water efficiency activities not only by their capacity to achieve measurable reductions toward quantitative water savings goals, but also by their ease of tracking, feasibility within financial and staffing constraints, and alignment with the Severance community. This section provides a roadmap for advancing these objectives.

5.1 Summary of the Selection Process

The Town implemented a step-by-step process to evaluate and select water efficiency activities:

1. **Demand Management Review.** The Town compiled a list of demand management activities, or water efficiency activities (WEA), outlined in the 2017 Water Efficiency Plan (Table 9). The Town Manager reviewed the list and identified which activities had been implemented.
2. **Interview with Town Staff.** Town staff participated in a qualitative interview process, recalling WEAs implemented since 2017 and sharing feedback on which they found most impactful and worth continuing. Their responses were cross-referenced with the 2017 WEA list to ensure the Town had a comprehensive set of activities to consider for the 2025 plan. Activities highlighted by staff are assumed to generate strong interest and support, while those not mentioned or not implemented can be re-evaluated to determine their fit for the Town moving forward.
3. **Water Use Segmentation.** The water use segmentation exercise enabled the Town to identify the largest opportunities for water savings. Results are presented in Section 5.1.1. By identifying target water uses, the Town can more effectively filter the list of WEAs.
4. **Final Screening.** The final screening compiled data from the prior steps to filter the full list of potential WEAs. This list, presented in Section 5.2, was confirmed by Town Leadership. Selected activities were used to develop the water use projections presented in Section 5.3.

Throughout this process, the Citizen Advisory Board was regularly updated on the plan's development and consulted to gather resident perspectives on water efficiency issues and potential opportunities.

5.1.1 Water Use Segmentation

To identify the most significant opportunities for water savings, the Town analyzed water use data from 2019 to 2024. The data, organized by residential and commercial accounts, also included estimates of non-revenue water. For single- and dual-system households, water use was further segmented into indoor and outdoor categories. This three-dimensional analysis enabled the Town to identify usage trends and highlight areas with the greatest potential for water savings.

Residential customers

Nearly 60% of the WSA population, comprising approximately 1,387 taps, resides within new developments built after 2016. From this, it can be assumed the majority of households were built with dual water systems and constructed with WaterSense appliances. All other residential customers, comprising approximately 1,110 taps, reside within older homes equipped with single water systems, including 59 homes that were constructed prior to 1994.

The year 2016 serves as a division both for indoor efficiency (WaterSense Certification) and outdoor efficiency (installation of non-potable service lines in dual system households). As such, the Town considers customers residing in dual system households to generally be highly water efficient as it relates to potable water use. The Town generated the following insights into residential customers:

- **Indoor.** A comparison of single- and dual-system customers shows a notable difference in per capita water use, with rates of 50 gpcd and 41 gpcd, respectively. The Colorado WaterWise 2024 Best Practices Guidebook defines efficient indoor use as 40–50 gpcd, indicating that both household types fall within the efficient range. Since the majority of residential customers in the WSA already meet this standard, the Town does not plan to prioritize residential indoor water use in its efficiency efforts.
- **Outdoor.** Because the Town does not manage or monitor outdoor use at dual system households, the Town will focus on outdoor use at single system households.

Commercial Indoor Use. The Town's WSA includes 31 commercial accounts, all established between 1996 and 2024. Average annual commercial indoor use over the POA is estimated at 13.8 AF per year. Since all commercial properties were built after the 1994 Energy Policy Act, they are assumed to use water-efficient fixtures. About half of the accounts were built in 2016 or later and are assumed to use WaterSense-certified appliances. WaterSense fixtures provide 20–50% greater efficiency than standard models. Because commercial indoor use accounts for just 2% of total demand, the overall potential for large water savings is limited. Nonetheless, the relatively small number of accounts makes it feasible for the Town to target specific older or high-traffic businesses (e.g., Rangeview Elementary School) with water efficiency initiatives.

Commercial Outdoor Use. Commercial outdoor use represents 4.5% of total demand and 68% of total commercial use. Although this comprises a relatively small share of overall demand, it presents significant opportunities for water savings. For example, Rangeview Elementary School averages 12 AF per year for lawn irrigation. Converting this demand to a raw water source could save the Town 12 AF of potable water annually.

Non-Revenue Water. Non-revenue water increased from 5% of supplies in 2012–2016 to 8% in 2019–2024. The Town's goal is to reduce non-revenue water back to a maximum of 5%.

5.2 Water Efficiency Activities

Colorado Revised Statute § 37-60-126, which concerns water conservation and drought mitigation planning, requires water retailers to consider specific activities within their water efficiency plan. The activities detailed in the CRS are organized into four categories for the purpose of discussion below. These categories comprise activities that contribute to both direct and indirect water savings. Many of these activities are designed to work in conjunction with other programs to support overall water use savings. It is not possible to accurately assign a direct savings influenced by each individual activity, but rather as a collective program. For example, educational activities alone may not result in a direct reduction in water use, however, informed and engaged customers are critical to the success of many WEAs.

Efficiency Upgrades. Upgrading infrastructure can contribute significant direct water savings, particularly when existing infrastructure is outdated and inefficient. Efficiency upgrades typically involve a physical change to the system that improves water use efficiency. Colorado earned its certification as a WaterSense State in 2016 when it began requiring all new appliances sold in the state to meet WaterSense efficiency standards. Water savings related to efficiency upgrades are relatively straight-forward to quantify. Similarly,

the installation of low water use landscapes or more efficient irrigation systems could also be measured based on an assumed baseline efficiency estimate and level of uptake.

Educational. Educational activities are designed to engage and inform the public, helping homeowners bridge knowledge gaps related to water conservation and empowering them to adopt voluntary conservation practices. These activities are a critical component of any conservation plan, as many residents wish to save water but lack the skills or knowledge to do so effectively. Educational efforts support broader water efficiency strategies by raising awareness, fostering water-conscious behaviors, and encouraging the adoption of efficient appliances and landscaping. While essential, the direct impact of educational activities is difficult to measure, making them an indirect contributor to water savings.

Regulatory. Regulatory activities ensure that water use remains within boundaries that the Town deems acceptable. Regulation is an important tool for water conservation, and intelligent policy can prevent waste and careless use of water. Regulations are typically introduced at the local level, through municipal codes. Like educational activities, the effects of regulatory activities are difficult to directly measure given Severance has employed these measures for more than a decade.

Economic. Economic conservation activities involve strategically pricing water to incentivize conservation and disincentive overuse. Severance's economic activities include a tiered water rate structure, which discourages high water use.

Severance presents its list of ongoing and new WEAs in Table 13. This list represents a concise and actionable list of activities to be implemented by the Town. Descriptions of each activity are provided below.

Table 13: Current and New Water Efficiency Activities

	Activity	WEA Type	Activity Status	Targeted Water Use Type
1	Leak Detection and Repair Program	Efficiency Upgrade	Ongoing	NRW
2	System Wide Water Audits	Efficiency Upgrade	New	NRW
3	Enhanced Automatic Water Meter Reading Installation and Operations	Efficiency Upgrade / Educational	New	All
4	Slow the Flow Irrigation Audits	Efficiency Upgrade	New	Residential Outdoor Commercial Outdoor
5	Garden in a Box	Efficiency Upgrade	Ongoing	Residential Outdoor Commercial Outdoor
6	High-Efficiency Rebate Program	Efficiency Upgrade	New	Residential Indoor Commercial Indoor
7	Customer Outreach and Education	Educational	Ongoing	All
8	Xeriscape Demonstration Garden	Educational	Ongoing	Residential Outdoor Commercial Outdoor
9	Water Supply Master Plan	Efficiency Upgrade Educational Regulatory Economic	Ongoing	All
10	Watering Restrictions	Regulatory	Ongoing	Residential Outdoor Commercial Outdoor
11	Water Waste Ordinance	Regulatory	Ongoing	Residential Outdoor Commercial Outdoor

	Activity	WEA Type	Activity Status	Targeted Water Use Type
12	Landscape Design Ordinances and Restrictions	Regulatory	New	Residential Outdoor Commercial Outdoor
13	Non-Potable Water Conversions	Regulator	Ongoing	Residential Outdoor Commercial Outdoor
14	Conservation-Oriented Rate Structure	Economic	Ongoing	All

5.2.1 Water Efficiency Upgrades

Leak Detection and Repair Program. Through this program, the Town partners with an external consultant to identify and repair system leaks that Town staff cannot locate, with a primary focus on non-residential portions of the water system. Tenants or Town Staff submit reports of leaks, and if the source cannot be easily located, a consultant is engaged in correcting the issue. The continuation of this program will be an important step to curtail increased levels of NRW. The Town reported they had engaged a consultant more than 12 times over the past three years, a period which notably correlates with a steady drop of NRW, as shown in Table 6.

System Wide Water Audits. This activity targets NRW losses as it is designed to identify unmetered and unbilled treated water uses. In contrast to the Leak Detection and Repair Program, which is a reactionary measure, water audits are a proactive approach to locating and correcting losses before they are realized. The International Water Association and the American Water Works Association (AWWA) Manual of Practice M36 Water Loss Audit is a practical and user-friendly guide designed for utilities to efficiency manager their supply. The CWCB through the Colorado Water Loss Initiative (CWLI) provides a comprehensive training and assistance program for utilities across Colorado. The program's funding targets the largest 165 water systems; however, smaller utilities may participate when space is available. Severance will monitor opportunities for its staff to participate in the training through CWLI as well as potential funding sources for staff to participate in other AWWA M36 training courses.

Enhanced Automatic Water Meter Reading Installation and Operations. The Town utilizes Neptune Automatic Meter Reading (AMR) meters for all customers in the WSA. AMR systems facilitate quicker data processing with lower error rates. Under the basic AMR system, the Town collected data through drive-by or walk-by methods. The Town began the installation of the Enhanced AMR in the Summer 2025. This upgrade requires the replacement of nearly \$20,000 worth of meters but will provide fully automated remote meter reading, eliminating the need for physical data collection. In addition to freeing up significant time, this improvement includes an online portal that will allow customers to view billing and metering data in real-time. Customers will become better educated in their water usage and have more opportunities to adjust their usage over the course of the month. The online portal is expected to be available to customers by the end of 2025. This activity has the potential to generate savings across all categories of water use.

Slow the Flow Irrigation Audits. Resource Central is a non-profit organization based in Boulder, Colorado, working to build a resilient and waterwise Colorado. Resource Central offers a water conservation partnership program to water providers and municipalities. Among these programs is Slow the Flow Sprinkler Evaluations, whereby residential and non-residential sprinkler evaluations are offered free to partnering water providers. In addition to evaluations, the Resource Central can assist with the installation of smart controllers and rain sensors. Becoming a municipal partner will support reducing water use by outdoor residential and commercial customers.

Garden in a Box. Resource Central also leads the Garden in a Box program, offering a selection of professional designed, drought tolerant water garden kits to Colorado customers as an alternative to replace water-intensive turf grass. The program offers gardens for purchase twice a year with pre-ordering occurring in March and June for pickup in May and June and August and September, respectively. From 2022-2024, Severance pre-purchased and sold at cost 20 garden kits a year. Given the positive reception of this program, Severance plans to increase the number of pre-purchased kits to offer to water customers. This activity targets reductions in both residential and commercial outdoor water use.

High-Efficiency Rebate Program. Rebate programs are an effective way to motivate customers to replace water intensive appliances. Rebate programs in Colorado offer customers rebates for WaterSense and ENERGY STAR certified appliances, often times offering rebates for appliances that go beyond minimum standards. Large utilities like Denver Water and Colorado Springs Utilities develop their own programs, while medium-sized utilities like Fort Collins and Longmont partner with Efficiency Works, which provides rebate programs across sectors, including power. The ultra-high-efficiency toilet rebate program formally offered by Resource Central is no longer offered. Rebate programs are relatively resource and cost intensive and therefore may not be appropriate for a small municipality like Severance. Nonetheless, Severance recognizes that water efficient appliances are a key tool to generate water savings for indoor residential and commercial customers and commits to exploring options for partnerships.

5.2.2 Educational Activities

Customer Outreach and Education. Each summer, the Town runs a regular public outreach campaign on efficient water use. Education materials include bill stuffers, newsletters, newspaper articles, mass mailings, and outreach channels including social media and Severance's website. These efforts are important for raising customer awareness on the importance of water consciousness and highlighting efforts and programs offered by the Town. These activities are complementary to all other WEAs and support savings for all water use types.

Entities in Colorado regularly release updated new resources to support water providers, residents, and businesses in their efforts to improve water efficiency. Each WEP update provides the Town with an opportunity to identify new resources and make them available on the Severance website. Below is an updated list of organizations and resources:

- Colorado WaterWise is a water conservation forum whose mission is to address “the state’s water challenges by improving water efficiency through diverse community connections, innovative solutions and valuable member resources.” They provide access to technical tools, regional experts, and a professional network. In 2024, they published the latest edition of [the Guidebook of Best Practices for Municipal Water Conservation in Colorado](#). The guidebook serves to promote the implementation of water conservation practices throughout Colorado to foster a more sustainable water future for the state’s communities, environment, and economy.
- Resource Central is a nonprofit organization based in Colorado that helps communities put conservation into practice through innovative programs focused on water, energy, and waste reduction. Founded in 1976, the organization partners with local governments, utilities, and residents to create practical, cost-effective solutions that make it easier to live sustainably. Its mission is to empower individuals and communities to save natural resources while also saving

money, making conservation accessible, impactful, and lasting. They lead the following water efficiency programs:

- [Garden in a Box](#)
- [Slow the Flow](#)
- [Lawn Replacement](#)
- [Colorado Native Grass Guide](#) – Installation and Maintenance Guide
- DIY Landscape Transformation Guide. [English](#). [Spanish](#)

Xeriscape Demonstration Garden. The Town maintains two xeriscape demonstration gardens to showcase not only the potential water savings, but also the beauty and variety that xeriscape landscaping can provide. Using grants from Northern Water, the Town installed a demonstration garden at Town Hall in 2019 and at Summit View Park in 2020. The Town will seek further grants to support the installation of two additional demonstration gardens at high traffic areas such as Clearview Library, Rangeview Elementary School, or Severance High School. The Town will advertise these gardens through educational materials. In particular, the launch of the customer portal provides additional channel through which the Town can target single system residential and commercial customers to consider xeriscape lawn conversions.

Water Supply Master Plan. The development of the Water Supply Master Plan alongside the Water Efficiency Plan ensures the Town employs an integrated water supply planning approach. This approach recognizes that demand management is an essential component of water supply planning, contributing to the more efficient use of limited water resources. A clearer understanding of water use trends strengthens the Town's ability to plan for growth responsibly and cost-effectively.

5.2.3 Regulatory Activities

The Town uses regulatory measures to promote efficient water use within its WSA, guided by federal and state laws as well as municipal ordinances. Regulatory measures are the Town's primary tool for integrating water supply and land use planning. The Town recognizes integrated planning as the most effective way to limit the need for future water supplies, avoid costly new treatment and conveyance infrastructure, and strengthen resilience against drought. While enforcement is a shared responsibility among all Town staff, the Community Service Officer plays a primary role in issuing warnings and citations. Most enforcement actions stem from citizen reports, which can be submitted through the Town's online [Citizen Request Tracker](#).

Watering Restrictions. The Town has instituted watering restrictions since 2003. These restrictions are codified under the Water Restriction Resolution No. 2013-07R. Established by the Town Council, the regulations are posted on the Severance Watering Guidance and Restrictions website¹¹. Key restrictions include:

- No watering from December 1st through March 31st
- Homeowner Association common areas, multi-family residences, apartments, businesses, government, non-profit, churches, commercial, industries, and institutions are restricted to watering on Sunday, Wednesday, and Fridays
- No watering from 11:00 a.m. and 5:00 p.m.

¹¹ <https://www.townofseverance.org/396/Watering-Guidelines-and-Restrictions>

Notably, dual system households and customers under the NWCWD water system are excluded from these restrictions. These restrictions are designed to target residential and commercial customers on single systems that utilize a potable water supply.

Water Waste Ordinance. Complementing its watering restrictions, Section 13-1-160 of the municipal code specifies it is unlawful to allow water to be wasted in any manner. This covers activities such as car washing, requiring washing by a bucket only and that vehicle rinses can last no more than five minutes by a hose, which has a shut off valve. This ordinance targets residential and commercial customers on single systems.

Landscape Design Ordinances and Restrictions. While the Town does not have local landscape design ordinances, it is worth reiterating the series of state-level legislation enacted since the last WEP to which the Town adheres:

- Water-wise Landscaping In Homeowners' Association Communities (SB23-178) – Increases homeowner access to xeriscaping and home gardens in areas managed by an HOA.
- Prohibit Landscaping Practices for Water Conservation (SB24-005) – Prohibits the use of nonfunctional turf, artificial turf, or invasive plants on certain properties (commercial, common interest, right-of-way, medians, etc.). The Town is in the process of incorporating legislation into the municipal code at the time of writing.

Non-Potable Water Conversions. Since 2017, Severance has required the installation of dual water systems at new development within the Town's WSA. This activity is the Town's primary application of land use integration within its WEP. In these developments, lawn irrigation is served by a raw water supply. Alongside this, the Town has made efforts to convert existing parks to a raw supply as well. These practices have significantly reduced treated outdoor residential and commercial water use (Table 7). It remains for just a handful of properties to be converted to a raw water supply. These properties include the Town Hall and the Rangeview Elementary School, both of which are classified as commercial clients. Rangeview Elementary School has a dedicated 3" meter, which has recorded an average water use of 12 AF per year from 2019-2024. The Town will target both customers for conversion to a raw water supply.

5.2.4 Economic Activities

Conservation-oriented rate structure. The Town's rate structure can be considered conservation-oriented in that it establishes a water-use budget based on tap size and discourages consumption beyond the allotted annual volume. As an example, water rates at single system households with a ¾" tap are structured as follows for 2025:

- A base rate: \$36.14/month.
- A per kilogallon rate, \$8.41/kgal, for use up to 205,000 gallons per year.
- Exceedance Rate: \$16.33/kgal for use above 205,000 gallons per year.

Severance sets its standard allotment for a standard ¾" tap to 205,000 gallons per year at single system homes. This allotment is reduced to 61,500-68,333 gallons per year for dual system households. Both thresholds are well above the average use for customers with these tap sizes, indicating that the tiered rate structures currently discourage only the most excessive levels of water use.

Above the annual water use allotment, the Town adds a Water Surcharge Fee, to recover the Town's cost to obtain additional water rights, and a Plant Investment Surcharge, which covers the Town's cost of treating and servicing the additional water. With the planned launch of a customer portal in 2026, customers will gain clearer insight into their water use trends and how their consumption compares to the basic annual allotment. The customer portal also helps prepare customers for a potential transition to a more aggressive conservation-oriented rate structure if the Town deems it necessary in the future. This activity targets all water use categories.

5.3 Water Savings by Customer

Implementation of this water efficiency roadmap is projected to reduce potable water supply gap by at least 10%, or approximately 29 AF per year, by 2035. As noted, water efficiency activities (WEAs) generate both direct and indirect savings; this section focuses on estimated direct savings from WEAs. It also highlights ongoing WEAs already incorporated into the baseline demand forecast, which are emphasized here due to their significant contributions to reduced future water use.

5.3.1 Residential Indoor

Water use data indicates that Severance residents meet the definition of water efficient users, indicating this category likely does not present significant opportunity to generate water savings. Nonetheless, it is expected that residents having access to an online customer portal that allows monitoring of water use in real-time could generate modest reductions in water use. With an existing average residential indoor use of 344 AF per year and assuming a 1% reduction, the Town expects to generate 3.4 AF of savings a year.

Although these savings are already reflected in the baseline demand, it is important to recognize the impact of WaterSense appliance installations on overall water use. The Town determined that residential indoor use at single and dual systems households was 50 versus 41 gpcd, which translates to a difference in annual use per tap of 9,469 gallons per year. Demand projections estimate approximately 581 new residential taps by 2035, which equates to 16.88 AF per year in savings by 2035. This is presented separately from total savings as these savings are already captured in the baseline demand.

Table 14 presents projected water savings for the commercial outdoor use category.

Table 14: Projected Residential Indoor Water Savings

Residential Indoor	Water Savings
	Annual (AF)
Enhanced Automatic Water Meter Reading Installation and Operations	3.44
Total	3.44
WaterSense Appliances (Baseline savings recognition)	16.88 (2035)

5.3.2 Residential Outdoor

Residential outdoor water use represents the second largest use of water for the Town, accounting for 31.3% of total use, or 202 AF per year. As discussed, residential outdoor water use occurs at single system homes only. In 2024, records indicated the Town had 1,083 accounts listed as single system households. Quantifiable WEAs that address water use by these customers include the Enhance Automatic Water Meter Reading Installation and Operations, Slow the Flow Irrigation Audits, and Garden in a Box. Table 15 shows

that water savings estimates in this category are modest, predicated largely on the assumption that water use will be reduced when the online customer portal becomes available to customers. Savings from the Enhanced Automatic Water Meter Reading Installation are estimated at 2%. The Garden in a Box is estimated to save 5,000 gallons per year on average next to turf grass, reducing water use from 19 gallon per sq. ft per year for cool-season turf grass to 8 gallons per sq. ft per year for Garden in a Box. From the Town water supply perspective, this represents modest savings, but from the customer perspective, this represents savings of around \$42.05 per year on lawn irrigation according to 2025 rates. Finally, the Slow the Flow Audit also presents the potential for modest savings, assuming a moderate uptake of 20 participants a year. The remaining WEAs identified for this use category were in-place since the 2017 WEP and are thus already accounted for under the unmodified demand.

While not directly contributing to water savings, it is important to recognize the savings generated by the dual water system ordinance for this water use category. A comparison of water use at single system and dual system households reveals that dual system households generate a potable water savings of about 70,600 gallons/tap per year. Demand projections estimate approximately 581 new residential taps by 2035, which equates to 110 AF per year in savings by 2035. This is presented separately from total savings as these savings are already captured in the baseline demand.

Table 15 presents projected water savings for the outdoor commercial use category.

Table 15: Projected Residential Outdoor Water Savings

Residential Outdoor	Water Savings
	Annual (AF)
Slow the Flow Irrigation Audits	0.19
Garden in a Box	0.29
Enhanced Automatic Water Meter Reading Installation and Operations	4.07
Total	4.54
Dual Water Systems (Baseline savings recognition)	110 (2035)

5.3.3 Commercial Indoor

Commercial indoor water use composes only 2.1% of Severance's average annual water demand, an estimated 13.8 AF per year. Designing water savings goals for this category is difficult given that water use in the non-residential sector is relatively minor and highly variable. Educational activities play a key role in informing businesses on their opportunities to reduce water use, which could, in turn, motivate business to employ appliance efficiency upgrades. The updating of plumbing fixtures presents some great opportunities for reduction in water use. The Colorado WaterWise Guide Practices summarizes plumbing fixtures over time, showing that water efficiency toilets and urinals could generate savings of 20% and 50%, respectively. Public institutions, which are captured as commercial customers, such as the library and Rangeview Elementary School, could be targeted by the Town for appliance upgrades. The Town could target private businesses with WaterWise literature, informing them of opportunities to reduce their water bills through appliance upgrades. Given the uncertainty in uptake of water efficient appliances by commercial use, the Town estimates a 10% reduction in use for existing commercial customers, or an annual savings of 1.3 AF by 2035.

5.3.4 Commercial Outdoor

Commercial outdoor water use composes only 4.5% of Severance’s average annual water demand for the POA but nonetheless, it presents big opportunities for water savings. Annually, commercial outdoor water use is about 38 AF per year. The WEAs that will contribute to direct water savings include greenspace conversion to a raw water supply, and to a lesser extent, Slow the Flow Irrigation Audit and Enhance Automatic Water Meter Reading Installation and Operations.

Rangeview Elementary is Severance’s largest commercial water user, with an average demand of 12 AF per year—an amount that could be saved through a non-potable water conversion. This type of project is expected to be costly. As such, this plan provides a quantification of the cost savings generate by 12 AF of water savings. The most reliable indicator of municipal water value in the Severance area is the price of CBT units. WestWater estimates CBT units to be worth \$58,000 per unit, which equates to \$82,857 per AF using the CBT’s average yield of 0.7 AF per unit. The Town uses Loup Reservoir Company (LRC) shares for the majority of its irrigation water, making it the most likely replacement source if the Town were to install secondary systems at Rangeview Elementary School. WestWater estimates LRC shares to be worth \$4,000 per AF and the Town has sufficient existing LRC water for irrigation at the sites. Given CBT and LRC’s respective values, the Town would generate cost savings of approximately \$1,157,000 by installing secondary systems at both facilities and reducing the volume of new CBT to be acquired.

The Slow the Flow Irrigation Audit and the Enhance Automatic Water Meter Reading Installation and Operations are WEAs considered for existing commercial customers. These WEAs are expected to generate modest savings of 0.5% and 1%, respectively, across existing commercial customers.

Assuming all new commercial properties will be constructed with dual water systems, no new commercial properties will require potable supply for outdoor use. To understand the future savings generated by this change, the Town calculated water savings generated by eliminating potable water for future commercial customers. Severance’s baseline demand forecast projects 13 new commercial accounts by 2035, and a review of existing demand records allows us to calculate water savings per tap as approximately 114,800 gallons/tap per year, resulting in an annual savings of nearly 5 AF. This is presented separately from total savings as these savings are already captured in the baseline demand. Table 16 presents projected water savings for the commercial outdoor use category.

Table 16: Projected Commercial Outdoor Water Savings

Commercial Outdoor	Water Savings
	Annual (AF)
Non-potable Water Conversion (Rangeview Elementary School)	12.00
Slow the Flow Irrigation Audits	0.09
Enhanced Automatic Water Meter Reading Installation and Operations	0.17
Total Water Savings	12.26
Dual Water Systems (Baseline savings recognition)	4.58

5.3.5 Non-Revenue Water

The Town intends to make concerted efforts to reduce average levels of non-revenue water from 8% to 5% of total use. The Town will accomplish this through three key activities: Enhanced Water Meter Reading Installation and Operation, System Wide Water Audits, and Leak Detection and Repair Program. Table 17 estimates savings for each activity; however, in reality these activities work in conjunction to reduce water loss. The Enhanced Water Meter Reading system will provide the Town with better understanding of use within its WSA by providing data in real-time and freeing up staff time formally spent on meter reading. Periodic system wide water audits, informed by the AWWA M36 methodology, will equip the Town to identify non-revenue water within the system and more effectively deploy resources under the Leak Detection and Repair Program to address physical losses within the system.

Table 17: Projected Non-Revenue Water Savings

Non- Revenue Water	Water Savings
	Annual
System Wide Water Audits	2.78
Enhanced Automatic Water Meter Reading Installation and Operations	2.78
Leak Detection and Repair Program	2.78
Total	8.35

5.4 Modified Water Demand Forecast

This water efficiency roadmap is expected to generate 29 AF in water savings and reduce non-revenue water to 5% of total water use. The 2035 modified demand and water efficiency targets are presented in Table 18.

Table 18: Modified Demand and Water Efficiency Targets for 2035

Demand Scenario	Baseline Demand	Water Efficiency Target ¹²	10% Reduction in Supply Gap (Goal 1)	5% Reduction in Non-Revenue Water (Goal 2)
	AF			
Most Probable	702	673	29	34
High Bookend	897	868		43

¹² Water Efficiency Targets are calculated as the Baseline Demand less the 29 AF in Supply Gap Reduction.

6. Implementation and Monitoring Plan

6.1 Implementation Plan

The Town of Severance plans to implement this WEP over the next 10 years, covering the period 2026-2035. The WEP will be coordinated by the Town Manager and the Deputy Town Manager. As appropriate, other Town Staff will be tapped to support implementation and monitoring of WEAs, including the Planning Director, the Public Works Director, and staff from the Water/Wastewater and Parks Division. Planning, implementation, and monitoring will be integrated into regularly scheduled staff meetings, including monthly management meetings and quarterly staff meetings.

The majority of WEAs will be implemented continuously, while a few activities will be implemented as one-off activities or periodically over the planning horizon. Among the latter activities are:

- The Rangeview Elementary conversion to a raw water supply. As this requires planning and dedicated funds, this is currently scheduled for 2028.
- System-wide Water Audits and the Leak Detection and Repair Program will be implemented simultaneously, approximately every three years.
- The Water Supply Master plan will be finalized and published in 2026. The next update will begin in 2030.
- The Town will maintain its existing Xeriscape Demonstration Gardens and install two additional gardens.

Figure 7 presents a Gantt chart detailing this implementation schedule.

Figure 7: Town of Severance Water Efficiency Implementation Plan (2026-2035)

Water Use Type		Year									
Residential Indoor	Responsibility	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Enhanced Automatic Water Meter Reading Installation and Operations	Streets & Utilities Supervisor										
Residential Outdoor	Responsibility										
Slow the Flow Irrigation Audits	Parks & Stormwater Supervisor										
Garden in a Box	Parks & Stormwater Supervisor										
Enhanced Automatic Water Meter Reading Installation and Operations	Streets & Utilities Supervisor										
Commercial Outdoor	Responsibility										
Rangeview Elementary Conversion	Town Management										
Slow the Flow Irrigation Audits	Parks & Stormwater Supervisor										
Enhanced Automatic Water Meter Reading Installation and Operations	Streets & Utilities Supervisor										
Non- Revenue Water	Responsibility										
System Wide Water Audits	Parks & Stormwater Supervisor										
Enhanced Automatic Water Meter Reading Installation and Operations	Streets & Utilities Supervisor										
Leak Detection and Repair Program	Parks & Stormwater Supervisor										
Supporting and Cross-Cutting Activities	Responsibility										
Dual Water Systems and Greenspace Conversion	Town Management										
Water Supply Master Plan	Town Management										
High-Efficiency Rebate Program and Appliance Replacement	Town Management										
Garden in a Box	Town Management										
Education Activities	Town Management										
Xeriscape Demonstration Garden	Town Management										
Watering Restrictions	Code Enforcement										
Water Waste Ordinance	Code Enforcement										
Landscape Design Ordinances and Restrictions	Town Management										

6.2 Monitoring Plan

The Town will monitor progress against the WEAs on a regular basis, incorporating the 2026 WEP as a standing agenda item in quarterly All-Staff meetings. The Town will review water use records on an annual basis beginning in 2027 after a full year of plan implementation. Continuous tracking of water use trends against the Town's water goals will help the Town determine if additional WEAs or modifications to existing WEAs are required for the Town to meet its goal by 2035. The Town's monitoring plan is presented in Table 19. The Town Manager will collect and track data at the quarterly staff meetings, and staff will discuss the water savings impacts, costs, and effectiveness of each WEA.

Table 19: Water Efficiency Plan Monitoring Program

Activity	Targeted Water Use Type	Tracking Metric	Planning Period Target
Water Efficiency Activities			
Leak Detection and Repair Program	NRW	Number of RFPs issued	5 (1x every two years), or as-needed
System Wide Water Audits	NRW	Number of revised AWWA audits incorporating meter testing results	3x over planning period
Enhanced Automatic Water Meter Reading	All	% Reduction in water use	1-2% reduction over baseline
Slow the Flow Irrigation Audits	Outdoor Res/Com	Number of audits conducted each year	20 per year (10 in spring, 10 in fall)
Garden in a Box	Outdoor Res/Com	Number of purchased gardens	20 per year
High-Efficiency Rebate Program	Commercial Indoor	Number of commercial toilets replaced	10
Educational Activities			
Customer Outreach and Education	All	Number of times website updated	1x per year
Xeriscape Demonstration Garden	Outdoor Res/Com	Number of demonstration gardens installed	2
Water Supply Master Plan	All	Number of plans published	1
Regulatory Activities			
Watering Restrictions	Outdoor Res/Com	Number of warnings and tickets issued	n/a
Water Waste Ordinance	Outdoor Res/Com	Number of warnings and tickets issued	n/a
Landscape Design Ordinances and Restrictions	Outdoor Res/Com	Incorporation of State-Level regulations into Municipal Code	n/a
Non-Potable Water Conversions	Outdoor Res/Com	Number of acres converted	12
Economic Activities			
Conservation-Oriented Rate Structure	All	Rate review	1x per year

7. Public Engagement, Policy Adoption, and State Approval

7.1 Efficiency Plan Adoption

The 2026 WEP went through several rounds of review prior to submission to the CWCB. The Citizen Advisory Board was kept apprised of the plan's progress through three formal updates during its development. Staff from the Town of Severance Town Manager's Office, Planning, and Public Work Departments reviewed the plan and provided comments. The Plan was presented to the Town Board on **January X**, 2025, prior to publishing the plan for public review and comment. The Town Board adopted the plan on XX.

7.2 Public Review Process

Public participation is essential to the success of the Town's water efficiency efforts, as many measures and programs depend on residents to take advantage of available resources and adjust water use behaviors. The Town posted a draft of the 2026 WEP on its website on **XXXX**, initiating a 60-day public review and comment period that concluded on **XXXX**. **All comments received were reviewed, and responses are posted xxx**. In accordance with C.R.S. 37-60-126(5), all CWCB-approved plans must undergo a public review process of at least sixty days from the date the draft plan is released.

7.3 Efficiency Plan Approval

The Town submitted to the CWCB on **XXXX**, with comments addressed and reflected in this report. The CWCB notified the Town the plan was fully approved on **XXX (See Appendix X)**.

7.4 Water Efficiency Plan Review and Update

The Town will review and update this WEP at least every seven years. The next update is expected to begin in 2035.

8. References

Colorado Water Conservation Board. 2019. Best Practices for Implementing Water Conservation and Demand Management Through Land Use Planning Efforts Addendum to 2012 Guidance Document. Prepared for Colorado Water Conservation Board by Anne J. Castle, Getches-Wilkinson Center, University of Colorado and Erin Rugland, Babbitt Center for Land 2025 Water Efficiency Plan August 2025 81 and Water Policy. Available online at:

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Colorado WaterWise. 2024. Guidebook of Best Practices for Municipal Water Conservation in Colorado. Second Edition. Available online at: <https://indd.adobe.com/view/a66fdb02-50c6-4ec3-8fea-4db473212faf>

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Town of Severance. 2019 – 2025. Water Rates.

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Town of Severance, 2007. Town of Severance Municipal Code, Chapter 13, Article 2 Water Regulations. Accessed July 15, 2025.

Town of Severance, 2023. Town of Severance Municipal Code, Chapter 16, Article 4 Subdivision Standards and Improvements. Accessed August 1, 2025.

Town of Severance. Town Staff Water Efficiency Survey. Conducted August 2025. Unpublished survey results.

**TOWN OF SEVERANCE
RESOLUTION NO. 2026-09R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, APPROVING AND ADOPTING THE 2025 UPDATED WINDSOR
SEVERANCE FIRE PROTECTION DISTRICT IMPACT FEE SCHEDULE.**

WHEREAS, the Town of Severance (the “Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter; and

WHEREAS, the Windsor-Severance Fire Protection District (the “WSFPD”) is a special district and political subdivision of the State of Colorado, organized and existing pursuant to Title 32 of the Colorado Revised Statutes; and

WHEREAS, the WSFPD is permitted to assess an impact fee pursuant to §§32-1-1002(1)(d.5) and 29-20-104.5, C.R.S.; and

WHEREAS, intergovernmental agreements between political subdivisions to provide any function, service, or facility including the sharing of costs of such function, services, or facility are specifically authorized by C.R.S. § 29-1-203(1); and

WHEREAS, the Town and WSFPD previously entered into an Intergovernmental Agreement for Assessment, Collection, and Remittance of Emergency Services Impact Fees with an effective date of March 26, 2021, (the “WSFPD IGA”), which, in pertinent part, allowed the Town to collect a check from a developer for payment of WSFPD’s impact fees when the developer paid impact fees to the Town related to the issuance of a final building permit, and which required the Town to promptly deliver the developer’s check to WSFPD for its portion of said impact fees, and which included a WSFPD impact fee schedule in effect at the time the parties executed the WSFPD IGA; and

WHEREAS, the WSFPD IGA allows the WSFPD to update its fee schedule by submitting to the Town (1) an updated WSFPD fee schedule, (2) a resolution by the WSFPD Board of Directors approving an updated fee schedule, and (3) an updated nexus impact fee study supporting the updated WSFPD fee schedule; and

WHEREAS, the WSFPD Board of Directors recently passed resolution 2025-06 adopting an updated fee schedule, which became effective immediately upon passage by WSFPD on December 10, 2025, a copy of “WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT RESOLUTION 2025-06 WITH UPDATED FEE SCHEDULE” (the “WSFPD Resolution”) is attached hereto and incorporated herein as Attachment A; and

WHEREAS, the WSFPD desires the Town refer to the updated WSFPD fee schedule contained in the WSFPD Resolution instead of the outdated WSFPD fee schedule originally contained in the WSFPD IGA; and

WHEREAS, the Town finds all documents required by the WSFPD IGA to allow WSFPD to update its fee schedule is contained in Attachment A;

WHEREAS, the Town and the WSFPD continue to honor the WSFPD IGA, and the Town finds that such an agreement reduces unnecessary demands on a developer while also fostering cooperation between the Town and the WSFPD; and

WHEREAS, the Town finds and determines that the approval and adoption of the attached “WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT RESOLUTION 2025-06 WITH UPDATED FEE SCHEDULE” is appropriate, and that it is appropriate to substitute the updated WSFPD fee schedule contained in the WSFPD Resolution for the outdated WSFPD fee schedule originally contained in the WSFPD IGA; and

WHEREAS, the Town finds and determines such action promotes the safety, security, and general welfare of the inhabitants of the Town of Severance.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:

Section 1. The attached “WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT RESOLUTION 2025-06 WITH UPDATED FEE SCHEDULE” is hereby approved and adopted by the Town.

Section 2. The Town shall substitute the updated WSFPD fee schedule, which is contained in the attached WSFPD Resolution, for all previous versions of the WSFPD fee schedule whenever the Town collects future impact fees on a developer related to the issuance of a final building permit.

Section 3. The Town will continue to honor the WSFPD IGA.

Section 4. The Mayor is authorized to execute this agreement on the Town’s behalf.

RESOLVED AND APPROVED THIS 10TH DAY OF MARCH 2026.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

RESOLUTION NO. 2025-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT ADOPTING AN UPDATED IMPACT FEE SCHEDULE

WHEREAS, the Windsor-Severance Fire Protection District (the “District”) is a special district and political subdivision of the State of Colorado, organized and existing pursuant to Title 32 of the Colorado Revised Statutes; and

WHEREAS, the District is permitted to assess an impact fee pursuant to Sec. 32-1-1002(1)(d.5) and Sec. 29-20-104.5, C.R.S.; and

WHEREAS, the District’s Board of Directors (the “Board”) previously contracted with BBC Research and Consulting to perform an impact fee study, which was completed and reduced to a written report on September 10, 2020 (“Original Impact Fee Report”); and

WHEREAS, the District proceeded with adopting an impact fee scheduled based on the Original Impact Fee Report and entered into Intergovernmental Agreements with the Towns of Windsor and Severance along with Larimer County for the collection of District impact fees (“IGA’s”); and

WHEREAS, consistent with the Original Impact Fee Report and the IGA’s, the District recently contracted with BBC Research and Consulting to perform an updated review of the District’s impact fee schedule, which was completed and reduced to a written report on October 2, 2025 (“Updated Impact Fee Report”); and

WHEREAS, the Board believes that it is in the best interests of the District to adopt an updated impact fee schedule based on the Updated Impact Fee Report to ensure that new development pays for its impact on the future capital facility needs of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT, THAT:

- 1. Impact Fee Schedule.** The Board hereby adopts the following updated impact fee schedule based on the findings of the Updated Impact Fee Report, attached to this Resolution as **Exhibit A**, to be effective on new development applications filed with the subject jurisdiction on or after January 1, 2026. Terms used in this Resolution which are defined in the Updated Impact Fee Report shall have the same meaning as set forth in the Impact Fee Report.

Fee Schedule:

- | | |
|-----------------------------|------------------------------|
| • Single Family Residential | \$1,535.00 Per Dwelling Unit |
| • Multifamily Residential | \$702.00 Per Dwelling Unit |
| • Commercial | \$1.55 Per Square Foot |
| • Industrial | \$0.91 Per Square Foot |

- 2. Exemptions.** The following development projects shall be exempted from paying the District’s impact fee:

- Construction of any project which qualifies as affordable housing
- Construction of any projects by governmental entities with a demonstrated public benefit

In addition, development projects which voluntarily install sprinkler systems consistent with current fire code recommendations, as confirmed by the District, shall qualify for a 100% impact fee reduction.

3. **Effective Date.** This Resolution shall become effective immediately upon passage.
4. **Severability.** If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

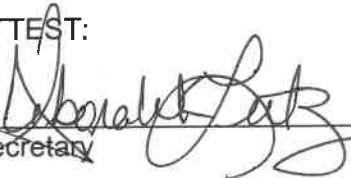
ADOPTED AND APPROVED this December day of 10, 2025.

**WINDSOR-SEVERANCE
FIRE PROTECTION DISTRICT**



President

ATTEST:



Secretary

EXHIBIT A
(Impact Fee Report)

Windsor Severance Fire Rescue Impact Fee Study

Final Report

October 2, 2025

Windsor Severance Fire Rescue Impact Fee Study

Prepared for:

Windsor Severance Fire Rescue
100 N 7th St
Windsor, CO 80550

Prepared by:

BBC Research & Consulting
1999 Broadway, Suite 1470
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com



SECTION I.

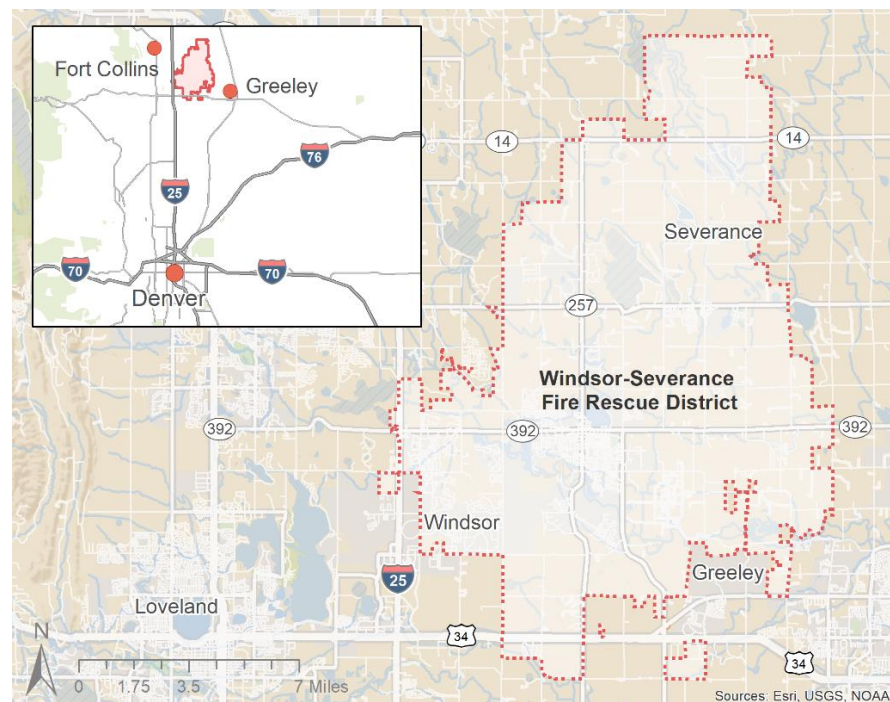
Introduction

This report presents the analysis underlying calculation of updated proportional development impact fees for Windsor Severance Fire Rescue (WSFR or the District). This section describes fee design requirements and various implementation considerations.

WSFR provides fire rescue and emergency services to more than 50,000 residents across 100 square miles in Weld and Larimer Counties,¹ serving the towns of Windsor, Severance, and the surrounding communities, as shown in Figure I-1.

Figure I-1.
Windsor Severance
Fire Rescue District
Service Area

Source:
BBC Research & Consulting
from ArcGIS shapefiles, 2024.



Objectives

Many fire districts in Colorado impose development impact fees for expansion of public infrastructure. Colorado statute and a series of United States Supreme Court decisions dictate the amounts that districts can charge in impact fees and how they can devise, impose, and spend them. Because of those requirements, WSFR retained BBC Research & Consulting (BBC) to prepare a report documenting the calculation of proportional and defensible impact fees to ensure it can maintain its existing service standards as development occurs in its service area.

¹ Windsor Severance Fire Rescue, <https://www.wsfr.us/about-us>

This report documents BBC's analysis and recommendations for an impact fee that recovers the proportional capital costs associated with new development and in a manner consistent with the Colorado Revised Statutes.

Colorado Impact Fee Requirements

Development impact fees have been used in Colorado going as far back as the 1920s, when cities began charging developers for the water rights required to serve new development.² Other states also charged impact fees to new development, and in 1947 one of the first legal challenges to impact fees was filed in Illinois. In that case, the Illinois Home Builders Association sued the Hinsdale Sanitary District over its tap fee. The case was appealed all the way to the Illinois Supreme Court, which ruled that the District's fee was legal so long as the revenues were used for capital expenditures and not operating expenses.³

In Colorado, impact fee requirements were heavily influenced by a 1999 lawsuit between Krupp and the Breckenridge Sanitation District. The case, known as *Krupp v. Breckenridge Sanitation District*, was heard by the Colorado Supreme Court, which ruled that impact fees are legal so long as they meet certain requirements. The requirements defined in the ruling on *Krupp v. Breckenridge Sanitation District* were formally codified by the Colorado Legislature with the passage of Senate Bill 01S2-015, "An Act Concerning Land Development Charges That May Be Imposed by Local Governments."

The Bill, which modified Section 29-20-104.5 of Title 29 of Colorado Revised Statutes, allowed local governments to impose impact fees on new development to fund expenditures on capital facilities needed to maintain existing service standards.⁴ The impact fees are applicable to a broad set of land uses and can be calculated based on development characteristics of local land uses that roughly approximate each land use's burden on capital facilities. This enabling legislation allowed municipalities to charge a single impact fee to each type of development (e.g., residential, commercial, and industrial) rather than calculating fees on a case-by-case basis.

In 2016, the Colorado Legislature passed House Bill 16-1088, the "Public Service Fairness Act," which granted fire protection districts organized under Article 1 of Title 32, C.R.S., and fire authorities established under Section 29-1-203.5 the ability to levy impact fees on new development. The bill amended C.R.S. 29-20-104.5, allowing these districts to charge development impact fees as a condition for issuing development permits and to use the revenue for capital facilities supporting fire protection, rescue, and emergency services related to new development. However, fire protection districts were not given unilateral authority to impose these fees; instead, they were required to enter into intergovernmental agreements with county or municipal governments, which would collect and remit the fees on their behalf.

² Lillydahl, J.H, 1987. Impact Fees in Colorado: Economic, Political, and Legal Overview. Presented at A Symposium on Impact Fees, 1987 Conference of the American Planning Association. New York City. Cited in White and Dahl, 2001.

³ Carswell, A.T, 2012. The Encyclopedia of Housing, Second Edition. SAGE Publications. p. 385. ISBN 978-1-4129-8958-9. Retrieved 2023-04-03. Cited in Wikipedia, "Impact Fee;" accessed 2023-11-08 at https://en.wikipedia.org/wiki/Impact_fee.

⁴ Local governments were defined as counties; home rule municipalities; and statutory cities, towns, territorial charter cities.

In May 2024, the Colorado Legislature significantly expanded the authority of fire protection districts by passing SB24-194, the “Special District Emergency Services Funding Act.” Under C.R.S. 32-1-1002(1)(d.5), fire protection districts may impose and collect impact fees directly within their jurisdictions. Additionally, SB24-194 authorized both fire and ambulance districts to levy a sales tax, subject to voter approval, to generate additional revenue for district services.

To comply with current Colorado law, any development impact fees charged by a fire protection district must:

- Be a one-time charge imposed on new development;
- Quantify the reasonable impacts of proposed development on existing capital facilities and establish the impact fee or development charge at a level no greater than necessary to defray such impacts which are directly related to proposed development;
- Be reasonably related to the overall cost of capital. Fees must be fairly calculated and rationally based. Mathematical exactitude is not required, however, and the particular mode adopted by the district in assessing the fee is generally a matter of that district’s discretion;
- Ensure no impact fee or other similar development charge shall be imposed to remedy any deficiency in capital facilities that exists without regard to the proposed development; and
- Ensure that impact fees adopted by a local government do not require individual landowners to provide any site-specific dedication or improvements that meet the same need for capital facilities for which the district’s impact fee is imposed.

Because the setting of rates and fees involves many questions of judgment and discretion, districts have the flexibility to choose the most appropriate rate-setting method so long as it uses reasonable assumptions and logic in the basis of calculating the development impact fee schedule.

U.S. Supreme Court Decisions

In *Sheetz v. County of El Dorado* (2024), the U.S. Supreme Court unanimously ruled that impact fees are subject to the Takings Clause of the Fifth Amendment of the U.S. Constitution. The two most notable court decisions that are used to analyze takings clause cases are often referred to as *Nollan* and *Dolan*⁵.

Guidance from these decisions requires that there be an "essential nexus" between the exaction/fee and the state interest being advanced by that exaction. In the more recent *Dolan v. City of Tigard* (1994) decision, the U.S. Supreme Court held that in addition to an essential nexus, there must be a "rough proportionality" between the proposed exactions and the project impacts that the exactions are intended to mitigate. In *Dolan*, the court further states that rough proportionality need not be derived with mathematical exactitude but must demonstrate some relationship to the specific impact of the subject project:

*"We think a term such as 'rough proportionality' best encapsulates what we hold to be the requirements of the Fifth Amendment. No precise mathematical calculation is required, but the city must make some sort of individualized determination that the required dedication is related both in nature and extent to the impact of the proposed development."*⁶

Over the past two decades since *Dolan*, many fire districts have imposed impact fees; thus, there now is a broad set of common practices when considering how best to reflect these judicial and statutory requirements in fee design efforts.

Fee Applicability

As noted above, fire districts can only use impact fee revenue to cover the costs of any necessary expansion of capital facilities that are required to serve new development. In addition, fee amounts can only be set in a manner that is proportional to the cost of capital facility expansion needed to maintain—but not improve—existing standards of service.

Capital facilities. *Capital facilities* are the physical component of public services. Under Colorado statute, the definition of *capital* can include all equipment that has at least a five-year lifetime. It does not include personnel or any operational elements of service costs, even in circumstances where new staff are required to operate new facilities. Capital facilities generally include buildings, apparatus, vehicles, office furniture, and other support facilities.

⁵ *Nollan v. California Coastal Commission*, 483 U.S. 82; 1987 and *Dolan v. City of Tigard* (1994) 114S.Ct. 2309.

⁶ *Dolan v. City of Tigard* (1994) 114S.Ct. 2309.

Nature of capital investments. Not all capital facility costs are associated with community growth or with the expansion of capacity. Most fire districts make investments in capital facilities not because of growth pressures but for the repair and replacement of existing capital. For example, fire districts often make capital investments related to:

- *Repair and replacement of existing facilities*, such as annual building maintenance or replacing a roof;
- *Betterment of existing facilities*, such as introducing new services or improving existing capital facilities without increasing service capacity; and
- *Facilities expansions*, such as expanding an existing building to accommodate growing personnel requirements.

Fire districts are not allowed to account for such investments as part of impact fee calculations nor are they allowed to expend impact fee funds on such investments.

Capital Standards

In designing impact fees, fire districts must determine the appropriate capital standards applicable to each category of infrastructure. Facility standards can vary widely between districts. Whereas some states have legislation that describes such criteria with great specificity, other states—like Colorado—use more general standards. There are two primary approaches for calculating capital standards.

Capital buy-in approach. Capital standards can be estimated using the replacement value of specific capital facilities and the qualified equipment necessary for each category of capital facilities. For example, a city of 2,500 homes with a 20,000 square foot recreation center that has a replacement value of \$5 million would have a recreation center standard of 8 square feet per housing unit (i.e., $20,000 \text{ square feet} / 2,500 \text{ homes} = 8 \text{ square feet per home}$) and a replacement value of \$250 per square foot (i.e., $\$5 \text{ million} / 20,000 \text{ square feet} = \$250 \text{ per square foot}$). Thus, each existing residence would have an embedded recreational investment of \$2,000 per home (i.e., $\$250 \times 8 \text{ square feet} = \$2,000 \text{ per home}$), representing the community's recreational facility standard, which is what a developer could be charged for recreational facilities for each new unit.

One important dimension of the capital buy-in approach is the use of the replacement value of each asset. As mentioned earlier, the purpose of impact fees is to maintain the current level of service. Therefore, the value of each asset should be assessed by its current functionality, not its dollar value. For example, even if a dump truck were purchased in 1980 and its present resale value is less than \$10,000, the replacement value for that dump truck would be equal to the market rate of a new unit that performs the same function as the original vehicle.

If capital standards are defined using a capital buy-in approach, then calculations of those standards must account for any debt that applies against the relevant capital facilities. Because current residents are already responsible for that debt, it would be duplicative and inappropriate to charge developers impact fees that also include that debt.

Plan-based approach. Fire districts can also use a *plan-based approach* to set capital standards, which relies on capital improvement or other specific plans to estimate the value of capital required to serve future development. A plan-based approach requires forecasts of residential and commercial growth and detailed data on capital expansion plans and costs. Plan-based approaches must focus on expansion-related projects or the expansion portion of projects rather than betterment or replacement projects.

Other Considerations

Over time, some consensus has emerged on how best to ensure that impact fees comply with state statutes and court rulings. Many of the factors that fire districts must consider in designing fees appropriately are described above, but BBC also presents other considerations to be made:

- **Land use allocation.** Courts have indicated that all forms of development that have facility impacts—that is, residential, industrial, and commercial developments—must pay their fair share of expansion costs. If one type of development is exempted from fees, then fees may not be sufficient to cover expansion costs that result from new development.
- **Use specificity.** Impact fee calculations vary between different forms of land use. When compelling evidence is available that the forms, sizes, or uses of particular types of development will result in substantially different demands for fire protection services, then a district's impact fees should reflect that information.
- **Fund balance.** A fire district's impact fee fund balance represents cash investments the existing community has made in capital expansion. When utilizing the capital buy-in approach for calculating development impact fees, these cash investments are combined with capital facilities valuations to arrive at the total capital investment that the community has made.
- **Redevelopment.** The application of impact fees raises questions about how to deal with the redevelopment of existing properties. The redevelopment of a residence—even if it involves full scraping—does not lead to an increase in service demands, because it is still one residential unit with no implications for service delivery costs or capital needs. In contrast, the redevelopment of a larger lot into multiple homes would be assessed an impact fee based on the net number of new residential units, because there would be clear implications for service delivery and capital needs. Commercial redevelopment would be subject to the same considerations.
- **Waivers.** Fire districts should not waive fees unless the funds are reimbursed from other sources such as the general fund or other contributions by the developer to system expansion that meets or exceeds the calculated fees.
- **Timing.** Fees should be assessed at the time that building permits are issued.
- **Updates.** Impact fee calculations should be updated periodically to account for changes in costs and asset values. Most fire districts update their fees every year using an inflation multiplier and conduct updates to their impact fee studies every three to five years.

SECTION II.

Impact Fee Derivation

As described in Section I, there are several types of information that fire protection districts must consider to appropriately set their development impact fees, including determining capital standards. BBC used data from various sources to make appropriate considerations in developing development impact fees for Windsor Severance Fire Rescue.

- **Capital standards.** BBC used WSFR’s planned future investment in facilities as the basis for determining capital standards for its new fees based on the District’s projections of future capital requirements to serve new growth. The valuation includes estimates of investments in buildings, land, vehicles, and durable equipment.
- **Land use allocation.** It is important for fire districts to determine how impact fees should be allocated according to demand for services by land use so that all forms of development pay their fair share of expansion costs. Although WSFR does not maintain a database of relevant land use, data from the Weld County and Larimer County Assessor’s Offices indicates that the majority of current development in WSFR’s service area is for residential purposes (68.0 percent single family residential; 7.4 percent multi-family residential; 12.8 percent commercial; and 11.8 percent industrial & warehouse). BBC allocated WSFR’s updated development impact fees accordingly, because the mix of future development in the region is not expected to differ substantially from current land use.
- **Use specificity.** To the extent possible, impact fees should reflect the degree to which different forms, sizes, and uses of particular types of development will result in different demand for fire protection services. For residential development, square footage serves as a proxy for demand due to the relative uniformity of residential structures and activity. For non-residential development—where service demand varies substantially based on building use and intensity—the fee calculation incorporates employment generation rates to reflect occupancy intensity.
- **Proportionality.** By using WSFR’s planned future investment in facilities to derive capital standards and then setting fee rates to replace the future standards of facility investment, BBC has ensured that proportionality has been reasonably and fairly derived.

WSFR Budget Overview

Property tax revenues for WSFR are collected through the District's 8.250 property tax mill of properties in Weld and Larimer County that are within the District's service area. A millage rate is the tax rate used to calculate local property taxes and represents the amount per every \$1,000 of a property's assessed value that a community would charge.

The 2024 WSFR Budget shows the District budgeted revenues of approximately \$21.8 million in fiscal year 2024, the vast majority of which was tax-related revenue from property taxes. WSFR's anticipated expenditures in 2024 are \$14.8 million, and this is allocated to personnel costs—including salaries, benefits, and volunteer incentives—as well as medical supplies, training, maintenance, capital purchases, and more. Additionally, the District has allocated \$6.9 million to its Capital Reserve Fund for 2024. As discussed in Section I, capital investments are generally used for repair and replacement, betterment of facilities and service standards, and facilities expansion.

Property tax revenue that funds WSFR's operating budget will continue to be dedicated to the District's ongoing operational expenses and will not likely be sufficient to fund the District's growth-related capital infrastructure needs. With impact fees, new development pays for an equitable share of new infrastructure and existing taxpayers will not be responsible for subsidizing growth. In addition, WSFR's capital and operating funds can be reserved for other, non-growth-related uses.

Impact Fee Calculations

BBC's methodology for updating WSFR's impact fee includes the following tasks:

1. Quantify the infrastructure investment needed to maintain current level of service given projected growth;
2. Develop estimates of WSFR's current land use pattern; and
3. Calculate the fire protection capital costs per unit of development (per residential dwelling unit or per square foot of non-residential development).

Planned future investment. WSFR's current Capital Improvement Plan details significant investments in facilities and equipment necessary to serve new growth. Planned investments shown in Figure II-1 include only items related to service expansion that are eligible to be funded through impact fees.

**Figure II-1.
WSFR Facilities and Capital
Investment Plan**

Source:

Windsor Severance Fire Rescue; BBC
Research & Consulting, 2025.

Type of Capital Facilities	Anticipated Cost (2025 \$)
Buildings and Land	
Training Center Land	\$500,000
Training Center Phase 1	\$2,333,334
Training Center Phase 2	\$3,200,000
Station 5 Land	\$400,000
Station 1 Expansion	\$750,000
Station 5 Building	\$6,400,000
Vehicles	
BC Ops	\$92,000
Training Lt.	\$75,000
CRRD Permit tech	\$40,000
Squad Response	\$250,000
BC SOT	\$92,000
Fleet Manager	\$81,000
CRRD Fire Inspector	\$62,000
Safety Officer	\$92,000
EMS Educator	\$72,000
BC Emergency Management/Community Response	\$92,000
Division Chief EMS	\$92,000
CRRD Fire Inspector	\$62,000
Ladder For Station 5	\$2,200,000
Equipment to outfit Station 5 Ladder	\$175,000
Fire Equipment and Business Property	
Station 5 SCBA compressor	\$80,000
Station 5 extractor	\$30,000
MDT for fire units	\$13,800
Station 5 radios	\$20,000
Total Value of Fire Capital Facilities for Fee Calculation	\$17,204,134

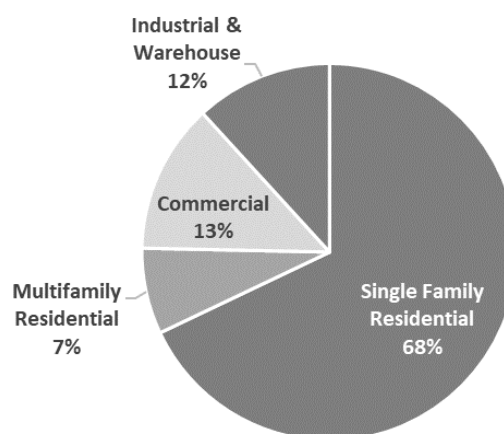
WSFR anticipates it will need approximately \$17.2 million of capital attributable to new growth in order to maintain its existing level of service as new homes and businesses are built within the District service area over the coming decades. The capital plan includes a new fire station, training center, vehicles, and corresponding durable equipment.

Current land use. BBC used the current pattern of development in WSFR's service area as a first step in allocating capital expansion costs between different types of land uses. Figure II-2 presents the distribution of residential and non-residential building square footage, based on current data from the Weld County Assessor and Larimer County Assessor. As shown in Figure II-2, about 68 percent of existing development in the region is single family residential, 7 percent is multifamily residential, 13 percent is commercial, and 12 percent is industrial & warehouse.

**Figure II-2.
Distribution of
Residential and Non-
residential Square
Footage in the WSFR
Service Area, 2024**

Source:

Weld County Assessor; Larimer County
Assessor; BBC Research & Consulting,
2024.



The \$17.2 million value of future fire capital investment (Figure II-1) is allocated across residential and non-residential development based on the relative share of total square footage in the District. Allocating costs between residential and non-residential development based on existing square footage provides a rational and proportional framework for distributing the costs of firefighting facilities and equipment. Building square footage serves as a measurable indicator of the built environment’s potential demand for fire protection services. Larger structures typically present greater fire risk, all else equal, in addition to requiring more time and personnel to inspect or suppress fires and may involve more complex response protocols. As such, square footage offers a reliable and consistent proxy for estimating system demand,

Within the District’s service area, residential uses comprise 75.3 percent and non-residential uses comprise 24.7 percent of the built environment. Of the \$17.2 million in future fire capital facilities investment, \$12.9 million is allocated to residential development and \$4.3 million is allocated to non-residential development.

Projected residential growth. Figure II-3 displays the residential growth projections for WSFR’s service area through 2045 (column header “New Growth”). These projections were provided directly by the District, drawing on information WSFR assembled for the towns of Windsor and Severance. While WSFR does serve some parts of unincorporated Weld and Larimer Counties, this study makes a conservative calculation by estimating that the dwelling projections for Windsor and Severance account for nearly all residential growth within the District boundary.

The District’s projections cover 2021 through 2041 for Windsor and 2023 through 2043 for Severance, while this fee study uses a 2025 through 2045 planning horizon. For consistency, it is assumed that the net increase in dwelling units across these similar 20-year periods will be comparable, such that shifting the time frame by a few years does not materially alter the projected level of growth.

Over the 2025 to 2045 period, development in the WSFR service area is projected to produce approximately 9,400 new residential units—7,600 single family dwellings and 1,800 multifamily units.

Residential impact fee calculation. The total value of the future fire capital investment is allocated across categories of residential development based on each category's percent share of existing development. Figure II-3 presents the full fee calculation and the resulting maximum impact fees for residential development within the District.

Figure II-3.
Maximum Allowable Residential Impact Fees for WSFR

	Future Capital Investment Cost Total (\$) [A]	Existing Development (%) [B]	Future Capital Investment Cost Allocation (\$) [C] = [A] x [B]	Projected Development	
				New Growth (units) [D]	Impact Fee (\$) [C] / [D]
Single family	\$17.2 million	68.0%	\$11,690,516	7,617	\$1,535 per dwelling unit
Multifamily		7.4%	\$1,269,446	1,808	\$702 per dwelling unit

Note: Development projections are for a 20-year timeline.

Source: Windsor Severance Fire Rescue; BBC Research & Consulting, 2025.

As Figure II-3 shows, proposed fees are \$1,535 per single family dwelling or \$702 per multifamily dwelling unit.

Projected non-residential growth. Figure II-4 displays the non-residential growth projections for WSFR's service area through 2045 (column header "New Growth"). The District provided employment projections originally prepared for the Town of Windsor, citing data from the U.S. Census Bureau's LEHD Origin-Destination Employment Statistics, the Colorado Department of Labor, and TischlerBise. The projections cover the 2019 through 2030 period and report anticipated job growth by sector.

For purposes of this fee study, projections were converted into annualized growth rates, consolidated into two broad categories—Commercial (retail and office/institutional development) and Industrial—and extended through the 2025 to 2045 planning horizon. These growth rates were then applied to the current inventory of non-residential development in the District, under the assumption that development square footage scales with employment growth.

Based on this methodology, development in the WSFR service area is projected to produce approximately 3.5 million square feet of new non-residential development over the 20-year planning horizon, including 1.6 million square feet of commercial space and 1.9 million square feet of industrial and warehouse space.

Non-residential impact fee calculation. Non-residential fire impact fees are calculated using the future capital costs allocated to non-residential development in conjunction with employment density rates to reflect use intensity amongst different categories of non-residential land use. While building size remains an important factor in determining the impacts new development have on WSFR's capital facilities, the intensity and variability of use across non-residential land uses plays a large role in influencing service demand. For example, a 10,000-

square-foot storage warehouse would typically generate fewer emergency calls than a similarly sized commercial kitchen, school, or medical facility.

The non-residential fee model uses average employees per 1,000 square feet from the *Institute of Transportation Engineers (ITE) Trip Generation Manual* to account for this variability.¹ The *ITE Trip Generation Manual*, published by the Institute of Transportation Engineers, provides empirically derived estimates of the employee density generated by different land uses. These rates are based on extensive observational studies conducted at sites across North America and are widely used in transportation planning, traffic impact studies, and land use analysis.

While square footage provides a baseline measure of physical scale, it does not capture differences in activity intensity or occupancy patterns that influence fire risk and service needs. ITE employee density rates serve as a practical proxy for these factors, reflecting how frequently a property is accessed and used. Land uses with higher employment density rates generally correspond to higher levels of human activity, increasing the probability of fire incidents, medical calls, and other emergency responses. Incorporating employment rates therefore enhances the model's ability to allocate costs in proportion to actual service demand.

As shown in Figure II-4, different non-residential land uses generate differing levels of activity. The future capital investment cost total is distributed across development types in proportion to their weighted employment. This produces a cost per square foot that reflects the relative service demands associated with each use and distributes the cost burden in proportion to the demand generated by different types of economic activity and land use. Figure II-4 presents the full fee calculation and the resulting maximum impact fees for non-residential development within the District.

Figure II-4.
Maximum Allowable Non-residential Impact Fees for WSFR

	Future Capital Investment Cost Total (\$) [A]	Existing Non- Residential Dev. (% of Total) [B]	Existing Dev. (sq. ft.) [C]	ITE Employment Density (per 1,000 sq. ft.) [D]	Weighted Employment Ratio [E] = [C/1000 x D] / Σ [C/1000 x D]	Future Capital Investment Cost Allocation (\$) [F] = [A x B x E]	Projected Development	
							New Growth (sq. ft.) [G]	Impact Fee (\$) [F] / [G]
Commercial	\$17.2	24.7%	6,652,358	2.12	0.59	\$2,524,785	1,624,104	\$1.55 per sq. ft.
Industrial	million		6,126,726	1.57	0.41	\$1,719,387	1,897,900	\$0.91 per sq. ft.

Note: Development projections are for a 20-year timeline.

Commercial development includes retail, office, institutional, and similar types. Industrial development includes manufacturing, warehousing, and similar types.

Source: Windsor Severance Fire Rescue; BBC Research & Consulting, 2025.

As Figure II-4 shows, proposed fees are \$1.55 per square foot of commercial development and \$0.91 per square foot of industrial development.

¹ ITE Trip Generation Manual 11th Edition, 2021.

Sprinklers in lieu of fees. The presence of sprinkler systems can reduce the service burden on a fire district, while also preventing loss of both property and life. All commercial buildings within the District are required to have a fully automatic fire sprinkler system if the square footage exceeds 5,000 square feet.² Full sprinkler requirements are outlined in Chapter 9 of the 2018 International Fire Code. Fire districts may choose to waive or reduce impact fees for those residential or commercial developments who voluntarily install sprinkler systems.

Nationwide, the installation cost per sprinklered square foot generally ranges from \$1.50 to \$2.00. Thus, the average cost of voluntary sprinkler installation will often outweigh the value of impact fees. While the presence of sprinklers within a development does not eliminate the need for a response from the District in the event of an emergency, it helps to offset the impacts of the feepayer's development activity. In addition, sprinkler systems reduce property loss and reduce the chance of fire-related death or injury.

WSFR may offer waived or reduced impact fees for those developments that voluntarily install a sprinkler system. The reduction of impact fees should serve to incentivize residential and commercial developers to consider the installation of sprinkler systems when it is not required.

BBC recommends that WSFR reduce impact fees by a percentage commensurate to the reduced service costs when a sprinkler system is voluntarily installed. Because the presence of sprinklers does not completely eliminate the need for WSFR to respond to a call for a service, BBC recommends that the fee not be eliminated in its entirety.

WSFR may choose whether to waive or reduce the calculated impact fees for those developments that voluntarily install a sprinkler system. Should the District choose to reduce the fees, this fee reduction must be applied uniformly across all development types. In addition, developers must install sprinklers across the entire development, rather than on selected properties.

² Windsor Severance Fire Rescue, Construction & Development Procedures Guide, p. 12

SECTION III.

Summary and Recommendations

The residential and non-residential development impact fees that BBC recommends for WSFR's consideration represent maximum allowable amounts. However, WSFR may choose to adopt fees below these amounts. BBC offers the following recommendations regarding implementation of impact fees for Windsor Severance Fire Rescue:

- WSFR should provide the development community with a minimum of three to six months' notice prior to implementing the impact fee schedule. This advance notice ensures developers have sufficient time to adjust project budgets and timelines.
- WSFR should maintain its impact fee fund in an interest-bearing account that is separate and apart from its general fund. All fees collected in accordance with the impact fee schedule shall be deposited and accounted for as required in *Colorado Revised Statutes Title 29, Article 1, Part 8, Section 29-1-803 (see also C.R.S. 32-1-1002(1)(d.5))*.
- WSFR should adhere to a written policy governing expenditure of monies from its impact fee fund. Withdrawals from the impact fee fund should only be used to pay for growth-related capital facilities with a service life of five or more years. All proceeds shall be used in conformance with *Colorado Revised Statutes Title 29, Article 20, Part 1, Section 29-20-104.5 (see also C.R.S. 32-1-1002(1)(d.5))*.
- WSFR should prohibit the payment of operational expenses with impact fees, including the repair and replacement of existing facilities not necessitated by growth. In cases where WSFR expects new capital facilities to partially replace existing capacity and to partially serve new growth, the District and its legal counsel should determine, to the best of its ability, what percentage of repair and replacement is necessary to serve new development and should use that as the basis of allocating funding for repair and replacement needs.
- WSFR should update its impact fee studies periodically (e.g., every three to five years) as it invests in additional equipment and facilities and as future development occurs, to ensure its impact fees reflect its existing service standards.
- Between updates, WSFR should adjust its impact fees annually at the start of each year based on the U.S. Bureau of Labor Statistics' Mountain-Plains Information Office's consumer price index for the Mountain-Plains Region.¹
- WSFR should establish a process to address unique scenarios that may require further individualization of impact fees. This process should include a mechanism allowing property owners to present data if they believe the fee, as applied, does not accurately reflect the specific impacts of their development, ensuring compliance with *Sheetz v. County of El Dorado, Cal., 601 U.S. 267 (2024)*.

¹ <https://www.bls.gov/regions/mountain-plains/cpi-summary>

**INTERGOVERNMENTAL AGREEMENT
FOR THE ASSESSMENT, COLLECTION, AND REMITTANCE OF EMERGENCY
SERVICES IMPACT FEES**

This INTERGOVERNMENTAL AGREEMENT FOR THE ASSESSMENT, COLLECTION, AND REMITTANCE OF EMERGENCY SERVICES IMPACT FEES ("**Agreement**") is entered into by and between the Town of Severance ("**Town**") and the Windsor-Severance Fire Protection District ("**District**"). The Town and the District are referred to collectively as the "**Parties**" or individually as a "**Party**".

RECITALS

WHEREAS, the Town is a statutory town of the State of Colorado ("**State**"), and the District is a political subdivision of the State organized pursuant to the Special District Act, C.R.S. § 32-1-101, *et seq.*; and

WHEREAS, the District was organized to provide fire protection, rescue, and emergency services (collectively, "**Emergency Services**"), as well as other services including fire suppression, public education, hazardous materials, emergency medical, and ambulance services, to the citizens and property within its jurisdiction, and to individuals passing through its jurisdiction, either directly or through third-party providers; and

WHEREAS, pursuant to §32-1-1002(1)(d.5), the District has authority to receive and spend impact fees or other similar development charges imposed pursuant to the provisions described in §29-20-104.5, C.R.S.; and

WHEREAS, the District obtained an Impact Fee Report dated January 12, 2021 to evaluate the nexus between new development within the District's jurisdictional boundaries and the projected impact that such development has on the District's Capital Facilities ("**Nexus Study**"). The Nexus Study recommended an Impact Fee schedule for both residential and non-residential development at a level no greater than necessary to defray the impacts of new development on the District's Capital Facilities ("**Impact Fee Schedule**") and

WHEREAS, on January 14, 2021, the District's Board of Directors ("**Board**") adopted Resolution 2021-02 approving the Impact Fee Schedule recommended by the Nexus Study. A copy of the approved Impact Fee Schedule is attached as **Exhibit A**; and

WHEREAS, in accordance with C.R.S. § 29-20-104.5(2)(c), the Parties desire to enter into this Agreement to define the District Impact Fee, and the details of assessment, collection, and remittance, all in accordance with the requirements of C.R.S. § 29-20-104.5 ("**Act**").

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

AGREEMENT

1. Definitions. In addition to the definitions provided elsewhere in this Agreement, the terms "**Development Permit**" and "**Capital Facility(ies)**" shall be defined as provided in Sections 29-20-103(1) and 29-20-104.5(4), C.R.S., respectively, including any amendments thereto.

2. Establishment of District Impact Fee.

- a. The Town agrees to impose an impact fee on new development that currently is located

within both the Town and the District, or that in the future becomes located within the Town and the District, in accordance with the Impact Fee Schedule attached as **Exhibit A**, subject to inflation as set forth herein ("**District Impact Fee**"). The District Impact Fee shall be imposed on all new development for which a building permit application is submitted to the Town on or after August 1, 2021. On December 31 of each year to be effective for any District Impact Fees collected beginning on January 1 of the following year, the fees set forth in the attached Impact Fee Schedule (or any Updated Impact Fee Schedule as defined below) shall automatically be adjusted by the increase, if any, in the Denver-Aurora-Lakewood Consumer Price Index for All Urban Consumers (CPI-U) over the preceding year.

b. The District will update the Nexus Study no less frequently than every seven years ("**Updated Nexus Study**"). If the Updated Nexus Study recommends any changes to the Impact Fee Schedule, then by September 1 of the then-current calendar year, the District Board shall, after considering such recommendations, adopt a Resolution approving an updated Impact Fee Schedule at a level no greater than necessary to defray the impacts of new development on the District's Capital Facilities ("**Updated Impact Fee Schedule**"). On or before September 10 of the then-current calendar year, the District shall submit to the Town a copy of: (i) the Updated Impact Fee Schedule; (ii) the Resolution approving the Updated Impact Fee Schedule; and, (iii) the Updated Nexus Study. Unless the Town objects to the Updated Impact Fee Schedule in accordance with Section 5 below, a copy of the Updated Impact Fee Schedule shall be effective January 1 of the following calendar year.

3. Procedures for Assessment, Collection, and Remittance.

a. At the time the Town issues a schedule of the various estimated fees to a developer, it shall include the applicable District Impact Fee as part of the estimated fees for issuance of a final Building Permit.

b. Unless the Parties mutually agree in writing to another procedure, the Town shall collect any District Impact Fee owed by the developer at the same time the Town collects all other fees from the developer. The Town shall direct the developer to pay the District Impact Fee by separate check made out to the District. The Town shall promptly deliver the check to the District. The Town shall not issue a building permit in connection with the new development until it has received the developer's check for the District Impact Fee.

c. No developer shall be required to provide any site-specific dedication or improvement to meet the same need for Capital Facilities for which the District Impact Fee is imposed, and no District Impact Fee shall be imposed on a developer if the developer already is required to pay an impact fee or other similar development charge for another Capital Facility used to provide similar Emergency Services, or if the developer has voluntarily contributed money for such other Capital Facility in an equitable amount.

d. The District shall account for all District Impact Fees in accordance with Part 8 of Article 1 of Title 29, Colorado Revised Statutes.

e. Nothing contained in this Agreement shall invalidate any existing agreement for impact fees or development charges between the District and a developer to pay for Capital Facilities.

f. Notwithstanding any provision in this Agreement to the contrary, the Town shall waive the District's Impact Fee on the development of low- or moderate- income housing or affordable employee housing, as defined by the Town ("**Low Income/Affordable Housing Development**"), or on any other development by a governmental entity with a demonstrated public purpose, if the Town is waiving or reducing all other development-related fees the Town otherwise would assess

on the development. In the case of a reduction in a District Impact Fee, the Town may only reduce the amount of a District Impact Fee in the same proportion that the Town is reducing all other development-related fees the Town assesses on the development. Furthermore, upon confirmation from the District that a developer will voluntarily install a qualifying sprinkler system, the Town shall reduce the required impact fees by 75%, consistent with the Impact Fee Schedule.

4. Effective Date and Term. This Agreement is effective as of the date the last Party signs this Agreement, and shall continue in effect until terminated in accordance with its terms.

5. Termination.

- a. The Parties may at any time mutually agree in writing to terminate this Agreement.
- b. The District may at any time terminate this Agreement upon 30 calendar days' prior written notice to the Town.
- c. The Town may at any time terminate this Agreement upon 180 calendar days' prior written notice to the District.
- d. Within 30 calendar days of receiving an Updated Impact Fee Schedule and an Updated Nexus Study, the Town may send the District written notice that it objects to the Updated Impact Fee Schedule. The Parties shall promptly meet to determine if they can agree upon a mutually acceptable Updated Impact Fee Schedule, or to continue the then-current Impact Fee Schedule. If the Parties are unable to agree upon a mutually acceptable Updated Impact Fee Schedule, or to continue the then-current Impact Fee Schedule, the Town may terminate this Agreement upon 30 calendar days prior written notice to the District, and the Town shall cease imposing the District Impact Fee as of the date this Agreement is terminated.

6. Default. If either Party defaults in its performance under this Agreement, the non-defaulting Party shall notify the defaulting Party of the default. The defaulting Party shall have the right to cure, or to make substantial efforts to cure, the default within 10 calendar days after the non-defaulting Party's notice of default is given. If the defaulting Party fails to cure, or to make substantial efforts to cure, the default within the 10-day period, the non-defaulting Party, at its option, may immediately terminate this Agreement or may elect to treat this Agreement as being in full force and effect. If the non-defaulting Party elects to treat this Agreement as being in full force and effect, then the non-defaulting Party shall have the right to bring an action for any remedy available to such Party in equity or at law.

7. Governmental Immunity. Nothing in this Agreement shall be construed as a waiver of the limitations on damages or any of the privileges, immunities, or defenses provided to, or enjoyed by, the Parties under common law or pursuant to statute, including but not limited to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*

8. Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the matters covered by it, and supersedes any prior understanding or agreements, oral or written, with respect thereto.

9. Notices and Requests. Any notice permitted or required by this Agreement shall be in writing and shall be hand-delivered or sent by certified or registered mail, postage prepaid, return receipt requested, to the following addresses. Notices are effective upon receipt.

Town of Severance
Attn: Town Manager

Windsor-Severance Fire Protection District
Attn: Fire Chief

P.O. Box 339
Severance, CO 80546

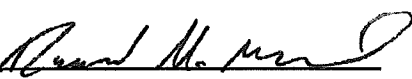
100 N. 7th Street
Windsor, CO 80550

10. Dispute Resolution. In the event of any dispute or claim arising from or related to this Agreement, the Parties shall use their best efforts to settle such dispute or claim through good faith negotiations with each other. If such dispute or claim is not settled through negotiations within thirty (30) days after the earliest date on which one Party notifies the other Party in writing of its desire to attempt to resolve such dispute or claim through negotiations, then the Parties agree to attempt in good faith to settle such dispute or claim by mediation conducted under the auspices of the judicial Arbitrator Group ("JAG") of Denver, Colorado or, if JAG is no longer in existence, or if the Parties agree otherwise, then under the auspices of a recognized, established mediation service within the State of Colorado. Such mediation shall be conducted within sixty (60) days following either Party's request therefor. If such dispute or claim is not settled through mediation, then either Party may institute a civil action in the District Court for Larimer County.

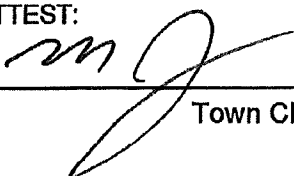
11. Miscellaneous. Colorado law governs this Agreement. Jurisdiction and venue shall lie exclusively in the Larimer County District Court. This Agreement may be amended only by a document signed by the Parties. Course of performance, no matter how long, shall not constitute an amendment to this Agreement. If any provision of this Agreement is held invalid or unenforceable, all other provisions shall continue in full force and effect. Waiver of a breach of this Agreement shall not operate or be construed as a waiver of any subsequent breach of this Agreement. This Agreement shall inure to the benefit of and be binding upon the Parties and their legal representatives and successors. Neither Party shall assign this Agreement. This Agreement is not intended to, and shall not, confer rights on any person or entity not named as a party to this Agreement. This Agreement may be executed in counterparts and by facsimile or electronic PDF, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

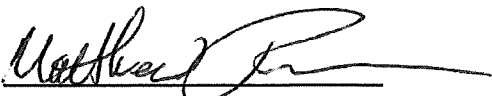
TOWN OF SEVERANCE

By: 
Its: Mayor
Date: 3/19/2021

ATTEST:


Town Clerk

**WINDSOR-SEVERANCE
FIRE PROTECTION DISTRICT**

By: 
Its: President, Board of Directors
Date: 3/26/2021

ATTEST:

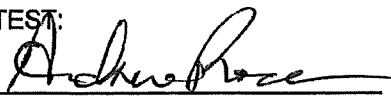

Board Secretary

EXHIBIT A

WINDSOR-SEVERANCE FIRE PROTECTION DISTRICT EMERGENCY SERVICES IMPACT FEE SCHEDULE

Residential	
Single-Family Residential	\$693.00 per Dwelling Unit
Multi-Family Residential	\$272.00 per Dwelling Unit

Nonresidential	
Commercial	\$0.35 per square foot
Industrial	\$0.35 per square foot

No individual landowner is required to provide any site-specific dedication or improvement to meet the same need for capital facilities for which an impact fee is imposed pursuant to this schedule.

Developments which voluntarily install a sprinkler system consistent with current fire code recommendations, as confirmed by the District, shall qualify for a 75% reduction in assessed impact fees.

**TOWN OF SEVERANCE
RESOLUTION NO. 2026-10R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, APPROVING AND ADOPTING THE MEMORANDUM OF
UNDERSTANDING FOR PREQUALIFIED BUILDING DEPARTMENTS FOR PUBLIC
SCHOOL CONSTRUCTION WITH THE COLORADO DEPARTMENT OF PUBLIC
SAFETY, DIVISION OF FIRE PREVENTION AND CONTROL**

WHEREAS, the Town of Severance (the “Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter; and

WHEREAS, the Colorado Revised Statutes §§22-32-124 and 23-71-122 requires all buildings and structures be constructed in conformity with the building and fire codes adopted by the Director of the Division of Fire Prevention and Control in the Colorado Department of Public Safety (“DFPC”); and

WHEREAS, the DFPC, in accordance with their statutory authority, conducts necessary plan reviews and inspections for building and structure construction, except that at the request of the affected local board of education, state charter school institute, charter school, or junior college DFPC may delegate the plan review and inspection responsibility to the appropriate prequalified building department of a local municipality; and

WHEREAS, the DFPC received request from an affected local board of education related to construction occurring, or expected to occur, within the Town’s jurisdiction, which allows DFPC to delegate its plan review and inspection responsibilities to the Town; and

WHEREAS, the Town contracts with SafeBuilt to perform building plan reviews and code compliance inspections on behalf of the Town; and

WHEREAS, SafeBuilt has faithfully served and responsibly performed its building plan review and code compliance inspection duties on behalf of the Town; and

WHEREAS, DFPC has provided the Town with a “MEMORANDUM OF UNDERSTANDING FOR PREQUALIFIED BUILDING DEPARTMENTS FOR PUBLIC SCHOOL CONSTRUCTION PURSUANT TO C.R.S. §§ 22-32-124 AND 23-71-122”, which is attached hereto and incorporated herein as Attachment A, and which would allow SafeBuilt to perform building plan reviews and code compliance inspections on behalf of DFPC for certain construction within the Town’s jurisdiction; and

WHEREAS, DFPC reviewed the education, training, and experience of SafeBuilt’s team, as identified in “APPENDIX A LIST OF APPROVED PERSONS”, which is attached hereto and incorporated herein as Attachment B, and DFPC determined SafeBuilt’s team has appropriate and sufficient qualifications to allow SafeBuilt to perform the necessary plan reviews and inspections on behalf of DFPC; and

WHEREAS, Section 12.03 of the Town of Severance Charter provides that “The Council may by resolution enter into contracts or agreements with other governmental... or quasi-governmental entities.”; and

WHEREAS, the Town Council of the Town of Severance (the “Town Council”) finds it is in the Town’s best interest and desires to enter into the attached “MEMORANDUM OF UNDERSTANDING FOR PREQUALIFIED BUILDING DEPARTMENTS FOR PUBLIC SCHOOL CONSTRUCTION PURSUANT TO C.R.S. §§ 22-32-124 AND 23-71-122”, including the attached “APPENDIX A LIST OF APPROVED PERSONS” in substantially the same form as the copies attached to this resolution; and

WHEREAS, the Town Council finds and determines that the approval of the attached memorandum of understanding, including the attached appendix, is in the Town’s best interest and determines such action promotes the safety, security, and general welfare of the inhabitants of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:

Section 1. The attached “MEMORANDUM OF UNDERSTANDING FOR PREQUALIFIED BUILDING DEPARTMENTS FOR PUBLIC SCHOOL CONSTRUCTION PURSUANT TO C.R.S. §§ 22-32-124 AND 23-71-122”, including the attached “APPENDIX A LIST OF APPROVED PERSONS” between the Town of Severance and the Division of Fire Prevention and Control in the Colorado Department of Public Safety is hereby approved in substantially the same form as the copies attached to this resolution.

Section 2. The Mayor is authorized to execute this agreement on the Town’s behalf.

RESOLVED AND APPROVED THIS 10TH DAY OF MARCH 2026.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

ATTACHMENT A

MEMORANDUM OF UNDERSTANDING FOR PREQUALIFIED BUILDING DEPARTMENTS FOR PUBLIC SCHOOL CONSTRUCTION

Pursuant to C.R.S. §§ 22-32-124 and 23-71-122

DFPC Reference # Town of Severance-2026

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into this ____ day of _____ 2026 between the Colorado Department of Public Safety, Division of Fire Prevention and Control (“Division”), 1697 Cole Blvd Unit 200 Lakewood, CO 80401 and the Town of Severance (“PBD”), collectively referred to as the (“Parties”).

1. RECITALS

1.1 Background

- A. Colorado Revised Statutes (“C.R.S.”) §§ 22-32-124 and 23-71-122 require that all buildings and structures be constructed in conformity with the building and fire codes adopted by the Director of the Division of Fire Prevention and Control in the Department of Public Safety (“Division”). To assure that a building or structure is constructed pursuant to the above, the Division shall conduct the necessary plan reviews and inspections, except at the request of the affected board of education, the state charter school institute, the charter school, or the affected junior college district, the Division may delegate this responsibility to the appropriate prequalified building department of a county, town, city or city and county or to the appropriate fire department, in the location of the building or structure.
- B. After the Division has reviewed the application and determined that the appropriate building department has plan reviewers and inspectors that have the necessary education, training, and experience; the Division may issue and execute a Memorandum Of Understanding (“MOU”) between the local jurisdiction and the Division to conduct the necessary plan reviews, issue building permits, conduct inspections, issue certificates of occupancy, issue temporary certificates of occupancy, and take enforcement action in relation to the building and fire codes adopted by the Division to ensure that a building or structure has been constructed in conformity with Public School Construction Regulations, 8 Code of Colorado Regulations Title (“C.C.R.”) 1507-30.

1.2 Purpose

The purpose of this MOU is:

- a) For the Division to prequalify the building department to conduct necessary plan reviews, issue building permits, conduct inspections, issue certificates of occupancy, and issue temporary certificates of occupancy to ensure that a building or structure constructed pursuant to C.R.S. §§ 22-32-124 (1) and (1.5), and 23-71-122 (1) (v) (I) through (VII) has

ATTACHMENT A

been constructed in conformity with the building and fire codes adopted by the director of the Division.

- b) For the prequalified building department (“PBD”) to perform code reviews on building and mechanical plans, issue building permits, perform building inspections and issue certificates of occupancy for school construction projects.
- c) To identify each Party’s responsibilities for ensuring the construction of safe schools within the State of Colorado through compliance with C.R.S. §§ 22-32-124 and 23-71-122, and promulgated rules and regulations;
- d) To formalize the cooperative working relationships between the Parties; and,
- e) To provide procedures for communications, exchange of information and resolution of problems, as necessary, to carry out this MOU and the provisions of promulgated rules and regulations.

2. DEFINITIONS

2.1 “Director” means the Director of the Division of Fire Prevention and Control within the Department of Public Safety, or the Director’s designee.

2.2 Authority Having Jurisdiction (“AHJ”) means a city, county, Colorado political subdivision, or city and county or any other local government entity having authority to regulate building construction within its jurisdictional territory.

2.3 Prequalified Building Department (“PBD”) means an AHJ or an agent thereof that has met the Division’s certification standards for prequalification as a building department to conduct the necessary plan reviews, issue building permits, conduct inspections, issue certificates of occupancy, and issue temporary certificates of occupancy, and has executed this MOU with the Division.

2.4 “Certificate of Occupancy” means an official document issued by the Division or the PBD for a Public School allowing use or occupancy of the building or structure by the school district or by the institute charter school or junior college district.

3. RESPONSIBILITIES

The responsibilities of the Parties are as follows:

3.1 Responsibilities of the Division:

The Division shall:

- a) Adopt nationally recognized codes and standards as promulgated by Rules in 8 CCR 1507-30.

ATTACHMENT A

- b) Ensure that the necessary plan reviews, inspections, quality control, and quality assurance checks are performed in compliance with the statutes, rules, and regulations of the Division.
- c) Prequalify the building department as having executed an MOU and has met the required certification standards in 8 CCR 1507-30.
- d) Issue and maintain a list of persons the Division has approved as authorized to conduct plan reviews, inspections, and issue certificates of occupancy for public school construction projects. This list of authorized PBD persons is included and incorporated herein by reference as Appendix A of this MOU.
- e) Ensure that copies of the PBD building plans are sent to the appropriate fire department and the Division for review of fire safety issues.
- f) Rescind this “prequalified” status and terminate the terms of the MOU if the PBD fails to comply with this MOU, C.R.S. § § 22-32-124 and 23-71-122, or the rules and regulations of the Division.
- g) Allow the PBD to take enforcement action against a board of education, state charter school institute, charter school or junior college district in relation to the nationally recognized codes and standards adopted in 8 CCR 1507-30.

3.2 Responsibilities of the PBD.

The PBD shall:

- a) Conduct the necessary plan reviews and inspections, issue building permits, perform all necessary inspections including final inspections, and issue certificates of occupancy to a building or structure that has been constructed in conformity with the nationally recognized codes and standards adopted in 8 CCR 1507-30. The affected board of education, state charter school institute, charter school or junior college district, at its own discretion may opt to use the PBD that has entered into this MOU with the Division.
- b) Take enforcement action against a board of education, state charter school institute, charter school or junior college district that has violated the nationally recognized codes and standards adopted in 8 CCR 1507-30.
- c) Verify that the construction project is inspected by a state electrical inspector, per § 12-23-116 C.R.S., notwithstanding the fact that any incorporated town or city, any county, or any city and county in which a public school is located or is to be located has its own electrical code and inspection authority, any electrical installation in any new construction or remodeling or repair of a public school.

ATTACHMENT A

- d) Verify that the construction project is inspected by a state plumbing inspector, per § 12-58-114.5 C.R.S., notwithstanding the fact that any incorporated town or city, any county, or any city and county in which a public school is located or is to be located has its own plumbing code and inspection authority, any plumbing or gas piping installation in any new construction or remodeling or repair of a public school.
- e) Only use persons within their building department that are listed as authorized by the Division to work on board of education, state charter school institute, charter school or junior college district construction projects. This authorized list of persons is attached as Appendix A.
- f) Cause copies of the building plans to be sent to the certified fire department and the Division for review of fire safety issues.
- g) Issue the necessary Certificate of Occupancy prior to use of the building or structure by the board of education, state charter school institute, charter school or junior college district, if the building or structure is in conformity with the building and fire codes and standards adopted in 8 CCR 1507-30, and if the affected fire department or the Division certifies that the building or structure is in compliance with the fire code adopted by the Division in 8 CCR 1507-30.
- h) Issue a Temporary Certificate of Occupancy to allow the board of education, state charter school institute, charter school or junior college district to occupy the buildings and structures, if all inspections are not completed and the building requires immediate occupancy, and if the board of education, state charter school institute, charter school or junior college district has passed the appropriate inspections that indicate there are no life safety issues.
- i) Verify that inspections are complete and all known violations are corrected before the board of education, state charter school institute, charter school or junior college district is issued a Certificate of Occupancy. Inspection records shall be retained by the PBD for two years after the Certificate of Occupancy is issued.
- j) Set reasonable fees and may collect these fees to offset actual, reasonable, and necessary costs of plan review and inspection of board of education, state charter school institute, charter school or junior college district construction projects. The board of education, state charter school institute, charter school or junior college district shall be notified of any adjustment of fees a minimum of thirty (30) days prior to the effective date of the change.
- k) In conjunction with the Division set a date for a hearing as soon as practicable before the board of appeals in accordance with section § 24-33.5-1213.7, C.R.S., and the rules adopted by the Division pursuant to § 24-4-105, C.R.S., if the PBD and the board of trustees of a board of education, state charter school institute, charter school or junior college district disagree on the interpretation of the codes and standards of the Division.

ATTACHMENT A

- l) Comply with the written Final Agency decision of the appeals board for the purposes of § 24-4-106, C.R.S.
- m) Have the sole discretion whether to accept a public school construction project submitted to the PBD by the school district for plan reviews, inspections, issuance of building permits and certificates of occupancy, and other duties as set forth in this MOU.

4. ACCESS TO INFORMATION

Each Party shall, to the extent allowed by law, make available to each other, at no cost, information regarding board of education, state charter school institute, charter school or junior college district construction projects within its possession. Requests for information shall not impose an unreasonable resource burden on the other Party.

5. EFFECTIVE DATE AND TERM

This MOU shall be effective upon signature by the Director of the Division and shall be valid for **three (3)** years from the effective date, unless previously modified or terminated in writing by one of the Parties pursuant to the terms of this MOU.

6. TERMINATION

Either party may terminate the MOU upon 30 days written notice; however, if the PBD accepts a public school construction project for review pursuant to this MOU, the PBD may not terminate this MOU until project completion and issuance of a Certificate of Occupancy. If the PBD fails to comply with the terms and conditions of this MOU or the rules and regulations of the Division, the Division may take enforcement action, pursuant to C.R.S. 24-33.5-1213 and terminate this MOU immediately. An amendment may be mutually agreed upon in writing by the parties prior to the termination date of this MOU to allow for project completion and issuance of a Certificate of Occupancy.

7. MODIFICATIONS AND AMENDMENTS.

This MOU is subject to such modifications as may be required by changes in applicable federal or state law, or federal or state implementing rules, regulations, or procedures of that federal or state law. Any such required modification shall be automatically incorporated into, and be made a part of, this MOU as of the effective date of such change as if that change was fully set forth herein. Except as provided above, no modification of this MOU shall be effective unless such modification is agreed to in writing by both parties in an amendment to this MOU that has been previously executed and approved in accordance with applicable law.

8. ADDITIONAL PROVISIONS

8.1 Legal Authority

The Parties warrant that each possesses actual, legal authority to enter into this MOU. The Parties further warrant that each has taken all actions required by its applicable law, procedures,

ATTACHMENT A

rules, or by-laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this MOU and bind that Party to its terms. The person or persons signing this MOU, or any attachments or amendments hereto, also warrant(s) that such person(s) possesses actual, legal authority to execute this MOU, and any attachments or amendments hereto, on behalf of that Party.

8.2 Notice of Pending Litigation

Unless otherwise provided for in this MOU, the PBD shall notify the Division within five (5) working days after being served with a Summons, Complaint, or other pleading in a case which involves any services provided under this MOU and which has been filed in any federal or state court or administrative agency. The PBD shall immediately deliver copies of any such documents in accordance with Notice Procedures in Section 8.5. of this MOU.

8.3 Assignment and Successors

The PBD agrees not to assign rights or delegate duties under this MOU, or subcontract any part of the performance required under the MOU without the express, written consent of the State.

8.4 Adherence to Applicable Laws

At all times during the term, performance, or execution of this MOU, the PBD shall comply with all applicable federal and state laws, regulations, rules, or procedures, as these provisions currently exist or may hereafter be amended, all of which are incorporated herein by reference and made a part of the terms and conditions of this MOU.

8.5 Notice Procedure

All notices required or permitted to be given pursuant to this MOU shall be in writing and shall be deemed given when personally served or three (3) days after deposit in the United States Mail, certified mail, return receipt requested, and addressed to the following parties or to such other addressee(s) as may be designated by a notice complying with the foregoing requirements.

APPROVED PBD:

Russ Weber
Building Official
Town of Severance
3 South Timber Ridge Pkwy
Severance, CO 80546
970-566-4674

And:

DEPARTMENT OF PUBLIC SAFETY:

Tammy Lichvar
Procurement Director
Colorado Department of Public Safety
700 Kipling St, 3rd Floor
Lakewood, CO 80215
(303) 239-5888

ATTACHMENT A

DFPC:

Michael Morgan

Director

Division of Fire Prevention and Control

1697 Cole Blvd Unit 200

Lakewood, CO 80400

(303) 239-4600

8.6 Entire Understanding

This MOU is the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent notation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved by the Parties.

8.7 Independent Contractor

No principal, agent, or employees of one Party shall be nor shall be deemed an agent or employee of the other Party.

8.8 Governmental Immunity Act

No term or condition of this MOU shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, C.R.S. 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

8.9 Insurance

If the PBD is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS 24-10-101, et seq., as amended ("Act"), the PBD shall at all times during the term of this MOU maintain only such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Act. Upon request by the Division, the PBD shall show proof of such insurance satisfactory to the Division.

ATTACHMENT A

9. APPROVALS

***Persons signing for the PBD hereby swear and affirm that they are authorized to act on the PBD's behalf and acknowledge that the Division is relying on their representations to that effect.**

Department of Public Safety
Division of Fire Prevention and Control

PBD Name
Town of Severance

Michael Morgan

*Name

Director, Division of Fire Prevention & Control

Title _____

Date: _____

Date: _____

ATTACHMENT B

APPENDIX A LIST OF APPROVED PERSONS

Jurisdiction: Town of Severance

Date: January 29, 2026

The specific duties of persons approved by DFPC to perform plan review and inspections on public school construction projects delegated through this MOU are listed below. The PBD shall only use persons within their building department that have been authorized by DFPC to work on public school construction projects. Inspectors for plan review and construction inspections shall be certified by the International Code Council, the National Fire Protection Association, or another similar national organization or have equivalent qualifications, as determined by the director of the Division.

RUSS WEBER - Chief Building Official, Plan Examiner, Inspector

Robert Godin - Inspector

Christopher Kerkhoff - Inspector

Craig Rossi - Inspector



AGENDA ITEM SUMMARY

AGENDA ITEM	SUBMITTED BY	PRESENTED BY
Pg. 174 - Ordinance 2026-01: An Ordinance of the Town Council of the Town of Severance, Colorado, amending Chapter 16 (Land Use Code) of the Severance municipal code regarding accessory dwelling units.	Shani Porter, Planning Director	Nichols Wharton, Town Manager
ACTION REQUESTED		
Planning Staff requests that Town Council review, discuss, and take action on Ordinance 2026-01 on amendments to the Land Use Code regarding setbacks for Accessory Dwellings. Actions that may be taken: 1. Approve Ordinance 2026-01 2. Deny Ordinance 2026-01 3. Take No Action.		<u>Action Requested</u> <u>Attorney Approved</u> <u>Ordinance</u>
BRIEF HISTORY OF ITEM		
BRIEF SUMMARY		
Colorado HB24-1152 requires a subject jurisdiction, on or after June 30, 2025, to allow, subject to an administrative approval process, one accessory dwelling unit as an accessory use to a single-unit detached dwelling in any part of the subject jurisdiction where the subject jurisdiction allows single-unit detached dwellings; and HB24-1152 also prohibits, on or after June 30, 2025, subject jurisdictions from enacting or enforcing certain local laws or otherwise acting in certain ways that would restrict the construction or conversion of an accessory dwelling unit. The Town of Severance adopted accessory dwelling unit regulations on January 14, 2025 by Ordinance 2025-01. In compliance with HB24-1152 and review by the State of Colorado Division of Local Affairs Office (DOLA), it has been determined that accessory dwelling units must be permitted a rear setback equal to the rear setback of accessory structures or five feet (whichever is greater). As such, DOLA is requiring the Town to amend Ordinance 2025-01 for accessory dwelling units to comply with the rear setback requirements for accessory structures in all zone districts.		
PUBLIC SUPPORT/CONCERN		
None at this time		
ANALYSIS AND RECOMMENDATION		
Town staff requests Town Council review, discuss, and approve Ordinance 2026-01 for the proposed amendments to the Land Use Code regarding accessory dwellings units specific to rear setbacks.		

MATERIALS SUBMITTED

The following materials were submitted and included in this packet:

1. 2026-01ORD - Ord Amending Land Use Code RE Accessory Dwelling Units
2. town_of_severance_adu_compliance_report_memo_194_23_12_2025

**TOWN OF SEVERANCE
ORDINANCE NO. 2026-01**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, AMENDING CHAPTER 16 (LAND USE CODE) OF THE SEVERANCE
MUNICIPAL CODE REGARDING ACCESSORY DWELLING UNITS.**

WHEREAS, the Town of Severance (the “Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter (the “Charter”); and

WHEREAS, in the 2024 legislative session, the Colorado General Assembly enacted House Bill 2024-1152 (“HB24-1152”) concerning increasing the number of accessory dwelling units in municipalities with a population of 1,000 or more and that are within the area of metropolitan planning organization (each a “Subject Jurisdiction”); and

WHEREAS, HB24-1152 was signed into law by Governor Jared S. Polis on May 13, 2024; and

WHEREAS, HB24-1152 requires a Subject Jurisdiction, on or after June 30, 2025, to allow, subject to an administrative approval process, one accessory dwelling unit (“ADU”) as an accessory use to a single-unit detached dwelling in any part of the Subject Jurisdiction where the Subject Jurisdiction allows single-unit detached dwellings; and

WHEREAS, HB24-1152 also prohibits, on or after June 30, 2025, Subject Jurisdictions from enacting or enforcing certain local laws or otherwise acting in certain ways that would restrict the construction or conversion of an ADU; and

WHEREAS, the Town has a population greater than 1,000 and is a member of, and located within, the North Front Range Metropolitan Planning Organization; and

WHEREAS, the Town of Severance Municipal Code (the “Town Code”) contains certain provisions that address the regulation of ADU’s; and

WHEREAS, the State of Colorado Department of Local Affairs (“CODOLA”) has reviewed the Town Code related to ADU regulation for compliance with HB24-1152, and is has determined that in order for the Town Code to conform with HB24-1152 and C.R.S. §29-35-403(2)(c) the Town Code must be amended to allow attached/integrated ADUs to be permitted a rear setback equal to the rear setback of accessory structures or five feet (whichever is greater);

WHEREAS, Town staff has proposed amendments to the Town Code to bring the Town Code into compliance with HB24-1152, the Colorado Revised Statutes, and the CODOLA recommendation regarding the regulation of ADU’s; and

WHEREAS, in accordance with Section 6.03, Adoption Procedure for Ordinances, of the Charter, the Town Council for the Town of Severance (the “Council”) is authorized to adopt an ordinance at a regular or special Council meeting by following certain procedures; and

WHEREAS, in the Council finds that the adoption of this Ordinance No. 2026-01 is necessary and proper to bring the Town’s Code into compliance with the Colorado Revised Statutes and HB24-1152; and

WHEREAS, this ordinance is enacted pursuant to the Town of Severance’s home rule authority under Article XX, § 6 of the Constitution of the State of Colorado, and pursuant to the Town of Severance’s police powers, in order to safeguard and preserve the public health, safety and welfare of the community.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:¹

Section 1. The Town Council makes and adopts the determinations and findings contained above.

Section 2. Table 16.3.220 of Section 16.3.220, “Lot and building standards,” of Division 2, “Suburban Perimeter,” of Article 6, “Design Standards,” of Chapter 16, “Land Use Code,” of the Severance Municipal Code is hereby amended to read as follows:

Table 16.3.220 Suburban Perimeter Lot and Building Standards.

	Minimum Gross Density	Minimum Lot Size	Minimum Front Setback	Minimum Side Setback	Minimum Corner Side Setback	Minimum Rear Setback	Maximum Height
Residential							
Single-family detached	2 units per acre	6,000 square feet	20 feet	7.5 feet	15 feet	15 feet	2 stories
Single-family attached (duplex)	2 units per acre	4,000 square feet	20 feet	7.5 feet	15 feet	15 feet	2 stories
Townhomes	2 units per acre	1,400 square feet	20 feet	7.5 feet	15 feet	15 feet	2 stories
Multi-family	2 units per acre	1,600 square feet	20 feet	20 feet	20 feet	20 feet	2 stories
Accessory dwelling unit	n/a	n/a	Behind front of principal dwelling	7.5 feet	15 feet	~~15 feet~~ <u>5 feet</u>	2 stories
Accessory Structure	n/a	n/a	25 feet	5 feet	15 feet	5 feet	2 stories
Non-Residential	n/a	n/a	20 feet	10 feet	20 feet	15 feet	2 stories

¹ Additions to existing Code provisions are shown by underlining; deletions from existing Code provisions are shown by ~~striking through~~.

Section 3. Table 16.3.320 of Section 16.3.320, “Lot and building standards,” of Division 3, “Town Core,” of Article 6, “Design Standards,” of Chapter 16, “Land Use Code,” of the Severance Municipal Code is hereby amended to read as follows:

Table 16.3.320 Town Core Lot and Building Standards.

	Maximum Gross Density	Minimum Lot Size	Minimum Front Setback	Minimum Side Setback	Minimum Corner Side Setback	Minimum Rear Setback	Maximum Height
Residential							
Single-family detached	15 units per acre	6,000 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Single-family attached (duplex)	15 units per acre	4,000 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Townhomes	15 units per acre	1,400 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Multi-family	15 units per acre	1,600 square feet	20 feet	20 feet	20 feet	20 feet	3 stories
Accessory dwelling unit	n/a	n/a	Behind front of principal dwelling	7.5 feet	15 feet	~~15 feet~~ <u>5 feet</u>	2 stories
Accessory Structure	n/a	n/a	25 feet	5 feet	15 feet	5 feet	2 stories
Non-Residential	n/a	n/a	20 feet	10 feet	20 feet	15 feet	3 stories

Section 4. Table 16.3.420 of Section 16.3.420, “Lot and building standards,” of Division 4, “Development Node,” of Article 6, “Design Standards,” of Chapter 16, “Land Use Code,” of the Severance Municipal Code is hereby amended to read as follows:

Table 16.3.420 Development Node Lot and Building Standards.

	Minimum Gross Density	Minimum Lot Size	Minimum Front Setback	Minimum Side Setback	Minimum Corner Side Setback	Minimum Rear Setback	Maximum Height
Residential							
Single-family detached	8 units per acre	6,000 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Single-family attached (duplex)	8 units per acre	4,000 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Townhomes	8 units per acre	1,400 square feet	20 feet	7.5 feet	15 feet	15 feet	3 stories
Multi-family	8 units per acre	1,600 square feet	20 feet	20 feet	20 feet	20 feet	3 stories
Accessory dwelling unit	n/a	n/a	Behind front of principal dwelling	7.5 feet	15 feet	~~15 feet~~ <u>5 feet</u>	2 stories
Accessory Structure	n/a	n/a	25 feet	5 feet	15 feet	5 feet	2 stories
Non-Residential	n/a	n/a	20 feet	10 feet	20 feet	15 feet	3 stories

Section 5. The codifier of the Severance Municipal Code is hereby authorized to amend “Table 16.3.220 Suburban Perimeter Lot and Building Standards”, “Table 16.3.320 Town Core Lot and Building Standards”, and “Table 16.3.420 Development Node Lot and Building Standards” as specified in Sections 2-4 of this Ordinance No. 2026-01, above, and to make any formatting or numbering changes necessary to maintain Code consistency.

Section 6. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Town Council hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 7. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 8. This ordinance is deemed necessary for the immediate protection of the health, welfare and safety of the community.

Section 9. In accordance with Section 6.03(6) of the Town of Severance Home Rule Charter, this ordinance shall be effective thirty (30) days after publication.

Section 10. Violations of this ordinance shall be punishable in accordance with Section 1-4-20 of the Severance Municipal Code.

**INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED
IN FULL this 10th day of March 2026.**

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST:

Sarah Jacobsen, Town Clerk



December 23, 2025

Town of Severance
Attn: Shani Porter
3 Timber Ridge Parkway
Severance, CO 80550

RE: Accessory Dwelling Unit Compliance Report

Hello Town of Severance,

The Department of Local Affairs (DOLA) has completed a review of the documentation submitted by the Town of Severance for the Accessory Dwelling Unit (ADU) Compliance Report. To determine if the Town of Severance has met the standards in C.R.S. §§ 29-35-401 through 404 and, if applicable, C.R.S. § 24-67-105(5.3) (HB 24-1152 Accessory Dwelling Units), DOLA has identified the following comments and questions to address in a resubmission:

1. Are the required rear setbacks for ADUs no greater than those required for other accessory building types in the same zoning district OR five feet?
 - Edits requested: DOLA acknowledges the Town of Severance's response regarding accessory structures being uninhabitable. However, C.R.S. § 29-35-403(2)(c) requires attached/integrated ADUs are permitted a rear setback equal to the rear setback of accessory structures or five feet (whichever is greater). For assistance, please visit: dlg.colorado.gov/accessory-dwelling-units. This webpage, under the Land Use & Development Code Guidance drop down, has been updated to include examples of rear setback code language that may be helpful.

To view all comments and questions left by DOLA, edit, and resubmit this report, please log in to the Land Use and Housing Implementation Portal (LUHIP).

C.R.S. § 29-35-404(2)(c) requires that the Town of Severance resubmit the report with the comments and questions addressed within 120 days of the date of this notification. Please reach out immediately to discuss any concerns about this timeline.

The process for identifying a jurisdiction's priority for certain state funding opportunities is governed by Executive Order (EO) D 2025 005 and EO D 2025 011, and further explained in the Compliance Framework and Guidelines EO D 2025 005. For the reporting required of DOLA by EO D 2025 005, the State is designating the Town of Severance as "compliance-in-progress" with respect to this statute. The report may be resubmitted at any time, and if the report is approved by DOLA,





this status will be updated to “compliant” on or before the following quarterly status update.

DOLA encourages the Town of Severance to resubmit a report as soon as possible. To discuss DOLA’s comments or address any other aspect of this process, please contact Hannah Van Nimwegen at hannah.vannimwegen@state.co.us or 720-795-8410. If needed, the Accessory Dwelling Unit webpage has been updated with guidance for revising relevant zoning and development codes and includes detailed explanations and examples for jurisdictions.

A copy of this determination letter will be mailed to the jurisdiction via the United States Postal Service.

Relevant Webpages:

Executive Order D 2025 005: dlg.colorado.gov/compliance-framework-and-guidelines

Land Use and Housing Implementation Portal: luhip.colorado.gov

Accessory Dwelling Unit Grant Webpage: dlg.colorado.gov/accessory-dwelling-unit-grant-program

Respectfully,

Eugene D. Howard, AICP

Unit Manager | Land Use Planning & Housing
Community Development Office

Cell: (720) 827-8231

1313 Sherman St., Rm. 521, Denver, CO 80203

eugene.howard@state.co.us | dlg.colorado.gov | Legislation Resources





AGENDA ITEM SUMMARY

AGENDA ITEM	SUBMITTED BY	PRESENTED BY
Pg. 183 - Resolution 2026-11R: A Resolution of the Town Council of the Town of Severance, Colorado, approving and adopting the Severance South subdivision improvement agreement	Nicholas Wharton, Town Manager	Nicholas J. Wharton, MPA
ACTION REQUESTED		
Town Management asks that the Town Council review, discuss, and take action on Resolution 2026-12R. Action That May Be Taken: • Move to approve Resolution 2026-12R • Take no action.		<u>Attorney Approved</u> <u>Action Requested</u> <u>Resolution</u>
BRIEF HISTORY OF ITEM		
BRIEF SUMMARY		
This is the last remaining piece of the Severance South Infrastructure package, which needs to be approved to allow the Severance South Plat to be recorded. Once recorded, the Phase of this subdivision, known as WinDance, will be released for review, and the process for Preliminary Play will begin.		
PUBLIC SUPPORT/CONCERN		
None at this time.		
ANALYSIS AND RECOMMENDATION		
Town Management asks that the Town Council take action and move to approve Resolution 2026-12R.		
MATERIALS SUBMITTED		
The following materials were submitted and included in this packet: 1. 2026-11R - Res to Approve Severance South Subdivision Improvement Agreement 2. Severance South SIA - Final 3. 2017-12R - Severance South Annexation		

**TOWN OF SEVERANCE
RESOLUTION NO. 2026-09R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, APPROVING AND ADOPTING THE SEVERANCE SOUTH
SUBDIVISION IMPROVEMENT AGREEMENT.**

WHEREAS, the Town of Severance (the “Town”) is a Colorado home rule municipality organized under the Town Home Rule Charter; and

WHEREAS, section 16.2.230(f) and Chapter 16, Article 4 of the Town Municipal Code (the “Code”) allows the Town to enter into subdivision improvement agreements with developers to negotiate the terms of the future improvements; and

WHEREAS, the Town Council for the Town of Severance (the “Council”) previously annexed into the Town certain real property generally situated in and being part of Section 14, Township 6 North, Range 67 West, County of Weld, State of Colorado (the “Property”), which is generally known as the Severance South development, through Town Resolution 2017-12R formally passed, adopted, signed, and approved by the Council on May 17, 2017; and

WHEREAS, the Property owner desires to improve and develop the Property in the future to allow for the construction of a mixed-use development consisting of single-family residences, multi-family residences, and various commercial uses (the “Project”); and

WHEREAS, the Property owner further intends to improve and/or develop the Project in multiple phases in the future, with each phase of the Project corresponding to its own subsequent subdivision final plat filing; and

WHEREAS, the Property owner and the Town desire to work together to provide for the orderly future development of the Property and the Subdivision; and

WHEREAS, the Severance South Subdivision (“Subdivision”) Final Plat has been reviewed and approved by the Town on April 2, 2019, subdividing the Property to create twelve (12) distinct tracts of land of varying sizes (Tracts A through L) upon which future further subdivisions of the Project will or may be developed, 31 separate and distinct outlots of various sizes (Outlots 1 through 31), and dedicating land for public rights-of-way to serve subsequent phases of the Project, all as depicted on the Severance South Subdivision Final Plat; and

WHEREAS, the Property owner and the Town desire to set forth their respective rights and obligations with respect to the restriction of improvements on the Property and for the future construction of public infrastructure necessary to serve the subdivision and future further subdivision of the property as more particularly set forth in a subdivision improvement agreement; and

WHEREAS, the Town and the property owner have negotiated a mutually beneficial “SEVERANCE SOUTH SUBDIVISION IMPROVEMENT AGREEMENT” (the “SIA”), a copy of which is attached hereto and incorporated herein as Attachment A, which thoroughly describes the rights, obligations, and expectations of the parties regarding the future development of the property; and

WHEREAS, the SIA does not currently include Exhibit C, which is a graphic exhibit of all offsite easements and public rights of way necessary to serve the Subdivision, but the Property Owner and the Town intend to continue preparing Exhibit C, and the exclusion of Exhibit C does not materially impact the Council’s approval of this SIA, and which is anticipated within 30 days from this resolution; and

WHEREAS, the Town finds and determines the approval and adoption of the SIA, in substantially the same form as the copy attached hereto and made a part of this resolution, is in the best interest of the Town, and the SIA promotes the safety, security, and general welfare of the inhabitants of the Town of Severance.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO, AS FOLLOWS:

Section 1. The attached “SEVERANCE SOUTH SUBDIVISION IMPROVEMENT AGREEMENT” is approved adopted in substantially the same form as the copy attached hereto and made a part of this resolution.

Section 2. Property owner shall provide Exhibit C to the Town, which shall meet with the advice and recommendation of the Town, within 30 days of the approval of this Resolution 2026-09R.

Section 3. Once received, Exhibit C shall be recognized by the Town as part of the approved Severance South Subdivision Improvement Agreement.

Section 4. The Mayor is authorized to execute this agreement on the Town’s behalf.

RESOLVED AND APPROVED THIS 10TH DAY OF MARCH 2026.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST

Sarah Jacobsen, Town Clerk

**SEVERANCE SOUTH SUBDIVISION
SUBDIVISION IMPROVEMENTS AGREEMENT**

THIS SUBDIVISION IMPROVEMENTS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 20__ (“Effective Date”), by and between the **TOWN OF SEVERANCE, a Colorado home-rule municipality**, 3 South Timber Ridge Parkway, PO Box 339, Severance, Colorado, 80546 (“Severance” or “Town”) and **WINDSOR LV, LLC, a Nevada limited liability company**, 117 Arbolado Loop, Liberty Hill, TX 78642 and **WINDSOR LV II, LLC, a Nevada limited liability company**, 6385 South Rainbow Boulevard, Suite 120, Las Vegas, NV 89118 (collectively, “Owner”) .

WHEREAS, Owner owns real property within the Town, generally situated in and being a part of Section 14, Township 6 North, Range 67 West, County of Weld, State of Colorado (the “Property”), which contains approximately 589.69 acres, more or less and is more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference; and

WHEREAS, Owner desires to improve and develop the Property in the future to allow for the construction of a mixed-use development consisting of single-family residences, multi-family residences, and various commercial uses (the “Project”); and

WHEREAS, Owner further intends to improve and/or develop the Project in multiple phases in the future, with each phase of the Project corresponding to its own subsequent subdivision final plat filing; and

WHEREAS, the Severance South Subdivision (“Subdivision”) Final Plat has been reviewed and approved by the Town on April 2, 2019 subdividing the Property to create twelve (12) distinct tracts of land of varying sizes (Tracts A through L) upon which future further subdivisions of the Project will or may be developed, 31 separate and distinct outlots of various sizes (Outlots 1 through 31), and dedicating land for public rights-of-way to serve subsequent phases of the Project, all as depicted on the Severance South Subdivision Final Plat; and

WHEREAS, Town has agreed to defer Performance Guarantee and construction of the Public Improvements in the public right-of-way conveyed with this Subdivision, and in consideration for this, Owner has agreed that this Subdivision is not entitled to building permits or any other improvements until approval of future further subdivision of the Property; and

WHEREAS, Owner and the Town desire to provide for the orderly future development of the Property and the Project; and

WHEREAS, the Town and Owner desire to set forth their respective rights and obligations with respect to restriction of improvements on the Property and for the future construction of public infrastructure necessary to serve the Subdivision and future further subdivision of the Property as more particularly set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, it is agreed as follows:

1. IMPROVEMENTS REQUIRED — SECURITY

1.1 Phased Public Improvements. Owner intends to submit future filings by which one or more of the tracts identified in the Subdivision Final Plat will be subdivided into buildable lots (each a “Filing” and collectively, the “Filings”). For each Filing, Owner shall: (a) design and in the future upon further subdivision of the Property construct all public improvements described in **Exhibit B**, attached hereto and incorporated herein by this reference. Each Filing will require a separate Subdivision Improvements Agreement (each a “Future SIA”). All Public Improvements shall be constructed in accordance with (i) the terms and provisions of the Future SIA; (ii) all applicable standards, rules and regulations of the Town, including the Town’s Design Standards and Construction Specifications for Public Improvements, as amended (collectively, the “Town Regulations”); and (iii) plans and specifications approved by the Town Engineer (the “Plans”); (the foregoing are collectively referred to as the “Construction Standards”). Owner has submitted, and the Town is currently reviewing, the first Filing (referred to as “WinDance”), which shall require the Owner to construct Public Improvements necessary to serve the lots and uses within the first Filing, and to additionally construct the core infrastructure internal to the Subdivision. Such Public Improvements shall be identified in the first Filing Future SIA (the “WinDance SIA”). Nothing in this Agreement requires Owner to construct any Public Improvements. Each Future SIA shall identify Owner’s obligations to construct Public Improvements and/or contribute a proportional share of costs for all necessary Public Improvements.

1.2 Completion of Public Improvements. The Public Improvements construction is deferred and will be completed with future further subdivision of the Property, unless the Parties execute an amendment to this Agreement. The Town suspends development activities upon the Property, including without limitation the withholding of building permits until such time as this Agreement is amended to require the Owner to post a Performance Guarantee and complete the Public Improvements, or until further subdivision of the Property occurs in compliance with the Town’s then current subdivision and development standards.

1.3 Payment of Contractors, Materials, and Laborers. This Section intentionally left blank.

1.4 Restriction on Conveyance of Property.

1.4.1 Except for conveyances and dedications to the Town, conveyances of any portion of the Property within the Subdivision (*i.e.*, individual Tracts platted of record and depicted on the Subdivision final plat) shall be subject to the notice requirement to the Town identified in Section 7.4 below. This restriction on conveyance, sale or transfer of title shall run with the land and shall extend to and be binding upon the heirs, executors, legal representatives, successors and assigns of the Owner.

1.5 Performance Surety. Owner’s performance and completion of the Public

Improvements is deferred and will be completed with future further subdivision of the Property. At that time, Owner shall furnish to the Town a performance guaranty (“Performance Guaranty”) in an amount equal to 115% of the total cost of the Public Improvements as set forth in an Engineer’s Cost Estimate, which shall be a material part of a Future Subdivision Improvements Agreement (SIA). The Performance Guaranty shall be in the form of a Cash Escrow or Irrevocable Letter of Credit (at the option of Owner) in form and substance acceptable to the Town in its sole and absolute discretion, ensuring the satisfactory completion of the Public Improvements. The Performance Guaranty will be provided to the Town prior to the start of construction, and shall be kept in full force and effect until Owner completes the work and the Town issues the Certificate of Initial Acceptance for all Public Improvements.

2. CONSTRUCTION STANDARDS; ACCEPTANCE PROCEDURES

2.1 Engineering and Consulting Services. Owner agrees to furnish, at its expense and in accordance with each Future SIA, all necessary engineering and consulting services relating to the design and construction of the Public Improvements. These services shall be performed by or under the supervision of a Registered Professional Engineer and/or Registered Land Surveyor, or other professionals as appropriate, licensed by the State of Colorado, and in accordance with applicable Colorado law. The design services shall include inspection services deemed necessary by Severance.

2.2 Plan Submitted and Accepted. Owner shall furnish to the Town the required fees and complete construction drawings/documents, plans and specifications for all Public Improvements (the “Plans”). Severance shall issue its written acceptance or rejection of such changes as expeditiously as reasonably possible. Said acceptance or rejection shall be based upon the standards and criteria for Public Improvements as established by Severance, and Severance shall notify Owner of all deficiencies which must be corrected prior to acceptance. All deficiencies shall be corrected and said plans shall be resubmitted to and accepted by Severance prior to construction.

2.3. Licensing of Contractors and/or Subcontractors. Owner shall ensure that all contractors and subcontractors hired or retained by the Owner shall be licensed by the Town before beginning any work on the Public Improvements.

2.4 Testing and Inspection. Testing and inspection of the construction and materials shall be in accordance with Severance’s current Standards and Specifications. In addition, Owner shall utilize, at its own expense, a licensed and registered testing company, to perform all testing of materials or construction that may be required by Severance. Owner shall furnish copies of test results to the Town on a timely basis for review and acceptance prior to commencement or continuation of that particular phase of construction. At all times during construction of the Public Improvements for each phase, Severance shall have the right, but not the duty, to inspect the materials and workmanship in order to ascertain conformance with the Construction Standards. Owner shall reasonably cooperate and assist the Town in gaining appropriate access to the areas designated for inspection. Owner shall follow the procedures below regarding the inspection of installation of any Public Improvements:

- 2.4.1 Owner will contact the Public Works Department a minimum of 24 hours in advance. Except Town of Severance holidays, inspection services are provided Monday through Friday, from 7:30 a.m. to 3:00 p.m. During the hours listed above, inspections shall be scheduled with the Public Works Department. Requests for inspection services beyond the hours listed above shall be submitted a minimum of 48 hours in advance in writing to the Public Works Department for acceptance. Owner shall reimburse the Town for all direct costs of the after-hours inspection services. If the request is denied, the work shall not proceed before or after the hours listed above.
- 2.4.2 If the Public Works Department finds fault with the installation, he or she may, at his or her discretion, stop work until corrections are made.
- 2.4.3 The Town shall be contacted immediately if Owner encounters unforeseen conditions or circumstances that will delay completion of any of the Public Improvements.
- 2.4.4 The Town will inspect the site, as necessary, to keep familiar with the progress of the Project.

2.5 Rights-of-way, Easements and Permits. Prior to commencement of construction of Public Improvements that require additional rights-of-way to be acquired, Owner shall acquire at its own expense and convey to Severance, all necessary land, rights-of-way and easements required by Severance for the construction of the proposed improvements related to the Project. Owner is only obligated to acquire that portion of land, rights-of-way and easements necessary for the construction of Public Improvements, roads and utilities required by this Agreement. Owner has prepared **Exhibit C**, a graphic exhibit of all offsite easements and public rights of way necessary to serve the Subdivision, attached hereto and incorporated herein by this reference. All such conveyances to be made to the Town shall be free and clear of liens, taxes and encumbrances and shall be by Special Warranty Deed or easement in a form and substance acceptable to Severance. All title documents shall be recorded by Severance at Owner's expense. Owner shall also furnish, at its own expense, an ALTA title insurance policy for all interest(s) so conveyed, subject to acceptance by Severance.

2.6 Dust and Erosion Control. During the period of construction and prior to the paving of the streets or private property within and outside of the Property, Owner shall be responsible for using proper dust and erosion control in accordance with Colorado Department of Public Health and Environment ("CDPHE") standards and further be responsible for maintaining the streets in such a manner that they may be traveled upon with safety in accordance with CDPHE standards and regulations. To the extent applicable, Owner shall be responsible for obtaining all permits as required by the United States Corps of Engineers, CDPHE, and Severance with respect to air quality, stormwater quality, and erosion control.

2.7 Trash, Debris, Mud. Owner agrees that during construction of the Public Improvements and the Project, Owner will take appropriate steps necessary to control trash, debris

and wind or water erosion within the Property. If Severance determines that said trash, debris or wind or water erosion causes substantial damage or injury or creates a nuisance, Owner agrees to abate the damage or nuisance condition no later than twenty-four (24) hours after written notification by the Town. Owner also agrees to take any and all reasonable steps necessary to prevent the transfer of mud or construction debris, including but not limited to, mud, rock, portable toilets, dumpsters, and construction materials of any type, from the construction site onto public rights-of-way and to immediately remove or clean such mud and debris from public rights-of-way after notification by Severance. If Owner fails to take any corrective action, Severance may abate the nuisance and/or correct any damage or injury without notice to Owner, at Owner's expense. All costs and expenses incurred by the Town in abating any nuisance or correcting any damage shall be paid by Owner to the Town in full within thirty days after written demand by the Town.

2.8 Operation of Construction Equipment. The operation of construction equipment outside an enclosed structure shall be prohibited on weekdays between the hours of 7:00 p.m. and 7:00 a.m. With the prior written approval of the Town, the operation of such equipment outside an enclosed structure may be permitted on weekend days and legal holidays between the hours of 8:00 a.m. and 4:00 p.m. The Town may alter the hours of operation for good cause. All construction activities shall operate in accordance with all Town codes, ordinances, and policies in regards to sound and noise.

2.9 Initial Acceptance. This Section intentionally left blank.

2.10 General Warranty. This Section intentionally left blank.

2.11 Repair/Replacement Obligation. Section intentionally left blank.

2.12 Final Acceptance. This Section intentionally left blank.

2.13 Reimbursement to Severance. Section intentionally left blank.

2.14 Maintenance of the Improvements After Final Acceptance. This Section intentionally left blank.

3. ADDITIONAL DEVELOPMENT STANDARDS

3.1 Subdivision and other approvals required for future subdivision of the Property. Owner hereby acknowledges and agrees that future review and approval of one or more final plat(s) re-platting all or a portion of the Subdivision into developable lots shall be necessary for future further subdivision of the Property and to obtain building permits for each such future subdivisions, and that future review and approval of a new final subdivision plat(s) shall be required. Owner further acknowledges and agrees that, in conjunction with final approval of any future final plat, Owner or the owner of the tract that is the subject of the future filing shall be required to enter into a Future SIA with the Town providing for the construction and/or provision of public and/or private improvements and any other requirements for each such future filing. No development activities will be permitted in the areas shown as the Subdivision without approval of a new final subdivision plat by the Town in conformance with the Town's subdivision ordinance

in effect at the time of plat approval and without one or more Future SIA(s) with the Town first entered into to address the subdivision and development of such areas.

3.2 Restrictions on Building Permit Issuance and Right-of-Way Access. In no event shall the Town issue a building permit for any buildings, dwelling units, or structures on any part of the Subdivision until and unless a future subdivision plat and associated documents, including an SIA and Performance Guarantee, are approved by the Town. Owner agrees that none of the Tracts or Outlots created by this Subdivision are entitled to access or utility services from the public right-of-way conveyed to the Town by this Subdivision, which will be granted with future subdivisions of the Property.

3.3 Restriction on Beginning of Vertical Development. This Section intentionally left blank.

3.4 No Vested Rights in future development. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT THIS AGREEMENT DOES NOT ENTITLE OWNER TO RECEIVE WATER, WASTEWATER OR STORM DRAINAGE UTILITY SERVICES FROM THE TOWN OR RIGHT TO CAPACITY IN THE TOWN'S WATER, WASTEWATER OR STORM DRAINAGE SYSTEMS TO SERVE THE POTENTIAL MAXIMUM DEVELOPMENT OF THE PROPERTY OR FUTURE SUBDIVISION OF THE PROPERTY, AND THAT SUCH ENTITLEMENTS SHALL ONLY BE OBTAINED, IF AT ALL, WITH ONE OR MORE FUTURE SUBDIVISIONS OF THE PROPERTY. Owner acknowledges and agrees that no vested property rights are granted by this Agreement. Owner understands that it may pursue the creation of a vested property right as provided for in the Severance Municipal Code for future Subdivision filings. Further, Owner hereby waives and releases any common law vested rights, whether known or unknown, suspected or unsuspected, contingent or fixed, relating to wastewater treatment and conveyance capacity or storm water drainage and conveyance capacity, which Owner may or might hereafter have or acquire against the Town arising from or relating to the granting of any land-use approvals or the construction of public improvements, to the extent such rights arise under this Agreement.

3.5 System Connection. Owner acknowledges and agrees that capacity in the Town's water, wastewater, or storm drainage systems may not be available or capable of serving the potential maximum development of the Property or in connection with a final plat re-platting all or a portion of the Subdivision into developable lots as part of future subdivision of the Property, and that the Town is not making and it expressly disclaims any express or implied warranty, representation, or commitment of any kind that the Property is capable of receiving water, wastewater or storm drainage utility services from the Town, to sell or furnish utility services or extend utility infrastructure to the Property for future subdivisions, or to make available capacity from the existing Town water, wastewater or storm drainage utility systems sufficient to provide the Project or any future subdivision with adequate water service, wastewater treatment or storm drainage conveyance. Moreover, Owner acknowledges and agrees that that there may be many years in which water, wastewater, or stormwater utility services for the potential maximum development of the Property are unavailable or that there may not be any time when the Town is able to provide the service or capacity Owner needs for the maximum development of the Property or when it needs it. In such case, Owner acknowledges and agrees that as a condition of approval

of a final plat re-platting all or a portion of the Subdivision into developable lots as part of future subdivision of the Property, Owner may be required to design, construct and install certain public water or sewer facilities required to provide each such future subdivision with adequate water or wastewater capacity.

3.6 Conveyance of Tract B. Owner shall reserve Tract B, as identified on the Final Plat of Severance South Subdivision, for the Town. The reservation shall be limited to the Town's use of Tract B for development of a future wastewater treatment facility, if such a facility is needed by the Town in order to provide sewer service for the Subdivision. Upon written confirmation by the Town that a new wastewater treatment facility is needed, Owner shall dedicate and convey to the Town, by special warranty deed prepared and provided by Town, in fee simple absolute, free and clear of all liens and financial encumbrances, Tract B within thirty (30) days. All title documents shall be recorded by Severance at Owner's expense. Owner shall also furnish, at its own expense, an ALTA title insurance policy for all interest(s) so conveyed, subject to acceptance by Severance. In exchange for the conveyance of Tract B to the Town, Town shall reimburse Owner for the fair market value of the land, as determined by an appraisal. Compensation may be by direct purchase by the Town, or by crediting Owner with sewer impact fees associated with development on the Property, which option shall be determined by the Town. In the event the Town determines it does not require Tract B for a new wastewater treatment facility, the Town shall provide written notice to the Owner with reference to this section and formally decline and release the reservation. After such release from the Town, Owner may sell or develop Tract B. Owner's obligation to reserve Tract B shall be automatically rescinded upon recording of any future subdivision plat (excluding the final plat for Severance South Subdivision) by the Town, after which Owner may sell, convey, or develop the tract.

3.7 Capital Facilities Contribution. If the Town exercises its reservation of Tract B for purposes of designing and building a wastewater treatment facility, Owner agrees that sewer impact fees collected from the Property must offset the proportionate share of the direct costs of the Town to provide the capacity in the new wastewater treatment facility needed to serve the Property. This may result in a sewer impact fee surcharge specific to the Property.

3.8 Sewer Interceptor. Owner acknowledges that construction of the new wastewater treatment plant may be done in incremental phases or may not be done at all and, as a result, wastewater capacity from existing Town wastewater facilities may not be available to provide the capacity Owner needs when Owner needs it. In such case, Owner acknowledges and agrees that as a condition of approval of a final plat re-platting all or a portion of into developable lots as part of future subdivision of the Property, Owner may be required to design, construct and install certain public sewer facilities required to provide each such future subdivision with adequate wastewater capacity until the new wastewater treatment plant is constructed and operational and capacity becomes available through the new water treatment plant.

3.9 John Law Ditch Shares/Right of First Refusal. Owner represents that there are appurtenant to the Property certain "water rights" and/or "shares" of the John Law Ditch Company owned by Owner ("the Water Rights"). Owner further represents that the Water Rights constitute all of the water rights appurtenant to the Property, that the Water Rights are and will be used in connection with current uses of the Property until the Property is developed.

3.9.1 Grant of Right of First Refusal. Owner hereby agrees to grant to the Town a right of first refusal to acquire the Water Rights owned by Owner. The Town's right of first refusal shall be waived for Owner's sale or exchange of the water rights if used to purchase or acquire other rights to be used exclusively for potable water service on the Property. Prior to sale or exchange, Owner shall provide Town with agreements and/or contracts satisfactory to the Town that demonstrate the sale or exchange will provide potable water service for the Property. The Town shall provide written waiver of its right of first refusal pursuant to 3.9.2.4 and 3.9.2.5, below.

3.9.2 Exercise of Right of First Refusal. Except as provided in section 3.9.1 above, Owner will not sell the Water Rights, or any part thereof, without first offering it to the Town for purchase. The right of first refusal granted to the Town shall be honored by Owner and exercised in the following manner:

3.9.2.1 If, at any time, Owner elects to place the fee title interest in the Water Rights for sale to a third-party, or Owner receives a bona fide third-party offer to purchase or otherwise acquire title to the Water Rights, or any part thereof, any contract which may be entered into between Owner and such bona fide purchaser shall specifically provide that the transaction shall be subject to the right of first refusal set forth in this Agreement.

3.9.2.2 In the event that Owner enters into such contract with a bona fide third-party purchaser, the Town shall have the prior right to purchase and acquire title to the Water Rights, or the portion thereof described in such contract, upon the same terms and conditions as therein provided or, at Owner's option, for cash.

3.9.2.3 Owner shall submit to the Town a duplicate original of an executed contract with the bona fide purchaser, together with duplicate originals executed by Owner of a contract between Owner and the Town, containing the same terms and conditions as the purchase and sale contract with the third-party bona fide purchaser. If, after the receipt of such documents, the Town shall fail to exercise its right of first refusal by signing and returning to Owner within 45 days of receipt, a signed copy of said contract, Owner shall have the right to conclude the proposed sale and conveyance on the same terms and conditions, and no other, as in the contract with the bona fide third-party purchaser.

3.9.2.4 The Town's failure to exercise its right of first refusal, or its written disclaimer of such right, shall be deemed a waiver and cancellation of such right of first refusal if the proposed sale and conveyance to the same bona fide third party purchaser is consummated. If the proposed sale and conveyance to the same bona fide third-party purchaser is not consummated, the right of first refusal herein set forth shall not be deemed waived or cancelled, but shall remain in full force and effect. The Town's failure to exercise, or disclaimer of, such right with respect to any transfer of less than all of the Water Rights shall not be deemed a waiver of such right with respect to that part of the Water Rights owned by Owner after such

transfer.

3.9.2.5 This right of first refusal shall apply to all transactions involving a conveyance of title to the Water Rights, or any portion thereof, including but not limited to a purchase, an exchange, or any other transfer of an interest in the Water Rights for consideration.

- 3.9.3 Non-Transferability. This Right of First Refusal shall be deemed a right extended solely and exclusively to the Town and to no third parties whether or not affiliated with the Town. The Town shall not convey or assign, in whole or in part, any of its rights associated with this Agreement to any person or third-party without Owner's prior written consent, which shall not be unreasonably withheld.

3.10 Future Signalized Intersections. Owner acknowledges that future development of the Subdivision will trigger sufficient warrants for traffic signals at various locations along Weld County Roads 21, 23 and 70, as well as Highway 392. Owner further acknowledges that, as part of and a condition of final plat approval for any future subdivision, Owner of the Tract that is the subject of the future subdivision will be responsible for its proportionate share of the cost of such traffic signal and associated improvements, as determined by the percentage of the projects traffic at the intersection demonstrated by a Town approved traffic impact study. Owner shall be required to either (a) design and install the traffic signal and associated improvements triggered by the Project, including securing all property interests (including any ditch or easement crossing agreements as may be required) and permits that will be necessary to construct such traffic signal with an agreement for reimbursement by the Town for costs beyond the Owners proportionate share; or (b) contribute an amount to the Town, being a proportionate share of the costs, based on the project proportionate traffic contribution to the intersection, related to designing and constructing or installing the traffic signal and related improvements triggered by and required for that future subdivision.

- 3.10.1 SH 392 -WCR 23 intersection signalization project. For the SH 392 -WCR 23 intersection signalization, Owner shall be responsible for its proportional share of the total, actual project costs to complete all components of the intersection improvement project (such total cost being \$2,080,391), considering the overall impact of each future subdivision within the Project, and the Owner's payment of transportation impact fees. To satisfy this obligation, Owner shall remit ½ of the prorated payment for the traffic light based on the most recent TIS and will be due 30 days after the recording of the 1st WinDance Plat. The remaining balance will be calculated based on the newly submitted TIS for WinDance, and will be prorated and due at the time of each building permit. The current Project traffic study (Transportation Impact Study of Severance South by Olsson Associates, July 26, 2021) determined that the Project accounts for 38% of the total traffic at this intersection. However, the owner will provide an updated traffic study prior to the WinDance future Filing, which the Parties intend to be used to determine Owner's proportional share on an ongoing basis. Owner shall remit payment of ½ of the prorated payment for the traffic light based on the most recent TIS and its payment will be due 30 days after the recording of the 1st WinDance Plat. Such payment shall be determined following receipt of the updated TIS and credited towards

Owner's proportional share for the WinDance Filing, and if such amount exceeds Owner's proportional share for the WinDance Filing, Owner shall be authorized to apply such credit to Future Filings.

3.11 Street Signs, Traffic Signs, and Striping. This Section intentionally left blank.

3.12 Street Lights. This Section intentionally left blank.

3.13 Drainage Improvements. This Section intentionally left blank.

3.14 Landscape Improvements. For public lands and rights-of-way, Owner shall furnish Severance complete final landscape and irrigation plans for each future subdivision plat. Owner (or Owner's successors) shall construct all private landscaping for all future platted lots and privately-owned outlots within future subdivisions in accordance with final landscape and irrigation plans approved by the Town. Severance South Metropolitan District or final property owner shall maintain in good condition all private landscaping located on platted lots and privately-owned outlots within the Subdivision.

3.15 Utility Coordination and Installation. In addition to the Public Improvements, Owner shall be responsible for coordination of and payment for installation of on-site and off-site electric, street lights, natural gas, telephone, cable television and other such utilities, which are necessary to serve the Subdivision.

3.16 Underdrains. The Owner may choose to install foundation underdrains and a site wide underdrain collection system under the sanitary sewer system. In such case, the Town authorizes the use of Town-owned or Town-controlled right-of-way for these facilities. However, the Town assumes no maintenance obligation for these facilities or the underdrain system. Owner or any owner's association established by Owner or appropriate metropolitan district, if no owner's association exists, shall be responsible for maintaining in good condition the foundation underdrains or site wide underdrain collection system. Owner shall install a curb underdrain system pursuant to the Standards and Specifications and as shown on the Town accepted construction plans. This system shall be maintained by the Town.

3.17 Installing Underground Conduit. Owner shall comply with Severance Ordinance 2024-07 regarding the installation and dedication of underground fiber conduits to accommodate future Town communications and broadband infrastructure. Owner shall provide a detailed underground fiber optic conduit plan which shows the conduit and related equipment locations for the entire Subdivision and the approximate junction box locations.

3.18 Payment of Building Permit Fees. This Section intentionally left blank.

3.19 Other Fees. This Section intentionally left blank.

3.20 Future Community Amenity. Owner acknowledges and agrees that development of the Project will result in a need for a major community amenity that will be of benefit to the

future residents of the Subdivision and the Town. In recognition of this need, Owner agrees that, as part of and a condition of final plat approval of a future subdivision, Owner will be required to incorporate into the proposed design for the future subdivision, and dedicate to the Town land for the location of a major community amenity.

3.21 Maintenance of Outlots. Severance South Metropolitan District and/or the owner of outlots or tracts within the Subdivision shall maintain in good condition the Outlots as platted of record and depicted on the Subdivision, including any improvements and landscaping within those areas, in compliance with the Tract/Outlot/ROW Table as shown on the Subdivision.

3.22 Non-Potable Water Irrigation Wells. As part of a future non-potable water system, Owner has two existing irrigation wells within public right-of-way being conveyed with the Subdivision which will be protected in below-grade reinforced concrete vaults having a traffic rated hatch, as shown on the approved Plans. Owner shall:

- 3.22.1 Locate and update the Plans to establish and reflect the actual, physical location of the irrigation wells within 30 days after recording this Agreement or within 30 days of construction activities starting in the impacted right-of-way, whichever is later.
- 3.22.2 In the event the irrigation wells do not meet production requirements and may have to be re-drilled/re-established by the Owner, and Owner elects to re-drill or re-establish them, then Owner shall relocate the wells outside of any and all existing, platted or planned rights-of-way and utility easements.
- 3.22.3 Upon 12 months' written notice of the Town to Owner, as determined by the Town in its sole and absolute discretion, Owner shall relocate the existing wells outside of any and all existing, platted or planned rights-of-way and utility easements.
- 3.22.4 Owner shall have the right to assign its rights and obligations under this Section 3.22 to the Severance South Metropolitan District ("SSMD" or "Metro District") at any time. SSMD or final property owner (the "Obligated Entity") shall maintain the irrigation wells, including the appurtenant reinforced concrete vault and traffic rated hatch, as well as any adjacent asphalt or concrete pavement in such a manner as to keep the wells in good and working order and so as not to interfere or conflict in any way with the Town's ability to maintain any rights-of-way or to complete future roadway improvement projects to such rights-of-way.

3.23 Non-Potable Water. Upon development of the Property, Owner shall design, construct, and install, and the Town may require Owner to design, construct, and install, an on-site non-potable water system that is adequate to fully meet all of the irrigation demands and requirements for all end uses of the proposed development. It is intended and contemplated herein that the non-potable system shall be adequate to irrigate all irrigable areas within the Property with non-potable water. The non-potable water system will be owned, operated, and maintained by the SSMD. SSMD shall be solely responsible for adjudicating and augmenting any surface or ground water for use in the non-potable irrigation system.

3.23.1 If, for any reason, the SSMD (whether directly or indirectly) should fail to own or operate the non-potable water system, or fail to provide irrigation for all areas of the Property with non-potable water, the Town shall have the right:

- i. to require transfer of the on-site non-potable water system owned by the Metro District to the Town and to require transfer or assignment of the Metro District's rights to the lease or the leased Water Rights to the Town; or
- ii. to require Metro District to acquire and dedicate additional water rights in a form reasonably determined by the Town and in an amount sufficient to fully supply the irrigation with non-potable water requirements for all end uses of the proposed development, including drought years, based on the Town's then-current water dedication requirements, if such areas will be served by the Town.

4. LIABILITY LIMITATIONS – HOLD HARMLESS

4.1. Non-Liability. Owner acknowledges that the Town's review and approval of the plans for the development of the Property is done in furtherance of the general public health, safety and welfare, and that no specific relationship with, or duty of care to the Owner or third parties is assumed by such review and approval, or immunity waived, as more specifically set forth in the Colorado Governmental Immunity Act.

4.2 Indemnification. Owner agrees to save, indemnify, defend, and hold harmless the Town from any claims brought by any third party against the Town which are attributable to any act or omission of the Owner, its employees, agents, contractors, subcontractors, and consultants with respect to: (i) the construction and installation of the Public Improvements; and (ii) performing this Agreement. Owner further agrees to indemnify, defend and hold harmless the Town from any loss or liability, including damages for inverse condemnation, the Town may have or suffer on account of any change in the direction, nature, quality, or quantity of historical drainage flow resulting from the development of the Property or from the construction of streets, water mains, and/or storm sewers on the Property. Owner shall bear all reasonable costs of investigation and litigation, including reasonable attorney fees, incurred by the Town in defending such claim. This indemnification does not extend to claims of willful misconduct or negligence brought by any third party against the Town which is attributable to any act or omission of the Town.

4.3 Insurance. Owner and its contractors performing work in constructing the Public Improvements shall at all times hereunder have and maintain in full force and effect comprehensive liability insurance, providing general liability, and comprehensive automobile liability insurance. Owner's architect and engineer responsible for work in the right-of-way shall also carry professional liability insurance. The policies shall name the Town and its agents, officials and employees as additional insureds and shall provide coverage for the liability risks identified at Section 4.2 hereof, and shall not be less than \$1,000,000 each occurrence and \$1,000,000 in the aggregate. Owner and contractors shall at all times fully comply with the

Colorado Workmen's Compensation Act, and shall ensure that each of its contractors and subcontractors are in full compliance with the Act. Owner shall submit certificates of insurance in compliance with the standards as set forth above. Nothing herein shall be construed to relieve or discharge Owner of its liability to the Town under the terms of this Agreement should Owner for any reason fail to procure and maintain any required insurance in sufficient amounts.

5. OWNERSHIP OF IMPROVEMENTS

Subject to this Agreement and to the provisions of any Town Regulations relating to the Town's acceptance of the Public Improvements herein, the Owner shall convey to the Town all of the Public Improvements at the time of Initial Acceptance thereof, free and clear of all liens, encumbrances and restrictions. All improvements made upon Town property or Town rights-of-way or Town easements shall, after acceptance by the Town, be and remain the sole and exclusive property of the Town, free and clear from any and all claims by the Owner or others.

6. ENFORCEMENT AND REMEDIES

6.1 Breach of Agreement. In the event that either party should fail to timely comply with any of the terms, conditions, covenants and undertakings hereof, such non-compliance shall be cured and brought into compliance within 30 days of written notice of breach by the other party. Such notice will specify the conditions of default. If such default is not of a type that can be cured within such 30-day period and the defaulting party gives written notice to the non-defaulting party within such 30-day period that it is actively and diligently pursuing such cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of such 30-day period to cure such default, provided that such defaulting party is at all times within such additional time period actively and diligently pursuing such cure and provided further that in no event will such cure period exceed a total of six months. The Town may after the cure period withhold any additional building permits, certificates of occupancy, or provision of new utility fixtures or service only upon reasonable cause. For any default that is not cured as described above, the non-defaulting party may pursue any other remedy at law or in equity which may be appropriate under the Town's Regulations, the applicable laws and legal standards of the State of Colorado or the United States before any court of competent jurisdiction, including remedies which may be available against the Performance Guaranty or Repair/Replacement Guaranty. Such remedies shall be cumulative.

6.2 Legal Expenses. In the event that it is necessary to initiate legal proceedings to enforce the provisions of this Agreement, the non-prevailing party shall be responsible for all reasonable legal expenses and costs incurred by the prevailing party, including attorneys' fees.

6.3 Venue. Venue for any legal proceedings shall be in the County of Weld, State of Colorado.

6.4 Owner Remedy; Limitation of Liability; Waiver. The parties agree, and Owner expressly acknowledges and agrees, that Owner's sole remedy in the event of i) the Town's failure or refusal to perform any obligation under this Agreement; or (ii) any delay on the part of the Town in inspecting completed Public Improvements, issuing Initial or Final Acceptance, or performing any other obligation under this Agreement, shall be the equitable remedies of specific performance

or injunctive relief. The Town shall not have any liability for any loss of profits, sales, business, or other direct, incidental, consequential, or special loss or damage, including exemplary and punitive damages, of any kind or nature resulting from or arising out of this agreement. The allocations of liability in this section represent the agreed, bargained-for understanding of the parties. The limitation of liability and types of damages stated in this agreement are intended by the parties to apply regardless of the form of lawsuit or claim a party may bring, whether in tort, contract or otherwise, and regardless of whether any limited remedy provided for this agreement fails of its essential purpose. Owner hereby waives any and all claims for monetary damages which owner may or might hereafter acquire against the Town for loss or damage arising from this agreement.

7. MISCELLANEOUS PROVISIONS

7.1 Recordation. This Agreement shall be recorded, at Owner's expense, in the office of the Weld County Clerk and Recorder.

7.2 No Waiver. Nothing herein shall constitute or be interpreted as a waiver or repeal of existing codes or ordinance or the Town's legislative, governmental or police powers, nor shall this Agreement prohibit the enactment by the Town of any fees or any other ordinances which are of uniform or general application.

7.3 Third Party Beneficiaries. This Agreement will not be construed as or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties will have any right of action hereunder for any cause whatsoever.

7.4 Successors and Assigns. This Agreement will be binding upon the parties and their respective successors and assigns and will be deemed a covenant running with the Property and will be binding upon all successors in ownership of the Property; provided, however, that in no event will the purchaser of any portion of the Property upon which a dwelling has been constructed and issued a certificate of occupancy be deemed to be a successor to Owner hereunder. With respect to the Town's consent to proposed transfers of title in and to any portion of the Property prior to any future subdivision, Owner shall provide the Town written notice of any such proposed transfer at least five (5) working days in advance of the closing of the transfer.

7.5 Modification. This Agreement may be amended or modified only by written instrument executed by the Town and Owner.

7.6 Notice. All notices, demands or other communications required or permitted to be given hereunder will be in writing and any and all such items will be deemed to have been duly delivered upon personal delivery; or as of the third business day after mailing by United States mail, certified, return receipt requested, postage prepaid, addressed as follows; or as of the immediately following business day after deposit with Federal Express or a similar overnight courier service that provides evidence of receipt, addressed as follows:

<u>If to Severance:</u>	With a copy to:
-------------------------	-----------------

Town of Severance Attn: Town Manager 3 South Timber Ridge Parkway, PO Box 339 Severance, CO 80546	Town of Severance Attn: Town Attorney 3 South Timber Ridge Parkway, PO Box 339 Severance, CO 80546
<u>If to Owner:</u> Windsor LV, LLC Attn: Jack Holler 117 Arbolado Loop Liberty Hill, TX 78642 And: Windsor LV II, LLC Attn: Benny Yamagata 6385 South Rainbow Blvd., Suite 410 Las Vegas, NV 89118	With a copy to: Coan, Payton & Payne, LLC Attn: Bob Choate, Esq. 103 W. Mountain Ave., Suite 200 Fort Collins, CO 80524 bchoate@cp2law.com

Either party may change the address to which notice is to be sent by providing notice set forth in this section.

7.7 Section Headings. The section of headings are inserted herein only for convenience or reference, and in no way shall be defined to limit or describe the scope or intent of any of the provisions in this Agreement.

7.8 Severability. If any part, term, or provision of this Agreement is held by the courts to be illegal or otherwise unenforceable, such illegality or un-enforceability will not affect the validity of any other part, term, or provision, and the rights of the parties will be construed as if the part, term, or provision was never part of this Agreement.

7.9 Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of Colorado, without reference to its conflict of laws provisions.

7.10 Integration. This Agreement constitutes the entire agreement among the parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

7.11 Counterparts. This Agreement may be executed by one or more parties to this Agreement on any number of separate counterparts. Each counterpart shall be deemed to be an original, and all such counterparts taken together shall be deemed to constitute one and the same instrument. Signature pages may be delivered by electronic mail to each party as electronically imaged signatures such as .pdf files or by any other method which complies with the Uniform Electronic Transactions Act, C.R.S. §§ 24-71.3-101 et seq. (e.g., www.docusign.com).

[remainder of page left intentionally blank—signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

TOWN OF SEVERANCE, COLORADO,
a municipal corporation

By: _____
Matthew Fries, Mayor

ATTEST:

Sarah Jacobsen, Town Clerk

OWNER:
WINDSOR LV, LLC
A Nevada limited liability company

By: _____
Jack Holler, Manager

ACKNOWLEDGMENT

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__, by Jack Holler, as Manager of Windsor LV, LLC, a Nevada limited liability company.

Witness my hand and official seal.

My commission expires: _____

(SEAL)

Notary Public

OWNER:
WINDSOR LV II, LLC
A Nevada limited liability company

By: _____
Benny Yamagata, Manager

ACKNOWLEDGMENT

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__, by Benny Yamagata, as Manager of Windsor LV II, LLC, a Nevada limited liability company.

Witness my hand and official seal.

My commission expires: _____

(SEAL)

Notary Public

EXHIBITS LIST

EXHIBIT A – LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT B – PUBLIC IMPROVEMENTS

EXHIBIT C – OFFSITE EASEMENT and ROW EXHIBIT

EXHIBIT A

Legal Description

A parcel of land consisting of the following Seven (7) parcels of land: Lot C of Recorded Exemption No. 0807-14-1 RE 3536 as recorded on June 3, 2003 at Reception No. 3068526, Lot A and Lot B of Recorded Exemption No. 0807-14-3-RE 2276 as recorded on January 8, 1999 at Reception No. 2665702, Lot B of Recorded Exemption No. 0807-14-2-RE 1740 as recorded on June 15, 1995 at Reception No. 2442613, Lot B of Recorded Exemption No. 0807-14-2-RE 1694 as recorded on March 1, 1995 at Reception No. 2428336, that portion of the Southwest Quarter (SW1/4) of said Section 14 as described in Quit Claim Deed recorded on January 25, 1965 at Reception No. 1454727, and the Southeast Quarter (SE1/4) of said Section 14 Excepting therefrom that portion contained in Warranty Deed to the State of Colorado for the use and benefit of the Department of Transportation recorded July 12, 2013 at Reception No. 3947209, all within the records of the Weld County Clerk and Recorder. Situate in Section Fourteen (14), Township Six North (T.6N.), Range Sixty-seven West (R.67W.) of the Sixth Principal Meridian (6th P.M.), Town of Severance, County of Weld, State of Colorado, being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 14 and assuming the West line of the Southwest Quarter (SW1/4) of said Section 14, as monumented by a #6 rebar with a 3.25" aluminum cap stamped L.S. 22098 at the South end and a #6 rebar with a 2.5" aluminum cap stamped L.S. 38479 at the North end, as bearing North 00°03'23" West, being a grid bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983, a distance of 2644.71 feet with all other bearings contained herein being relative thereto;

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

THENCE North 00°03'23" West along the West line of the SW1/4 of said Section 14 a distance of 1586.72 feet; THENCE North 89°56'37" East a distance of 30.00 feet to the Northerly boundary line of the Greeley No. 2 Canal as delineated on the plat of said RE 2276 and to the Easterly right-of-way line of County Road 21 and to the **POINT OF BEGINNING**;

THENCE North 00°03'23" West along the Easterly right-of-way line of said County Road 21 a distance of 1058.13 feet to the North line of the SW1/4 of said Section 14;

THENCE South 89°40'32" West along said North line a distance of 30.00 feet to the West Quarter corner of said Section 14;

THENCE North 00°09'46" East along the West line of the Northwest Quarter (NW1/4) a distance of 1698.58 feet to the Southwest corner of Lot A of said Recorded Exemption No. 0807-14-2-RE 1740;

Thence along the Southerly, Easterly and Northerly boundaries of said Lot A the following Three (3) courses and distances:

THENCE South 89°50'14" East a distance of 208.71 feet; THENCE North 00°09'46" East a distance of 208.71 feet;

THENCE North 89°50'14" West a distance of 208.71 feet to the West line of the NW1/4 of said Section 14; THENCE

North 00°09'46" East along said West line a distance of 727.57 feet to the Northwest corner of said Section 14;

THENCE North 89°15'04" East along the North line of the NW1/4 of said Section 14 a distance of 2273.94 feet to the Northwest corner of Winter Knolls P.U.D. Minor Subdivision as recorded on March 17, 2000 at Reception No. 2756126;

Thence along the Westerly, Southerly and Easterly boundaries of said Winter Knolls P.U.D. Minor Subdivision the following Seventeen (17) courses and distances:

THENCE South 04°09'14" West a distance of 117.51 feet to a Point of Curvature (PC);

THENCE along the arc of a curve concave to the Northwest a distance of 88.85 feet, said curve has a Radius of 67.00 feet, a Delta of 75°59'04" and is subtended by a Chord bearing South 42°08'52" West a distance of 82.48 feet;

THENCE South 80°08'18" West a distance of 99.38 feet to a PC;

THENCE along the arc of a curve concave to the Southeast a distance of 72.16 feet, said curve has a Radius of 75.00 feet, a Delta of 55°07'37" and is subtended by a Chord bearing South 52°34'28" West a distance of 69.41 feet;

THENCE South 25°00'41" West a distance of 96.78 feet; THENCE South 11°57'32" West a distance of 44.46 feet;

THENCE South 10°34'37" West a distance of 70.89 feet to a PC;

THENCE along the arc of a curve concave to the East a distance of 64.23 feet, said curve has a Radius of 145.00 feet, a Delta of 25°22'55" and is subtended by a Chord bearing South 02°06'54" East a distance of 63.71; THENCE South 14°48'18" East a distance of 192.32 feet to a PC;

THENCE along the arc of a curve concave to the Northeast a distance of 88.29 feet, said curve has a Radius of 65.00 feet, a Delta of 77°49'36" and is subtended by a Chord bearing South 53°43'09" East a distance of 81.66 feet; THENCE North 87°22'06" East a distance of 74.69 feet; THENCE South 87°13'43" East a distance of 152.61 feet to a PC;

THENCE along the arc of a curve concave to the Southwest a distance of 127.45 feet, said curve has a Radius of 170.00 feet, a Delta of 42°57'17" and is subtended by a Chord bearing South 65°45'05" East a distance of 124.49 feet;

THENCE South 44°16'26" East a distance of 81.78 feet to a PC;

THENCE along the arc of a curve concave to the Southwest a distance of 52.00 feet, said curve has a Radius of 275.00 feet, a Delta of 10°50'00" and is subtended by a Chord bearing South 38°51'28" East a distance of 51.92 feet; THENCE South 33°26'26" East a distance of 156.04 feet to the East line of the NW1/4 of said Section 14; THENCE North 00°10'12" East along said East line a distance of 1025.30 feet to the North Quarter corner of said Section 14; THENCE North 89°14'42" East along the North line of the Northeast Quarter (NE1/4) of said Section 14 a distance of 1799.02 feet to the Northwest corner of Lot A of said Recorded Exemption No. 0807-14-1 RE 3536; Thence along the Southerly boundaries of Lot A and Lot B of RE 3536 the following Two (2) courses and distances:

THENCE South 49°37'57" East a distance of 653.73 feet;

THENCE South 89°44'51" East a distance of 324.97 feet to the East line of the NE1/4 of said Section 14; THENCE South 00°14'58" West along the East line of the NE1/4 of said Section 14 a distance of 2238.38 feet to the East Quarter corner of said Section 14;

THENCE South 00°15'15" West along the East line of the SE1/4 of said Section 14 a distance of 2568.93 feet to the Easterly projection of the Northerly line of Parcel No. RW-6A as described in Warranty Deed recorded on July 12, 2013 at Reception No. 3947209;

Thence along said Easterly projection and Northerly line of said Parcel No. RW-6A the following Two (2) courses and distances:

THENCE North 89°47'23" West a distance of 1229.07 feet;

THENCE North 38°18'56" West a distance of 85.70 feet to the Easterly line of Parcel No. RW-6 as described in Warranty Deed recorded on July 12, 2013 at Reception No. 3947209;

Thence along the Easterly, Northerly and Westerly right-of-way lines of said Parcel No. RW-6 the following Eleven (11) courses and distances:

THENCE North 00°46'54" West a distance of 467.65 feet to a PC;

THENCE along the arc of a curve concave to the Southeast a distance of 913.81 feet, said curve has a Radius of 871.00 feet, a Delta of 60°06'42" and is subtended by a Chord bearing North 29°16'27" East a distance of 872.47 feet;

THENCE non-tangent from said curve North 57°36'27" East a distance of 526.96 feet to a Point on a Curve (POC);

THENCE non-tangent from said line along the arc of a curve concave to the Northwest a distance of 308.98 feet, said curve has a Radius of 966.00 feet, a Delta of 18°19'34" and is subtended by a Chord bearing North 49°59'20" East a distance of 307.66 feet;

THENCE non-tangent from said curve South 89°44'45" East a distance of 159.23 feet; THENCE North 00°15'15" East a distance of 553.02 feet;

THENCE North 84°55'41" West a distance of 30.16 feet to a POC;

THENCE non-tangent from said line along the arc of a curve concave to the Northwest a distance of 818.71 feet, said arc has a Radius of 866.00 feet, a Delta of 54°10'01" and is subtended by a Chord bearing South 32°09'19" West a distance of 788.56 feet;

THENCE non-tangent from said curve South 57°36'27" West a distance of 526.88 feet to a POC;

THENCE non-tangent from said line along the arc of a curve concave to the Southeast a distance of 1017.18 feet, said arc has a Radius of 971.00 feet, a Delta of 60°01'14" and is subtended by a Chord bearing South 29°13'43" West a distance of 971.30 feet;

THENCE South 00°46'54" East a distance of 467.65 feet to the Northerly line of said Parcel No. RW-6A; Thence along the Northerly line of said Parcel No. RW-6A the following Two (2) courses and distances: THENCE South 36°29'12" West a distance of 99.62 feet;

THENCE North 89°47'23" West a distance of 1174.97 feet to the West line of the SE1/4 of said Section 14, from which the South Quarter corner of said Section 14 bears South 00°10'25" West a distance of 90.00 feet; THENCE North 00°10'25" East along the West line of the SE1/4 of said Section 14 a distance of 483.65 feet to the Southerly boundary line of Recorded Exemption No. 0807-14-3-RE 2276;

Thence along the Southerly boundary line of said Recorded Exemption No. 0807-14-3-RE 2276 the following Fourteen (14) courses and distances:

THENCE North 89°59'56" West a distance of 92.04 feet;

THENCE South 00°10'25" West a distance of 473.94 feet to the Northerly line of Highway 392 per Special Warranty Deeds recorded on February 3, 1971 at Reception No. 1561573 and Reception No. 1561576 as delineated on the plat of said Recorded Exemption No. 0807-14-3-RE 2276;

THENCE South 89°46'33" West a distance of 1046.50 feet; THENCE North 86°34'56" West a distance of 652.95 feet to a POC;

THENCE non-tangent from said line along the arc of a curve concave to the Southwest a distance of 123.96 feet; said curve has a Radius of 178.00 feet, a Delta of 39°54'04" and is subtended by a Chord bearing North 68°37'25" West a distance of 121.47 feet;

THENCE North 88°34'26" West a distance of 135.71 feet; THENCE South 89°47'23" West a distance of 265.58 feet to a PC;

THENCE along the arc of a curve concave to the Northeast a distance of 89.46 feet, said curve has a Radius of 68.00 feet, a Delta of 75°22'40" and is subtended by a Chord bearing North 52°31'11" West a distance of 83.15 feet;

THENCE North 14°49'51" West a distance of 150.03 feet; THENCE North 10°21'54" West a distance of 308.74 feet;

THENCE North 06°43'08" West a distance of 245.32 feet; THENCE North 03°02'10" East a distance of 198.65 feet;

THENCE North 00°06'32" West a distance of 281.23 feet to a PC;

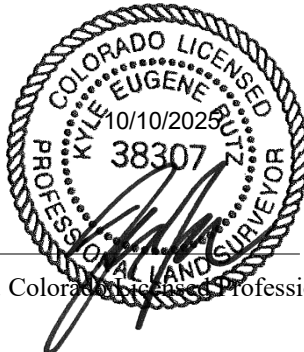
THENCE along the arc of a curve concave to the Southwest a distance of 214.57 feet, said curve has a Radius of 193.00 feet, a Delta of 63°41'42" and is subtended by a Chord bearing North 31°57'23" West a distance of 203.68 feet to the West line of the SW1/4 of said Section 14 and to the **POINT OF BEGINNING**.

EXCEPTING therefrom that portion of the West Half (W1/2) of said Section 14 as described in Donative Quit Claim Deed recorded on November 14, 2006 at Reception No. 3434659 within the records of the Weld County Clerk and Recorder.

Said parcel contains 589.69 Acres, more or less (+/-), and is subject to any rights-of-way or other easements of record as now existing on said described parcel of land.

SURVEYORS CERTIFICATE

I, Kyle E. Rutz, a Colorado Licensed Professional Land Surveyor do hereby state that this Property Description was prepared by me or under my personal supervision and checking, and that it is true and correct to the best of my knowledge and belief.



Sheet 3 of 3

Kyle E. Rutz – on behalf of Lat40°, Inc. Colorado Licensed Professional Land Surveyor #38307

Lat40°, Inc.
Professional Land Surveyors
6250 W. 10th Street, Unit #2
Greeley, CO 80634

(970) 515-5294

EXHIBIT B

LIST OF PUBLIC IMPROVEMENTS

GENERAL		
GENERAL SITEWORK		
ITEM	UNIT	QUANTITY
Mobilization	LUMP SUM	1.00
Project Management	LUMP SUM	1.00
Construction Survey	LUMP SUM	1.00
Material Testing	LUMP SUM	1.00
HeadWall Railing	LF	800.00
Utility Potholding	HR	85.00
Landscaping - All Phases	LUMP SUM	1.00
TRAFFIC CONTROL		
TRAFFIC CONTROL		
ITEM	UNIT	QUANTITY
Traffic Control - CR 21	LUMP SUM	1.00
Traffic Control - CR 72	LUMP SUM	1.00
Traffic Control - HWY 392	LUMP SUM	1.00
DEMOLITION		
DEMOLITION		
ITEM	UNIT	QUANTITY
Remove Existing Asphalt	SY	1350.00
Remove Existing Concrete	SF	36300.00
Remove Existing Concrete Irrigation Channel	LF	1440.00
Remove Existing Fence	LF	6000.00
Remove Existing Irrigation Line	LF	22900.00
Remove Existing Irrigation System	EACH	3.00
Remove Existing Storm Lines	LF	775.00
Remove / Abandon Existing Well	EACH	1.00
Remove Existing Irrigation System - Power- Pipe	EACH	1.00
Remove Existing Structures - House - Shed - bins	EACH	49.00
Remove Existing Trees	EACH	1.00
DEMOLITION - OFFSITE		
Remove Existing asphalt	SY	5225.00
Flash Fill Existing Storm Pipe - No size provided	LF	40.00
Relocate Existing Wood Fence	LF	210.00
Remove existing 5' Concrete Channel	LF	700.00
Remove Existing storm line - need more info	LF	248.00
Remove & Relocate Signs	EACH	5.00
Line Removal	LF	2424.00
EARTHWORK		
EARTHWORK		
ITEM	UNIT	QUANTITY
Mobilization	LUMP SUM	1.00
Clear & Grubb	ACRE	495.00
Topsoil Handling - Stockpile / Replace .5'	CY	398995.00
Cut / Fill	CY	1355286.00

SANITARY SEWER

SEWER - PHASE 1		
ITEM	UNIT	QUANTITY
Tie Into Existing MH W/ 18" PVC	EACH	1.00
8" SDR 35	LF	6790.00
10" SDR 35	LF	1820.00
15" SDR 35	LF	1540.00
18" SDR 26	LF	574.00
4' ID Sanitary Sewer Manhole	EACH	45.00
30" Sewer Casing	LF	100.00
Ground Water Cut-off	EACH	17.00
Dewatering	LUMP SUM	1.00
Dewatering Pumps (3 Per Day)	DAY	41.00
Sediment Testing Basin	EACH	1.00
Trench Stabilization	TON	3500.00
SEWER - PHASE 2 & 3		
ITEM	UNIT	QUANTITY
Tie Into Existing MH W/ 8" PVC	EACH	1.00
8" SDR 35	LF	1792.00
10" SDR 35	LF	2394.00
10" SDR 26	LF	532.00
12" SDR 35	LF	1064.00
12" SDR 26	LF	532.00
15" SDR 35	LF	1456.00
4' ID Sanitary Sewer Manhole	EACH	20.00
16" Sewer Casing	LF	140.00
24" Sewer Casing	LF	40.00
30" Sewer Casing	LF	360.00
Ground Water Cut-off	EACH	11.00
Dewatering	LUMP SUM	1.00
Dewatering Pumps (3 Per Day)	DAY	35.00
Sediment Testing Basin	EACH	1.00
Trench Stabilization	TON	3847.00

WATER

WATER - PHASE 1		
ITEM	UNIT	QUANTITY
Connect To existing 12" Stub	EACH	2.00
Connect To existing 6" Stub	EACH	2.00
Traffic Control for Tie-in	LUMP SUM	1.00
Remove & Replace Existing Asphalt	SY	360.00
6" PVC DR 18 C900 Class 235	LF	220.00
8" PVC DR 18 C900 Class 235	LF	4700.00
12" PVC DR 18 C900 Class 235	LF	15660.00
16" PVC DR 18 C900 Class 235	LF	2200.00
3" Gate Valve	EACH	1.00
6" Gate Valve	EACH	2.00
8" Gate Valve	EACH	13.00
12" Gate Valve	EACH	45.00
16" Gate Valve	EACH	12.00
12 x 8" Cross	EACH	5.00
16 x 12" Tee	EACH	2.00
16 x 8" Tee	EACH	2.00
16 x 6" Tee	EACH	1.00
16 x 12" Reducer	EACH	1.00
12" Tee	EACH	7.00
12 x 8" Tee	EACH	1.00
8 x 6" Tee	EACH	1.00
6 x 4" Tee	EACH	1.00
16" Bends	EACH	22.00
12" Bends	EACH	51.00
8" Bends	EACH	10.00
6" Bends	EACH	4.00
Fire Hydrant Assembly	EACH	21.00
Connect Existing Services	EACH	5.00
2" Temp Blow Off	EACH	15.00
16" ARV	EACH	2.00
12" ARV	EACH	3.00
PRV 1 Connections	EACH	2.00
PRV 2 Connections	EACH	2.00
16" Casing for 8" Water	LF	80.00
24" Casing for 8" Water	LF	300.00
30" Casing for 8" Water	LF	260.00
John Law Ditch Liner	LUMP SUM	1.00
16" Full Lowering	EACH	2.00
12" Full Lowering	EACH	5.00
8" Full Lowering	EACH	4.00
16" Half Lowering	EACH	1.00
12" Half Lowering	EACH	2.00

WATER - PHASE 2 & 3		
Connect To existing 12" Stub	EACH	2
8" PVC DR 18 C900 Class 235	LF	2440.00
12" PVC DR 18 C900 Class 235	LF	6200.00
8" Gate Valve	EACH	11.00
12" Gate Valve	EACH	23.00
12" Cross	EACH	1.00
12 x 8" Cross	EACH	2.00
12" Tee	EACH	2.00
12 x 8" Tee	EACH	2.00
12" Bends	EACH	20.00
8" Bends	EACH	7.00
Fire Hydrant Assembly	EACH	13.00
2" Temp Blow Off	EACH	16.00
16" Casing for 8" Water	LF	120.00
24" Casing for 12" Water	LF	160.00
12" Full Lowering	EACH	12.00
8" Full Lowering	EACH	6.00
12" Half Lowering	EACH	1.00
8" Half Lowering	EACH	1.00
NON-POTABLE IRRIGATION		
NON-POTABLE - PHASE 1		
ITEM	UNIT	QUANTITY
Connect To Existing Well	EACH	1.00
Connect To existing 4" Stub	EACH	1.00
18" C900 Purple	LF	9420.00
15" C900 Purple	LF	2460.00
12" C900 Purple	LF	120.00
10" DR 18 Purple Pipe	LF	3100.00
8" DR Purple Pipe	LF	8540.00
8" HDPE DR11	LF	2000.00
6" C900 Purple Pipe	LF	2980.00
4" C900 Purple Pipe	LF	2800.00
4" C900 PVC	LF	1100.00
4' ID Storm Manhole	EACH	45.00
10" Gate Valve	EACH	6.00
8" Gate Valve	EACH	21.00
6" Gate Valve	EACH	9.00
4" Gate Valve	EACH	23.00
8 x 4" Cross	EACH	4.00
6 x 4" Cross	EACH	2.00
10 x 8" Tee	EACH	3.00
8 x 6" Tee	EACH	1.00
8 x 4" Tee	EACH	1.00
6 x 4" Tee	EACH	1.00
10 x 8" MJ Reducer	EACH	1.00
8 x 6" MJ Reducer	EACH	1.00
8 x 4" MJ Reducer	EACH	1.00
10" Bends	EACH	6.00
8" Bends	EACH	20.00
6" Bends	EACH	2.00
4" Bends	EACH	19.00
2" Water Service	EACH	4.00
2" Temp Blow Off	EACH	26.00
2" Air Vac Assy.	EACH	2.00
10" Full Lowering	EACH	2.00
8" Full Lowering	EACH	7.00
6" Full Lowering	EACH	2.00
4" Full Lowering	EACH	7.00
Main Pump Station	LUMP SUM	1.00
Pump Stations 1 , 2 , 3 & 4	EACH	4.00
Flow Splitter - Parshall Flume Box	EACH	1.00
Parshall Flume - CR 70	EACH	1.00
Parshall Flume - CR 23	EACH	1.00
Finley Ditch Parshall Flume	EACH	1.00

ITEM	UNIT	QUANTITY
		.00
NON-POTABLE - PHASE 2 & 3		
Connect To Existing Well	EACH	8
Connect To Existing 24" x 24" Area Inlet W/ 18"	EACH	1.00
Traffic Control - Road Closure - CR 21	EACH	1.00
Remove & Replace Existing Asphalt - CR 21	SY	50.00
8" DR 18 Purple Pipe	LF	6680.00
6" DR 18 Purple Pipe	LF	4000.00
4" DR 18 Purple Pipe	LF	6600.00
8" Gate Valve	EACH	16.00
6" Gate Valve	EACH	12.00
4" Gate Valve	EACH	28.00
8" Cross	EACH	1.00
6 x 4" Cross	EACH	1.00
8" Tee	EACH	1.00
8 x 6" Tee	EACH	3.00
8 x 4" Tee	EACH	5.00
6" Tee	EACH	1.00
6 x 4" Tee	EACH	1.00
4" Tee	EACH	5.00
8 x 6" MJ Reducer	EACH	1.00
8 x 4" MJ Reducer	EACH	4.00
6 x 4" MJ Reducer	EACH	1.00
8" Bends	EACH	22.00
6" Bends	EACH	11.00
4" Bends	EACH	25.00
2" Water Service	EACH	16.00
2" Temp Blow Off	EACH	22.00
2" Air Vac Assy.	EACH	1.00
8" Casing for 4" Water	EACH	149.00
8" Full Lowering	EACH	2.00
6" Full Lowering	EACH	2.00
4" Full Lowering	EACH	18.00
8" Half Lowering	EACH	4.00
6" Half Lowering	EACH	2.00
4" Half Lowering	EACH	4.00
STORM SEWER		
Storm Line 1.1.1		
ITEM	UNIT	QUANTITY
30" RCP	LF	696.00
15" Type R Inlet	EACH	2.00
Headwall - 5' x 35'	EACH	2.00
Type L Rip Rap Pad -	CY	7.00
Storm Line 1.2		
ITEM	UNIT	QUANTITY
30" RCP	LF	264.00
10" Type R Inlet	EACH	2.00
30" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	3.00
Storm Line 1.3.1		
ITEM	UNIT	QUANTITY
36" RCP	LF	232.00
15" Type R Inlet	EACH	1.00
36" Flared End Section	EACH	1.00
Headwall - 5.5 x 30'	EACH	1.00
Type L Rip Rap Pad -	CY	4.00
Storm Line 1.1.2		
ITEM	UNIT	QUANTITY
18" RCP	LF	648.00
24" RCP	LF	392.00
10" Type R Inlet	EACH	4.00
Storm Line 1.3.2		
ITEM	UNIT	QUANTITY
18" RCP	LF	176.00
5' Type R Inlet	EACH	2.00
Storm Line 1.4		
ITEM	UNIT	QUANTITY
30" RCP	LF	144.00
5' Type R Inlet	EACH	1.00
10" Type R Inlet	EACH	1.00
30" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	3.00
Pond 100 Outfall		
ITEM	UNIT	QUANTITY
18" RCP	LF	96.00
18" Flared End Section	EACH	1.00
Pond 100 Outlet Structure	EACH	1.00
Type L Rip Rap Pad -	CY	4.00

Storm Line 3.1		
ITEM	UNIT	QUANTITY
	LF	40.00

24" RCP		192
5' Type R Inlet	EACH	1.00
10' Type R Inlet	EACH	1.00
Headwall - 4.5' x 27'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.2		
ITEM	UNIT	QUANTITY
18" RCP	LF	88.00
10' Type R Inlet	EACH	1.00
Headwall - 4' x 24'	EACH	1.00
Storm Line 3.3		
ITEM	UNIT	QUANTITY
60" RCP	LF	96.00
Headwall W/ Wing Walls	EACH	2.00
Type M Rip Rap Pad -	CY	63.00
Storm Line 3.4		
ITEM	UNIT	QUANTITY
18" RCP	LF	96.00
5' Type R Inlet	EACH	1.00
10' Type R Inlet	EACH	1.00
Headwall - 4 x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.5		
ITEM	UNIT	QUANTITY
60" RCP	LF	104.00
Headwall W/ 15' Wing Walls	EACH	2.00
Type M Rip Rap Pad -	CY	68.00
Storm Line 3.7		
ITEM	UNIT	QUANTITY
18" RCP	LF	40.00
24" RCP	LF	32.00
10' Type R Inlet	EACH	2.00
Headwall 4.5' x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.8		
ITEM	UNIT	QUANTITY
18" RCP	LF	80.00
10' Type R Inlet	EACH	2.00
Headwall - 4' x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.9		
ITEM	UNIT	QUANTITY
60" RCP	LF	120.00
10' Type R Inlet	EACH	2.00
Headwall W/ 15' Wing Walls - CSI	EACH	2.00
Type M Rip Rap Pad -	CY	40.00
Storm Line 3.10		
ITEM	UNIT	QUANTITY
18" RCP	LF	56.00
24" RCP	LF	32.00
5' Type R Inlet	EACH	2.00
Headwall 4.5' x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.11		
ITEM	UNIT	QUANTITY
30" RCP	LF	88.00
30" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	4.00
Storm Line 3.12		
ITEM	UNIT	QUANTITY
18" RCP	LF	40.00
24" RCP	LF	24.00
10' Type R Inlet	EACH	1.00
15' Type R Inlet	EACH	1.00
Headwall - 4.5 x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	6.00
Storm Line 3.13		
ITEM	UNIT	QUANTITY
42" RCP	LF	240.00
42" Flared End Section	EACH	4.00
Type L Rip Rap Pad -	CY	116.00

Storm Line		
ITEM	UNIT	QUANTITY
	LF	40.00
o 3.14		
18" RCP		0
24" RCP	LF	24.00
10' Type R Inlet	EACH	2.00
Headwall - 4.5 x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Storm Line 3.15		
ITEM	UNIT	QUANTITY
24" RCP	LF	88.00
24" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	1.00
Storm Line 3.16		
ITEM	UNIT	QUANTITY
30" RCP	LF	88.00
30" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	3.00
Storm Line 3.17		
ITEM	UNIT	QUANTITY
18" RCP	LF	72.00
10' Type R Inlet	EACH	2.00
Headwall - 4 x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Storm Line 3.18		
ITEM	UNIT	QUANTITY
30" RCP	LF	80.00
30" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	2.00
Storm Line 3.19		
ITEM	UNIT	QUANTITY
18" RCP	LF	40.00
24" RCP	LF	32.00
10' Type R Inlet	EACH	1.00
15' Type R Inlet	EACH	1.00
Headwall - 5' x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Storm Line 3.20		
ITEM	UNIT	QUANTITY
18" RCP	LF	32.00
5' Type R Inlet	EACH	1.00
Headwall - 4' x 26'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Pond 300 Outfall		
ITEM	UNIT	QUANTITY
18" RCP	LF	64.00
Pond 300 Outlet Structure	EACH	1.00
Headwall - 4 x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Storm Line 3.21		
ITEM	UNIT	QUANTITY
18" RCP	LF	512.00
5' Type R Inlet	EACH	1.00
10' Type R Inlet	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
CR 23 Culvert		
ITEM	UNIT	QUANTITY
48" RCP	LF	528.00
8' ID Manhole	EACH	2.00
Headwall - 6.5' x 47'	EACH	1.00
Headwall - 6.5' x 45'	EACH	1.00
Type L Rip Rap Pad -	CY	14.00
CR70 Culvert B		
ITEM	UNIT	QUANTITY
12" RCP	LF	24.00
48" RCP	LF	168.00
8' ID Manhole	EACH	1.00
Type C Grate Inlet	EACH	1.00
Headwall - 6.5' x 47'	EACH	2.00
Type L Rip Rap Pad -	CY	12.00
Storm Line 4.3		
ITEM	UNIT	QUANTITY
18" RCP	LF	72.00
10' Type R Inlet	EACH	2.00
Headwall - 4' x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00

Storm Line		
ITEM	UNIT	QUANTITY
	LF	40.00
o 45		
18" RCP		0
10' Type R Inlet	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	1.00
POND 100		
ITEM	UNIT	QUANTITY
Forebay		2.00
Spillway		1.00
Type H Rip Rap Pad - Spillway	CY	145.00
4' Pan - PREP	LF	1275.00
4' U-Channel, 6" Thick - PLACEMENT	LF	1275.00
POND 300		
ITEM	UNIT	QUANTITY
Forebay	EACH	2.00
Spillway	EACH	1.00
Type R Rip Rap Pad - Spillway	CY	266.00
4' Pan - PREP	LF	3350.00
4' U-Channel, 6" Thick - PLACEMENT	LF	3350.00
Pond 400		
ITEM	UNIT	QUANTITY
18" RCP	LF	88.00
Pond 400 Outlet Structure	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	3.00
Type L Rip Rap Pad - Rip Rap Slope	CY	218.00
4' Pan - PREP	LF	1170.00
4' U-Channel, 6" Thick - PLACEMENT	LF	1170.00
Irrigation Pond		
ITEM	UNIT	QUANTITY
18" RCP	LF	88.00
Irrigation Pond Outlet Structure	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	3.00
4' Pan - PREP	LF	1018.00
3' Pan - PREP	LF	880.00
4' U-Channel, 6" Thick - PLACEMENT	LF	1018.00
3' U-Channel, 6" Thick - PLACEMENT	LF	880.00
Irrigation Pond Acces Road - 6" Depth	CY	3595.00
Storm Sewer - Phase 2 & 3		
Storm Line 2.1		
ITEM	UNIT	QUANTITY
36" RCP	LF	496.00
15' Type R Inlet	EACH	2.00
36" Flared End Section	EACH	4.00
Type L Rip Rap Pad -	CY	40.00
Storm Line 2.2		
ITEM	UNIT	QUANTITY
36" RCP	LF	96.00
36" Flared End Section	EACH	2.00
Type L Rip Rap Pad -	CY	4.00
Storm Line 2.3		
ITEM	UNIT	QUANTITY
18" RCP	LF	104.00
10' Type R Inlet	EACH	1.00
Headwall - 4' x 24'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Storm Line 3.6		
ITEM	UNIT	QUANTITY
18" RCP	LF	72.00
5' Type R Inlet	EACH	2.00
Headwall - 4' x 28'	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
CR 70 Culvert		
ITEM	UNIT	QUANTITY
48" RCP	LF	488.00
8' ID Manhole	EACH	1.00
18" Nyloplast Basin	EACH	1.00
Headwall - 6.5' x 41'	EACH	1.00
Headwall - 6.5' x 16.5'	EACH	1.00
Type L Rip Rap Pad - 872 SF	CY	49.00
Storm Line 4.1		
ITEM	UNIT	QUANTITY
18" RCP	LF	72.00
10' Type R Inlet	EACH	2.00
Headwall - 4' x 24'	EACH	1.00
Type L Rip Rap Pad	CY	7.00

Storm Line .		
ITEM	UNIT	QUANTITY
	LF	44.00
o 4 2		
42" RCP		144
10' Type R Inlet	EACH	2.00
42" Flared End Section	EACH	2.00
Type L Rip Rap Pad	CY	12.00
Storm Line 4.4		
ITEM	UNIT	QUANTITY
24" RCP	LF	368.00
5' ID Manhole	EACH	1.00
5' Type R Inlet	EACH	2.00
10' Type R Inlet	EACH	1.00
24" Flared End Section	EACH	1.00
Type L Rip Rap Pad	CY	2.00
Storm Line 5.1		
ITEM	UNIT	QUANTITY
18" RCP	LF	64.00
10' Type R Inlet	EACH	1.00
18" Flared End Section	EACH	1.00
Pond 500 Outlet Structure	EACH	1.00
Type L Rip Rap Pad	CY	38.00
Storm Line 6.1		
ITEM	UNIT	QUANTITY
24" RCP	LF	104.00
Type C Grate	EACH	1.00
Pond 600 Outlet Structure	EACH	1.00
24" Flared End Section	EACH	1.00
Pond 200		
ITEM	UNIT	QUANTITY
Pond 200 Forebay	EACH	1.00
Pond 200 Spillway	EACH	1.00
Type H Rip Rap Pad	CY	242.00
4' Pan - PREP	LF	1270.00
4' U-Channel, 6" Thick - PLACEMENT	LF	1270.00
Pond 200 Outfall		
ITEM	UNIT	QUANTITY
36" RCP	LF	1200.00
6' ID Manhole	EACH	5.00
Pond 200 Outlet Structure	EACH	1.00
36" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	7.00
Pond 500 & Outfall		
ITEM	UNIT	QUANTITY
120" x 48" RBCB	LF	222.00
18" RCP	LF	152.00
Headwall W/ 15' Long Wing Walls @ 60°	EACH	1.00
Headwall W/ 15' Long Wing Walls @ 45°	EACH	1.00
Pond Outlet Structure	EACH	1.00
Pond 500 Spillway	EACH	1.00
Type L Rip Rap Pad - Spillway	CY	68.00
4' Pan - PREP	LF	368.00
4' U-Channel, 6" Thick - PLACEMENT	LF	368.00
Pond 600		
ITEM	UNIT	QUANTITY
Pond 600 Forebay	EACH	1.00
Pond 600 Spillway	EACH	1.00
4' Pan - PREP	LF	130.00
4' U-Channel, 6" Thick - PLACEMENT	LF	130.00
18" RCP	LF	88.00
Pond 600 Outlet Structure	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	5.00
Pond 700		
ITEM	UNIT	QUANTITY
Pond 700 Spillway	EACH	1.00
4' Pan - PREP	LF	390.00
4' U-Channel, 6" Thick - PLACEMENT	LF	390.00
18" RCP	LF	120.00
4' ID Manhole	EACH	1.00
Pond 700 Outlet Structure	EACH	1.00
18" Flared End Section	EACH	1.00
Type L Rip Rap Pad -	CY	7.00

St rm Line .		
ITEM	UNIT	QUANTITY
	LF	44.00
John-Law Ditch Enclosure		
42" RCP		1160
6' ID Manhole	EACH	6.00
Concrete Lined Swale	LUMP SUM	1.00
3.5' x 7' Rec. Structure	EACH	1.00
42" Flared End Section	EACH	1.00
Headwall W/ 15' Wing Walls & Trash Rack	EACH	1.00
Type H Rip Rap Pad	CY	483.00
Dewatering	LUMP SUM	1.00
Testing Sediment Basin	EACH	1.00
Trench Stabilization	TON	574.20
SIGNAGE & STRIPING		
Signage & Striping - Phase 1		
ITEM	UNIT	QUANTITY
Signs	EACH	102.00
Pavement Markings	LUMP SUM	1.00
Signage & Striping - Phase 2 & 3		
ITEM	UNIT	QUANTITY
Signs	EACH	42.00
Pavement Markings	LUMP SUM	1.00
CONCRETE		
CONCRETE		
Concrete Prep - PHASE 1		
ITEM	UNIT	QUANTITY
18" Median Curb	LF	2900.00
30" Vertical Curb & Gutter	LF	16300.00
30" Vertical Curb & gutter - CR 23	LF	4115.00
30" Vertical Curb & gutter - CR 70	LF	2598.00
6' & 10' Sidewalk / Trail	LF	17300.00
2' Pan Trickle Pan	LF	10800.00
Crossspan - 6" Thick	EACH	15.00
Handicap Ramps	EACH	70.00
18.00	EACH	18.00
Flatwork - Prep	SF	43500.00
Truck Apron	SF	4100.00
Roundabout	SF	24200.00
Concrete Prep - PHASE 2 & 3		
ITEM	UNIT	QUANTITY
18" Median Curb	LF	2450.00
30" Vertical Curb & Gutter	LF	11100.00
30" Vertical Curb & Gutter - CR 21	LF	1685.00
6' & 10' Sidewalk / Trail	LF	14200.00
2' Pan Trickle Pan	LF	6950.00
Crossspan - 6" Thick	EACH	5.00
Handicap Ramps	EACH	18.00
Mid-Block ramps	EACH	23.00
Flatwork - Prep	SF	30750.00
Concrete Placement - Phase 1		
ITEM	UNIT	QUANTITY
18" Median Curb	LF	2900.00
30" Vertical Curb & Gutter	LF	16300.00
30" Vertical Curb & gutter - CR 23	LF	4115.00
30" Vertical Curb & gutter - CR 70	LF	2598.00
6' Sidewalk	LF	10000.00
10' Sidewalk	LF	7300.00
6' Single Midblock Handicap Ramp w/ Truncated Domes	EACH	88.00
Crossspan - 6" Thick	SF	13600.00
2' Trickle Pan, 6" Thick	LF	10800.00
Concrete paving - 6" Thick	SF	33660.00
Reinforced Concrete paving - 6" Thick - Soaring Hawk	SF	9840.00
Truck Apron	SF	4100.00
Roundabout	SF	24200.00
Concrete Placement - Phase 2 & 3		
ITEM	UNIT	QUANTITY
18" Median Curb	LF	2450.00
30" Vertical Curb & Gutter	LF	11100.00
30" Vertical Curb & Gutter - CR 21	LF	1685.00
6' Sidewalk	LF	5500.00
10' Sidewalk	LF	5700.00
10' Detached Trail	LF	3000.00
2' Pan Trickle Pan	LF	6950.00
Crossspan - 6" Thick	EACH	4200.00
Handicap Ramps	EACH	41.00
Concrete paving - 6" Thick	SF	13542.00
Reinforced Concrete paving - 6" Thick Win-Dance & Severance Parkway	SF	17208.00

ASPHALT PREP		
ASPHALT		
Asphalt Prep - PHASE 1		
ITEM	UNIT	QUANTITY
Suburban Connector	SY	36450.00
CR 23 Widening	SY	14700.00
CR 70 Widening	SY	6280.00
HWY 392 Widening	SY	2569.00
Asphalt Prep - PHASE 2		
ITEM	UNIT	QUANTITY
Suburban Connector	SY	23084.00
CR 21	SY	8125.00
Asphalt Placement Phase 1		
ITEM	UNIT	QUANTITY
Suburban Connector	SY	36450.00
CR 23 Widening	SY	14700.00
CR 70 Widening	SY	6280.00
HWY 392 Widening	SY	2569.00
Raise Existing Manhole	EACH	82.00
Raise Existing Valves	EACH	98.00
Asphalt Mobilization	EACH	5.00
Asphalt Placement Phase 2		
ITEM	UNIT	QUANTITY
Suburban Connector	SY	23084.00
CR 21	SY	8125.00
Raise Existing Manhole	EACH	48.00
Raise Existing Valves	EACH	62.00
Asphalt Mobilization	EACH	4.00

Estimated Quantities Field Measured To Verify For Payment.

EXHIBIT C

Offsite Easements and ROW

(2 Pages)

[EXHIBIT C]

[EXHIBIT C]

**TOWN OF SEVERANCE
RESOLUTION NO. 2017-12R**

**THE BOARD OF TRUSTEES OF THE TOWN OF SEVERANCE SETTING FORTH FINDINGS
OF FACT AND DETERMINATIONS REGARDING THE ELIGIBILITY FOR ANNEXATION
OF THE SEVERANCE SOUTH ANNEXATION**

WHEREAS annexation proceedings were heretofore initiated by the Board of Trustees of the Town of Severance for property to be known as Severance South, as more particularly described in Exhibit A attached hereto (the "Property"); and

WHEREAS following Notice given as required by section 31-12-108 (2) of the Colorado Revised Statutes and applicable Town of Severance ordinances, the Board of Trustees of the Town of Severance, which is referred to herein as the "Board," has held a hearing on the eligibility of the Property for annexation to the Town of Severance pursuant to section 30 of article II of the state constitution and sections 31-12-104 and 105 of the Colorado Revised Statutes;

IT IS THEREFORE RESOLVED by the Board of Trustees of the Town of Severance, Colorado, this 15th day of May, 2017, as follows:

Section 1. That the Board hereby finds that notice was duly given and a hearing was held as required by section 31-12-108 of the Colorado Revised Statutes regarding the eligibility of the Property for annexation to the Town of Severance in accordance with section 30 of article II of the state constitution and sections 31-12-104 and 105 of the Colorado Revised Statutes.

Section 2. That the Board further finds that there is at least one-sixth (1/6) contiguity between the Town of Severance and the Property; that a community of interest exists between the Property and the Town; that the Property is urban or will be urbanized in the near future; and that the Property is integrated with or is capable of being integrated with the Town of Severance.

Section 3. That the Board further finds that the requirements of the applicable provisions of section 30 of article II of the state constitution and sections 31-12-104 and 31-12-105 of the Colorado Revised Statutes have been met.

Section 4. That the Board further finds that an election is not required under section 30(1)(a) of article II of the state constitution or section 31-12-107(2) of the Colorado Revised Statutes.

Section 5. That the Board further determines that that there are no additional terms and conditions to be imposed upon said annexation.

Section 6. That the Board concludes that the Property is eligible for annexation to the Town of Severance.

PASSED, ADOPTED, SIGNED AND APPROVED this the 15th day of May, 2017

By: _____

Donald R. Brookshire, Mayor

ATTEST:

By: _____

Betty Mauch, Town Clerk



EXHIBIT A

A TRACT OF LAND LOCATED IN SECTION 14, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF WELD, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AND BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR WELD COUNTY ROAD 70 LYING 30.00 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 14 AND THE EASTERLY RIGHT OF WAY LINE FOR WELD COUNTY ROAD 21 LYING 30.00 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID NORTHWEST QUARTER OF SECTION 14;

THENCE FROM THE POINT OF BEGINNING N89°56'49"W, A DISTANCE OF 60.00 FEET TO THE WESTERLY RIGHT OF WAY LINE FOR SAID WELD COUNTY ROAD 21 LYING 30.00 FEET WEST OF AND PARALLEL WITH SAID WEST LINE OF THE NORTHWEST QUARTER OF SECTION 14;

THENCE N00°03'11"E, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 29.58 FEET;

THENCE N00°18'58"W, CONTINUING ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 604.34 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF HIDDEN VALLEY FARM ANNEXATION AS DEPICTED ON MAP RECORDED FEBRUARY 14, 2006 AT RECEPTION NUMBER 3363096 IN THE RECORDS OF THE WELD COUNTY CLERK AND RECORDER OFFICE, BEING ALSO A POINT ON THE TOWN OF SEVERANCE CORPORATE BOUNDARY LINE;

THENCE S46°16'17"E, ALONG SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE, BEING ALSO ALONG SAID SOUTHWESTERLY LINE OF HIDDEN VALLEY FARM ANNEXATION, A DISTANCE OF 83.47 FEET TO SAID EASTERLY RIGHT OF WAY LINE;

THENCE S00°18'58"E, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 516.27 FEET TO THE NORTHERLY RIGHT OF WAY LINE FOR SAID WELD COUNTY ROAD 70 LYING 30.00 FEET NORTH OF AND PARALLEL WITH SAID NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 14;

THENCE N89°14'58"E, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 331.41 FEET TO SAID SOUTHWESTERLY LINE OF HIDDEN VALLEY FARM ANNEXATION, BEING ALSO A POINT ON THE TOWN OF SEVERANCE CORPORATE BOUNDARY LINE;

THENCE ALONG SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE, BEING ALSO THE SOUTHWESTERLY AND SOUTHERLY LINE OF HIDDEN VALLEY FARM ANNEXATION THE FOLLOWING THREE (3) COURSES:

- 1) S21°38'02"E, A DISTANCE OF 64.22 FEET TO SAID SOUTHERLY RIGHT OF WAY LINE;
- 2) N89°14'58"E, ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1039.82 FEET TO THE SOUTHWEST CORNER OF HIGH SCHOOL NO. 2 ANNEXATION

AS DEPICTED ON MAP APPROVED FEBRUARY 14, 2017 BUT NOT YET RECORDED IN SAID RECORDS;

- 3) N89°14'58"E, CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 847.13 FEET TO THE WESTERLY LINE OF WESTERLY KNOLLS PUD MINOR SUBDIVISION AS DEPICTED IN PLAT RECORDED MARCH 17, 2000 AT RECEPTION NUMBER 2756126 IN SAID RECORDS;

THENCE ALONG THE WESTERLY LINE OF SAID WESTERLY KNOLLS PUD MINOR SUBDIVISION THE FOLLOWING SIXTEEN (16) COURSES:

- 1) S04°09'23"W, A DISTANCE OF 87.37 FEET;
- 2) S42°08'55"W, A DISTANCE OF 82.48 FEET;
- 3) S80°08'27"W, A DISTANCE OF 99.38 FEET;
- 4) S52°34'39"W, A DISTANCE OF 69.41 FEET;
- 5) S25°00'50"W, A DISTANCE OF 96.78 FEET;
- 6) S11°57'41"W, A DISTANCE OF 44.46 FEET;
- 7) S10°34'46"W, A DISTANCE OF 70.89 FEET;
- 8) S02°06'42"E, A DISTANCE OF 63.71 FEET;
- 9) S14°48'09"E, A DISTANCE OF 192.32 FEET;
- 10) S53°42'57"E, A DISTANCE OF 81.66 FEET;
- 11) N87°22'15"E, A DISTANCE OF 74.69 FEET;
- 12) S87°13'34"E, A DISTANCE OF 152.61 FEET;
- 13) S65°44'55"E, A DISTANCE OF 124.49 FEET;
- 14) S44°16'17"E, A DISTANCE OF 81.78 FEET;
- 15) S38°51'17"E, A DISTANCE OF 51.92 FEET;
- 16) S33°26'17"E, A DISTANCE OF 156.04 FEET TO THE EAST LINE OF SAID NORTHWEST QUARTER OF SECTION 14 BEING ALSO THE SOUTH CORNER OF SAID WESTERLY KNOLLS PUD MINOR SUBDIVISION;

THENCE N00°10'23"E , ALONG THE EAST LINE OF SAID WESTERLY KNOLLS PUD MINOR SUBDIVISION, A DISTANCE OF 995.29 FEET TO SAID SOUTHERLY RIGHT OF WAY LINE, BEING ALSO A POINT ON SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE;

THENCE N89°14'36"E, ALONG SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE, BEING ALSO SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1833.94 FEET TO

THE WESTERLY LINE OF LOT A, RECORDED EXEMPTION NO. 0807-14-1 RE 3536 AS DEPICTED IN PLAT RECORDED JUNE 3, 2003 AT RECEPTION NUMBER 3068526 IN SAID RECORDS;

THENCE S49°38'00"E, ALONG SAID WESTERLY LINE OF LOT A, A DISTANCE OF 608.10 FEET TO THE SOUTHWEST CORNER OF LOT B, SAID RECORDED EXEMPTION NO. 0807-14-1 RE 3536;

THENCE S89°44'56"E, ALONG THE SOUTH LINE OF SAID LOT B, A DISTANCE OF 294.79 FEET TO THE WESTERLY RIGHT OF WAY LINE FOR WELD COUNTY ROAD 23 LYING 30.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID SECTION 14, BEING ALSO A POINT ON THE WESTERLY LINE OF DALTON'S RUN ANNEXATION MAPS 1-4 AS DEPICTED IN MAP RECORDED AUGUST 6, 2008 AT RECEPTION NUMBER 3570763 IN SAID RECORDS, AND BEING ALSO A POINT ON SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE;

THENCE ALONG SAID TOWN OF SEVERANCE CORPORATE BOUNDARY LINE, BEING ALSO THE WESTERLY LINE OF SAID DALTON'S RUN ANNEXATION MAPS 1-4 THE FOLLOWING TWO (2) COURSES:

- 1) S00°15'00"W, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 1066.83 FEET;
- 2) N89°25'00"E, A DISTANCE OF 80.01 FEET TO THE EASTERLY RIGHT OF WAY LINE FOR SAID WELD COUNTY ROAD 23 LYING 50.00 FEET EAST OF AND PARALLEL WITH SAID EAST LINE OF SECTION 14;

THENCE S00°15'00"W, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1172.80 FEET;

THENCE N89°44'15"W, A DISTANCE OF 20.00 FEET TO SAID EASTERLY RIGHT OF WAY LINE;

THENCE S00°15'17"W, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 2568.93 FEET TO THE NORTHERLY RIGHT OF WAY LINE EXTENDED FOR COLORADO STATE HIGHWAY 392 AS DESCRIBED IN WARRANTY DEED RECORDED JULY 12, 2013 AT RECEPTION NUMBER 3947209 IN SAID RECORDS;

THENCE N89°47'13"W, ALONG SAID NORTHERLY RIGHT OF WAY LINE EXTENDED, A DISTANCE OF 60.00 FEET TO SAID WESTERLY RIGHT OF WAY LINE;

THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING FIVE (5) COURSES:

- 1) N89°47'13"W, A DISTANCE OF 1199.23 FEET;
- 2) N38°19'36"W, A DISTANCE OF 85.66 FEET;
- 3) S89°13'06"W, A DISTANCE OF 100.00 FEET;
- 4) S36°30'31"W, A DISTANCE OF 99.59 FEET;

- 5) N89°47'13"W, A DISTANCE OF 1174.97 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 14, BEING ALSO A POINT ON THE EASTERLY LINE OF LOT A, RECORDED EXEMPTION NO. 0807-14-3 RE 578 AS DEPICTED IN PLAT RECORDED DECEMBER 16, 1982 AT RECEPTION NUMBER 1911623 IN SAID RECORDS;

THENCE ALONG THE EASTERLY, NORTHERLY AND WESTERLY LINE OF SAID LOT A THE FOLLOWING THREE (3) COURSES:

- 1) N00°10'39"E, A DISTANCE OF 483.56 FEET;
- 2) N89°59'11"W, A DISTANCE OF 92.05 FEET;
- 3) S00°09'39"W, A DISTANCE OF 473.94 FEET TO THE NORTHERLY RIGHT OF WAY LINE FOR COLORADO STATE HIGHWAY 392;

THENCE S89°46'34"W, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1046.56 FEET;

THENCE N86°34'55"W, CONTINUING ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 128.75 FEET TO THE EASTERLY LINE OF LOT A, RECORDED EXEMPTION NO. 0807-14-3 RE 2276 AS DEPICTED IN PLAT RECORDED JANUARY 8, 1999 AT RECEPTION NUMBER 2665702 IN SAID RECORDS;

THENCE N86°34'55"W, CONTINUING ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 399.12 FEET TO THE WESTERLY LINE OF SAID LOT A;

THENCE N86°34'55"W, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 125.07 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT BEING ALSO A POINT ON THE NORTHERLY BANK OF THE CACHE LA POUDE #2 DITCH;

THENCE ALONG THE NORTHERLY AND EASTERLY BANK OF SAID CACHE LA POUDE #2 DITCH, MORE OR LESS, THE FOLLOWING TEN (10) COURSES:

- 1) 123.96 FEET ALONG THE ARC OF SAID CURVE, SAID ARC HAVING A RADIUS OF 178.00 FEET, A CENTRAL ANGLE OF 39°54'06", AND BEING SUBTENDED BY A CHORD WHICH BEARS N68°37'24"W, A DISTANCE OF 121.47 FEET TO A POINT OF TANGENCY;
- 2) N88°34'27"W, A DISTANCE OF 135.71 FEET;
- 3) S89°47'22"W, A DISTANCE OF 265.58 FEET TO A POINT OF CURVE TO THE RIGHT;
- 4) 89.46 FEET ALONG THE ARC OF SAID CURVE, SAID ARC HAVING A RADIUS OF 68.00 FEET, A CENTRAL ANGLE OF 75°22'46", AND BEING SUBTENDED BY A CHORD WHICH BEARS N52°31'15"W, A DISTANCE OF 83.15 FEET TO A POINT OF TANGENCY;
- 5) N14°49'52"W, A DISTANCE OF 150.03 FEET;
- 6) N10°21'55"W, A DISTANCE OF 308.74 FEET;

- 7) N06°43'09"W, A DISTANCE OF 245.32 FEET;
- 8) N03°02'09"E, A DISTANCE OF 198.65 FEET;
- 9) N00°06'33"W, A DISTANCE OF 281.23 FEET TO A POINT OF CURVE TO THE LEFT;
- 10) 211.02 FEET ALONG THE ARC OF SAID CURVE, SAID ARC HAVING A RADIUS OF 193.00 FEET, A CENTRAL ANGLE OF 62°38'39", AND BEING SUBTENDED BY A CHORD WHICH BEARS N31°25'55"W, A DISTANCE OF 200.66 FEET TO SAID EASTERLY RIGHT OF WAY LINE FOR WELD COUNTY ROAD 21, BEING ALSO A POINT ON THE TOWN OF WINDSOR CORPORATE BOUNDARY LINE, AND A POINT OF NON-TANGENCY;

THENCE N00°03'11"E, ALONG SAID TOWN OF WINDSOR CORPORATE BOUNDARY LINE, BEING ALSO SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1059.64 FEET;

THENCE N00°03'11"E, CONTINUING ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1698.30 FEET TO THE SOUTHERLY LINE OF LOT A, RECORDED EXEMPTION NO. 0807-14-2 RE 1740 AS DEPICTED IN PLAT RECORDED JUNE 15, 1995 AT RECEPTION NUMBER 2442613 IN SAID RECORDS;

THENCE ALONG THE SOUTHERLY, EASTERLY AND NORTHERLY LINES OF SAID LOT A THE FOLLOWING THREE (3) COURSES:

- 1) S89°50'11"E, A DISTANCE OF 176.92 FEET;
- 2) N00°09'49"E, A DISTANCE OF 208.71 FEET;
- 3) N89°50'11"W, A DISTANCE OF 177.32 FEET TO SAID EASTERLY RIGHT OF WAY LINE;

THENCE N00°03'11"E, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 698.05 FEET TO THE POINT OF BEGINNING.

CONTAINING 26,177,136 SQUARE FEET OR 600.944 ACRES, MORE OR LESS.



AGENDA ITEM SUMMARY

AGENDA ITEM	SUBMITTED BY	PRESENTED BY
Pg. 228 - Town Council Social Media Policy Discussion	Nicholas Wharton, Town Manager	Nicholas J. Wharton
ACTION REQUESTED		
Town Management asks the Town Council to discuss the potential of a social media policy for the Town Council and direct any further actions they deem necessary.		<u>Discussion</u>
BRIEF HISTORY OF ITEM		
BRIEF SUMMARY		
As requested by the Town Council at the winter Strategic Planning Session, this agenda item is scheduled to discuss the potential of a social media policy for the Town Council. Staff has provided two examples from other communities as a starting point for the Town Council. If the Town Council would like to proceed with such a policy, the Town Attorney and Town Management will draft the policy and include a reference to it in the Town Council's Code of Conduct and Ethics Policy.		
PUBLIC SUPPORT/CONCERN		
None at this time.		
ANALYSIS AND RECOMMENDATION		
Town Management asks the Town Council to discuss the potential of a social media policy for the Town Council and direct any further actions they deem necessary.		
MATERIALS SUBMITTED		
The following materials were submitted and included in this packet: 1. Social Media Policy_Durham Example 2. Social Media Policy_Salida Example		

City of Durham Policy for Elected Officials and Appointed Boards, Commissions and Committees Using Personal or Professional Social Media Platforms

While elected officials and City Council-appointed board, committee and commission members may maintain and use personal web pages and websites, blogs, and social networking sites, their status as elected/appointed officials requires that the content of any postings on those sites not be in violation of existing City by-laws, policies, directives, rules or regulations.

The City's image as a professional organization is critical to maintaining the respect of its constituents. Although the City recognizes that elected and appointed officials may choose to express themselves by posting personal information upon social media platforms or by making comments on sites hosted by other persons, groups or organizations, this right of expression should not interfere with the operation of the City. That is, although the City acknowledges its officials have the First Amendment right to free speech, the right is not absolute when involving matters of official City business, issues or concerns.

If an elected or appointed official conducts any City business or communication as an official from a personal account, professional account, or an account created for a board/committee/commission, officials should assume that City-related communications will be considered a public record subject to the North Carolina Public Records Law, N.C. Gen. Stat. § 132-1 *et seq.*, as well as applicable portions of the records retention schedule at <http://archives.ncdcr.gov/For-Government/Retention-Schedules/Local-Schedules>.

If an elected/appointed official is found in violation of Conduct Standards #1–#8 as noted below, they may be subject to censure as noted in the City Council Rules of Procedure, 2.14 Censuring Members.

Professional and Personal Conduct Standards

1. All officials are expected and required to conduct themselves in a manner consistent with the City's policies and standards of conduct.
2. It is anticipated that from time to time, officials will have access to information that is considered privileged or confidential under North Carolina General Statutes. Such information is typically considered an exception to the public records law and may have specific penalties for inappropriate disclosure. By way of example, such information may include but is not limited to certain personnel information, non-public information from criminal investigations and business trade secrets. Officials must not reveal any confidential or privileged information about the City, its constituents, its employees, or its contractors. Officials must be particularly careful to protect against the inadvertent disclosure of confidential or privileged information.
3. Officials should be honest and accurate when posting information or news, and should quickly correct any mistakes, misstatements and/or factual errors in content upon discovery. Officials should not post or share information known to be false about the City, its employees, constituents, other public officials, suppliers, vendors, or contractors.
4. Unless the official has been designated to serve as a spokesperson, officials should never represent themselves as a spokesperson for the City Council, a City board or committee, the City Administration, or any City department.
5. Officials are expressly prohibited from using personal or professional social media to engage in any activity or conduct that violates federal, state, or local law. Officials are also prohibited from using professional social media

accounts to circumvent election or campaign requirements, to campaign for re-election or endorse other candidates for public office.

6. Officials are prohibited from deleting posts and related comments regarding any City-related matters to avoid violating North Carolina Public Records Law, N.C. Gen. Stat. § 132-1 *et seq.*
7. Officials should be mindful that posting content regarding City-related matters could inadvertently result in the violation of the Open Meetings Law if enough other public officials engage on the post, resulting in a quorum. If this occurs, the online conversation should immediately cease with no further posts by the officials and the City Clerk should be notified accordingly.
8. Officials are prohibited from using social media to engage in any activity that constitutes a conflict of interest.

Additional Best Practices and Guidelines for Elected and Appointed Officials

The following best practices and guidelines are strongly recommended to ensure that the personal and professional use of social media by elected and appointed officials is done so in a responsible manner.

1. Public officials are strongly encouraged to separate personal social media accounts from professional social media accounts so that City-related matters and all public records generated from those posts are easily archived and not intermingled with personal posts not related to City matters.
 - a. If a professional social media account is created, then it becomes a Conduct Standard and the account must be archived. Officials are required to contact the City Clerk to connect the professional account to the archiving service contract.
2. Officials should exercise caution with respect to comments they post, particularly those concerning the City and the business of the City.
3. Officials are strongly encouraged to consider the potential impact of social media statements prior to posting. The City strives to be professional in its operations and processes. Posts that express favoritism and/or bias for or against any individual or group of individuals (e.g., based upon race, gender, national origin, sexual orientation, political affiliation, etc.), reflect poorly on the public official, as well as the City and its residents. Further, comments suggesting such treatment can expose the City to liability and legal costs.
4. Officials should be mindful that members of the public who may appear before the City Council as well as boards, commissions or committees come from all walks of life. Public comments, in any forum – including on personal and professional social media accounts – that contain racial slurs, profane language or acronyms for profane language, express bigotry toward a group based on race, religion, national origin, sexual orientation, gender, gender identity or any other legally protected classification may be considered conduct unbecoming.
5. Officials should consider whether liking, sharing, retweeting or commenting on any social media posts could be perceived as an endorsement of or about the City, its employees, constituents, other public officials, suppliers, vendors, or contractors.
6. Officials should refrain from using social media accounts to communicate with City employees about City-related matters as this creates a public record on employees' personal accounts that must be retained per North Carolina Public Records Law, N.C. Gen. Stat. § 132-1 *et seq.* If elected officials want the City's official pages to respond to a social media inquiry, the following responses are suggested:
 - a. Twitter: "Tagging @CityofDurhamNC on your inquiry so the Administration may respond to you directly."
 - b. Facebook: "Tagging @City of Durham, NC Government on your inquiry so the Administration may respond to you directly."
 - c. Instagram: "Tagging @cityofdurhamnc on your inquiry so the Administration may respond to you directly."

- d. Other platforms, such as Nextdoor: “Please contact the City of Durham directly so the Administration may respond to you. You may also submit your inquiry to Durham One Call at 919-560-1200, <http://durhamnc.gov/1439/Durham-One-Call>, or through the Durham One Call smartphone app available in the Apple and Google Play stores.”
7. Public officials should be cautious in using official City-provided photographs on personal social media sites. Elected and appointed officials choosing to use official City-provided photographs and identifying themselves as elected officials on personal social media sites should tailor communications on those sites accordingly.
8. Elected and appointed officials should be familiar with the North Carolina Department of Cultural Resources Division of Archives and Records Digital Records Policies and Guidelines (<http://archives.ncdcr.gov/For-Government/Digital-Records/Digital-Records-Policies-and-Guidelines>) and Local Government Retention Schedules (<http://archives.ncdcr.gov/For-Government/Retention-Schedules/Local-Schedules>).

Procedure for Requesting and Maintaining Social Media Accounts for Boards, Committees and Commissions

Boards/Committees/Commissions that use social media are responsible for complying with applicable federal, state, and local laws, regulations and policies. This includes adherence to laws and policies regarding copyright, use of photographs, public records retention, personnel privacy, First Amendment, HIPAA privacy, the Americans with Disabilities Act, and information security policies established by the City of Durham.

1. When creating a social media presence, the board/committee/commission should consider the following:
 - a. Why is this social media platform the appropriate outreach tool for the target audience?
 - b. Which appointed officials on the board will be responsible for developing the content and design of the platform?
 - c. Which appointed officials will be granted administrator access to the site and be responsible for the content management strategy and ongoing updates?
 - d. What will be the account's official name?
 - e. What type of information and images will be included on the site?
 - f. What is an estimate of the number of hours per week time will be dedicated to the site?
 - g. How will time be scheduled to maintain the site?
 - h. How will the site be monitored after hours, during weekends, over holidays, and during crisis events?
 - i. How often posts are anticipated?
 - j. How will a link back to the board/committee/commission official website at www.DurhamNC.gov be provided when appropriate?
2. Once the site is developed, all usernames and passwords associated with the new site must be provided to the City Clerk's Office as well as the City-assigned departmental staff liaison. If/when the username and password is changed, the new information must be provided to all parties listed above.
 - a. Facebook is the exception to this rule. Usernames and passwords will not be required for Facebook since administrators must use their personal accounts to manage pages. Rather than providing personal information, more than one appointed official on the board/committee/commission must be an administrator on the page.
3. The sites must allow others, such as members of the public, to post comments or other visitor-generated content directly to the site. However, user guidelines should clearly be posted on the site. Posted guidelines must include:
 - a. No comments will be allowed that use inappropriate or offensive language.
 - b. No comments will be allowed that discriminate or are derogatory based on race, color, national origin, religion, gender, age, disability, sexual orientation, or veteran's status.
 - c. Any user who harasses another user, or who is in violation of the comment guidelines will be removed from the site.

- d. Any profile that appears to violate any terms of the hosting site will be reported to site administrators.
 - e. Any comments that appear to be spam or advertising solicitations not germane to the original post will be removed from the site.
 - f. City of Durham social media sites are subject to applicable North Carolina Public Records Law and can be disclosed to third parties.
4. Boards/Committees/Commissions should have a process for removing and re-assigning social media management duties when an appointed official ceases their service. Administrator privileges should be revoked on the official's last day of service and immediately re-assigned to a new administrator.
5. Visitors to board/committee/commission sites cannot be permanently banned or blocked. If visitor-generated content is in violation of the posted guidelines, each comment or post should be reviewed and hidden. Inappropriate comments that are also in violation of the social media site's Terms of Service (TOS) should also be reported directly to the social media platform. Appointed officials administering social media platforms should be aware of the Terms of Service (TOS) of each social media site. Each has its own unique TOS that regulates how users interact using that particular form of media.
6. If a board/committee/commission social media account has unauthorized activity, i.e. is hacked, the authorized administrators should:
- a. Immediately notify the City Clerk.
 - b. Immediately try to regain access to the account.
 - c. Once access to the account is obtained, change the password.
 - d. Delete messages posted by hackers.
 - e. Let followers know that the account was hacked and what is being done to fix the issue.
 - f. Review third-party apps. These could be used by hackers to gain access to accounts.
7. Communication on social media platforms is considered a public record. Posts by the account administrators and any feedback by members of the public will become part of the public record per North Carolina Public Records Law, N.C. Gen. Stat. § 132-1 *et seq.* Always provide links to the board/committee/commission official website for more information, forms, documents, or online services necessary to conduct business with the Board. It is strongly recommended that new or unique information or updates be contained on both the board/committee/commission official website and the social media site. All social media sites are required to be linked to City Clerk's archiving service for public records retention and must also comply with applicable portions of the records retention schedule at <http://archives.ncdcr.gov/For-Government/Retention-Schedules/Local-Schedules>.

CITY OF SALIDA

Social Media Policy

1. INTRODUCTION AND PURPOSE

Social media is a public forum subject to First Amendment protections and can be subject to both the Colorado Open Meetings Law, C.R.S. § 24-6- 401, et seq. (the "OML"), and the Colorado Open Records Act, C.R.S. § 24-6-200.1, et seq. (the "CORA") when it is being used by a public official in their official capacity. To address the fast-changing landscape of the Internet and the way citizens communicate and obtain information online, employees and all individuals sitting on City boards, commissions, and committees may consider using social media tools to reach a broader audience. The City encourages the use of social media to further the goals of the City and these boards, commissions, and committees where appropriate, but adopts this Policy to establish guidelines for the use of social media.

2. SCOPE

This policy applies to all employees of the City, and all individuals, whether elected or appointed, on City boards, commissions and committees.

3. DEFINITIONS

- a. "Board" means a City board, commission, or committee, including without limitation the City Council, the Planning Commission, the Board of Adjustment and the Historic Preservation Committee.
- b. "Comments" means any digital content, information, link, image, video, or any other form of communicative content posted in reply or response on a social media account operated by the City.
- c. "Member" means an individual that sits on City Council.
- d. "Official Member Account" means a City-provided email address Social Media Account that a Member uses for communicating with the public about City-related activities, duties, or goals, and is operated by the Member under the name of the individual Member.
- e. "Official City Account" means a City-provided email address or Social Media Account that is used by the City for communicating with the public in relation to City-related activities, duties, or goals, and is operated professionally by a City staff or consultant under the name of the City, a City department, a City event, or a City Board.

- f. "Personal Account" means a Social Media Account that is used solely for communication by a Member of a private and personal nature.
- g. "Post" means the action by the City to provide content, including text, pictures, videos, or any other type of media, on a social media account.
- h. "Social Media Account" means a website or service that focuses on creating and fostering online social communities and connecting users from varying locations and interest areas, including without limitation social networks (Facebook, LinkedIn and Nextdoor), instant messaging (SMS), blogs, wikis and online collaboration (SoundCloud), microblogging (Twitter), status updates, online forums and discussion boards, chats, or groups (Google Groups, Reddit, Yahoo and Whirlpool), website link sharing, video conferencing, virtual worlds, location-based services, VOD and podcasting, geo-spatial tagging (Foursquare and Facebook CheckIn), and photo and video sharing (Flickr, Instagram, Snapchat and YouTube).

4. OFFICIAL CITY ACCOUNTS

- a. Only the City Administrator or the PIO can create and manage Official City Accounts. Current login information to all Official City Accounts shall be maintained by the PIO. Any department or employee wishing to create, modify, or remove a Social Media Account must submit a request to the PIO via email and the PIO will make a recommendation to the City Administrator for the final decision.
- b. After the establishment of an Official City Account, the City Administrator may designate the City Clerk, a department head, the PIO or a City consultant to operate the Official City Account.
- c. Official City Accounts shall be consistently branded to communicate a clear association with the City. Branding should include without limitation the inclusion of the City logo. Where possible, all Official City Accounts should provide a link to the City's official website.
- d. Official City Accounts may not be used by employees to express personal views or concerns. Official City Accounts should be used responsibly to engage citizens, learn about citizen needs and concerns, contribute to relevant conversations, and promote City programs, events, and services. Employees posting to or interacting with Official City Accounts from an Official City Account must remain neutral and may not engage in argumentative or controversial behavior.
- e. Once a new employee is designated to operate an Official City Account, they will need to attend at least 1 hour of training on City rules and regulations for Social Media from the PIO. When an employee is offboarded from that role or job, they must be removed from the pertinent Official City Accounts. Department heads should notify the PIO and update the offboarding document prior to the employee's departure (within 72 hours).

5. ACCOUNT INFORMATION

The City of Salida currently maintains the following social media accounts:

- City Facebook (<https://www.facebook.com/CityofSalida/>)
- City Twitter (X) (@CityofSalida)
- City of Salida Parks and Rec Facebook (<https://www.facebook.com/SalidaParksAndRec>)
- City of Salida Parks and Rec Instagram (@salidaparksandrec)
- City of Salida Parks and Rec Twitter (X) (@salidapoolandrec)
- City of Salida Police Department Facebook (<https://www.facebook.com/SalidaPoliceDepartment>)
- City of Salida Police Instagram (@salidapolice)
- City of Salida Police Instagram K9 (@salida_K9_sarge)
- City of Salida Police Facebook K9 (<https://www.facebook.com/CanineSarge>)
- City of Salida Police Twitter (X) (@salidapd)
- City of Salida Fire Department (<https://www.facebook.com/SalidaFire>)
- City of Salida Arts and Culture Twitter (X) (@TheSteamPlant)
- City of Salida Arts & Culture Facebook (<https://www.facebook.com/salidasteamplant>)
- City of Salida Creative District Facebook (<https://www.facebook.com/salidacreatives>)
- City of Salida Arts and Culture Instagram (@salidasteamplant)
- City of Salida Creative District Instagram (@salidacreativedistrict)
- City of Salida Youtube (@cityofsalidacolorado)

The City of Salida currently maintains the following newsletters:

- Salida Standard
- Salida Parks and Rec – Constant Contact
- Salida Steamplant – MailChimp
- Salida Creative Arts District- MailChimp

The City of Salida currently maintains the following websites:

- www.cityofsalida.com

- www.solidasteamplant.com
- www.solidacreates.com
- www.steamplantwedding.com

6. OFFICIAL MEMBER ACCOUNTS

- Members may establish Official Member Accounts using the Member's City-provided email address. Official Member Accounts should include language that indicates the title of the Member, such as "Council Member" and should include a link to the City's website.
- Members shall provide account login information for their Official Member Accounts to the PIO. Official Member Accounts shall be always accessible by the PIO.
- A Member should not represent themselves on an Official Member Account as a spokesperson for the City or for their respective Board unless the Member has been designated by their respective Board to serve as a spokesperson.
- In creating content for or on an Official Member Account, Members are encouraged to be judicious and respectful.
- Members should use necessary care to maintain the security and integrity of Official Member Accounts to prevent the unauthorized access or posting of content. Account passwords should be changed regularly and immediately after the password has been, or is suspected of being, compromised. Passwords should not be shared with anyone other than the PIO.
- Failure to comply with this Policy may expose both the Member and the City to risks associated with First Amendment violations, Fair Campaign Practices Act violations, and Open Meetings Law violations.

7. PERSONAL ACCOUNTS

- Personal Accounts should be distinct and maintained separately from Official Member Accounts and Official City Accounts and should not be used in an official capacity or to discuss City business. A Personal Account that violates this Section is at risk of being deemed an Official City Account or Official Member Account, subject to CORA requirements, regardless of when such Personal Account was established and for what purpose.
- Members and employees retain their rights as private citizens to comment in their personal capacity from Personal Accounts. However, if a Member or employee discusses City business on a Personal Account, that Personal Account may be deemed an Official Account. Posts on Personal Accounts that include discriminatory remarks, harassment, threats of violence or similar inappropriate or unlawful conduct, and are intended to bully, disparage, or harm the reputation of the City may subject the Member or employee to disciplinary action under this Policy.

c. The name, title, tag, or link of a Personal Account should not include language that would indicate that the employee or Member is acting in any official capacity when posting on that account. Personal Accounts shall not be created using a City- provided email address.

d. Exceptions to the above may be made when posting on LinkedIn or other professional social media accounts when talking about City projects, City hiring campaigns etc.

8. CONFIDENTIALITY

No Member or employee may disclose on any Social Media Account confidential or proprietary information acquired by way of their official position or employment position with the City, or otherwise reveal any privileged information about the City, its constituents, its employees, or its contractors. This restriction applies whether the information is disclosed on an Official City Account, an Official Member Account or a Personal Account.

9. PHOTOGRAPHS USED ON SOCIAL MEDIA ACCOUNTS

Obtain permission from the child and their parents/guardian for all photographs posted on City social media accounts. If parents/guardians have not given permission, do not post pictures or videos of their children online. Photographs of children's hands, back of heads or other non-identifying photos do not need parents/guardian permission but it is always best practice to ask.

10. MONITORING SPEECH AND ACCESS TO OFFICIAL ACCOUNTS

a. Access to all Official Member Accounts and Official City Accounts must be set to "public." Because Official City Accounts and Official Member Accounts are public for First Amendment purposes, no member of the public may be banned from accessing any Official Account.

b. Comments for a post may be turned on or off. If comments are turned on, no member of the public may be prohibited from submitting a comment. However, comments may be removed based on the following criteria if carried out in a viewpoint-neutral manner:

- i. Comments that are obscene, sexual in nature, or pornographic;
 - ii. Comments that are defamatory or constitute harassment;
 - iii. Comments that promote illegal activity; or
 - iv. Comments that violate the intellectual property rights of the City or others.
- c. Removed comments must be retained as City records according to the standards for preservation of records under the CORA and the City's adopted retention schedule.

d. If comments for a post are turned off (to use the Social Media Account as a one-way communication tool), comments may only be turned off for the entire public and may not be turned off for specific individuals, including individuals whose comments are repeatedly subject to removal.

11. PROHIBITION ON CAMPAIGNING

a. Colorado's Fair Campaign Practices Act prohibits City resources from being used for certain political purposes. As such, neither Members nor City employees may use Official City Accounts or Official Member Accounts as a tool for reelection or for any other election or campaign purpose.

b. Members or employees who wish to use Social Media Accounts for campaigning must establish separate Personal Accounts for that purpose and may not access those Personal Accounts through City technology, including City computers and City-issued tablets, or using a City-provided email address.

c. This Section does not prohibit the City from using Official City Accounts for the distribution of lawful and neutral election information, including without limitation ballot information and polling place information.

12. UNLAWFUL MEETINGS

Of particular concern for the use of Social Media Accounts is the risk of violating the Open Meetings Law (OML). Under the OML, all public business must be conducted in public, and a meeting of more than two Members must be noticed and open to the public, even if such meeting is electronic. The dynamic nature of Social Media Accounts and the sheer volume of posts may make it difficult to track who is involved in the discussion and detect when the line has been crossed. As such, Members should not communicate in their official capacity with other Members on any Social Media Accounts, including commenting or messaging, whether such communication is public or private. While informal communication with constituents is generally acceptable, lengthy discussion of public business in such a manner is risky, especially if it involves other Members.

13. PRESERVATION OF PUBLIC RECORDS

a. Content published on Social Media Accounts that relates to the conduct of government actions must be retained and managed by the City in compliance with the CORA. Members and employees must treat each comment, post, photo, and list of individuals connected to an Official Member Account or Official City Account as a public record.

b. Content on an Official City Account or Official Member Account may only be deleted by the City Clerk, and content shall not be deleted from an Official Account until a screen capture has been taken of the offensive content and preserved by the City

Clerk according to the records retention schedule. Content on Personal Accounts that relates to City business must be treated in the same manner.

14. LEGAL RISKS

Most Social Media Accounts require users to agree to terms of service that include such provisions as indemnity and defense clauses and applicable law and venue clauses. When a public agency creates a Social Media Account, it typically must agree not to sue the site or allow the site to be included in suits against the agency and requires the account owner to pay the site's legal costs arising from such suits. Most terms of service also assert that a certain state law applies to all legal actions (usually California). Because of these provisions, any employee or Member violating the terms of service while using an Official City Account or Official Member Account exposes the City to significant legal risks. The provisions of this Policy are intended to protect the City and Members from such risks as much as possible.

15. ENFORCEMENT

- a. Failure to follow this policy exposes the City to significant legal risks. Therefore, a Member's failure to follow this Policy may result in disciplinary action, including public censure or removal from the Board, as appropriate and permitted by law.
- b. Failure by an employee to follow this Policy may subject an employee to disciplinary action, up to and including termination.

16. DISTRIBUTION

This Policy shall be distributed to all current Members and employees and any future Members and employees upon accepting such position.

17. RESPONSIBILITIES

This policy is approved by City Administrator and exceptions to the policy can be granted by the City Administrator.

Existing policies already in place prior to the adoption of this policy should be reviewed and modified according to the guidelines in this policy if it would enhance efficiency of the existing policy.

Any formal future policy written for the City shall follow the guidelines outlined in this policy.

18. MONITORING AND REVIEW

This policy shall take effect upon approval and shall be communicated to all Department Heads for immediate compliance. For any inquiries or clarifications regarding this policy, contact the City Administrator.

Approved and adopted by:

_____	_____
City Administrator	Date Approved

This policy shall be subject to review on _____ or more frequently if necessary, by _____.