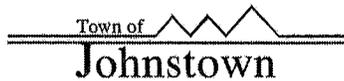


TOWN COUNCIL

MEETING

PACKET

May 4, 2015



Agenda
Monday, May 4, 2015
Town Hall, Council Chambers
450 So. Parish Avenue
7:00 PM



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

Members of the audience are invited to speak at the Council meeting. Public Comment (item No. 5) is reserved for citizen comments on items not contained on the printed agenda. Citizen comments are limited to three (3) minutes per speaker. When several people wish to speak on the same position on a given item, they are requested to select a spokesperson to state that position. If you wish to speak at the Town Council meeting, please fill out a sign-up sheet and present it to the Town Clerk.

- 1) **CALL TO ORDER**
 - A) Pledge of Allegiance
- 2) **ROLL CALL**
- 3) **AGENDA APPROVAL**
- 4) **RECOGNITIONS AND PROCLAMATIONS**
- 5) **PUBLIC COMMENT (three-minute limit per speaker)**

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

- 6) **CONSENT AGENDA**
 - A) Town Council Meeting Minutes – April 20, 2015
 - B) Resolution No. 2015-04, Approving the Final Plat for Thompson River Ranch Filing No. 5, Being a Subdivision Located in the South One-Half of the Northeast One-Quarter of Section 23, Township 5 North, Range 68 West of the 6th Principal Meridian, Weld County, State of Colorado
 - C) Resolution No. 2015-05, Approving a Use by Special Review for Drilling of Oil and Gas Wells and Construction of a Tank Battery/Production Facility on Property Known as the Pratt Technology Park PUD for Synergy Resources Corporation on a Parcel of Land Located in Section 2, Township 4 North, Range 68 West of the 6th Principal Meridian, Weld County, State of Colorado
 - 7) **STAFF REPORTS**
 - 8) **OLD BUSINESS**
 - 9) **NEW BUSINESS**
 - A) Consider Professional Services Agreement with Resource Recovery Group Inc.
 - 10) **COUNCIL REPORTS AND COMMENTS**
 - 11) **MAYOR'S COMMENTS**
 - 12) **ADJOURN**
-

WORKSESSION

- 1) Discussion of Wholesale Municipal Water Sale Agreement – Central Weld County Water District



NOTICE OF ACCOMODATION

If you need special assistance to participate in the meeting, please contact the Town Clerk at (970) 587-4664. Notification at least 72 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to the meeting.

AGENDA ITEM 6A-C

CONSENT

AGENDA

- **Council Minutes – April 20, 2015**
 - **Resolution No. 2015-04**
(Thompson River Ranch Filing No. 5)
(Final Plat)
 - **Resolution No. 2015-05**
(Use By Special Review)
(Oil/Gas Exploration)
(Pratt Technology Park PUD)

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: May 4, 2015

ITEM NUMBER: 6A-B

SUBJECT: Consent Agenda

ACTION PROPOSED: Approve Consent Agenda

PRESENTED BY: Town Clerk

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

- A) Town Council Minutes-April 20, 2015
- B) *Resolution No. 2015-04, Approving the Final Plat for Thompson River Ranch Filing No. 5, Being a Subdivision Located in the South One-Half of the Northeast One-Quarter of Section 23, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado
- C) Resolution No. 2015-05, Approving a Use by Special Review for Drilling of Oil and Gas Wells and Construction of a Tank Battery/Production Facility on Property Known as the Pratt Technology Park PUD for Synergy Resources Corporation on a Parcel of Land Located in Section 2, Township 4 North, Range 68 West of the 6th Principal Meridian, Weld County, State of Colorado

*The attached Resolution merely memorializes the action of the Town Council which approved the Final Plat for Thompson River Ranch, Filing No. 5 on March 16, 2015.

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

FINANCIAL ADVICE: N/A

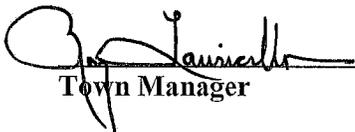
RECOMMENDED ACTION: Approve Consent Agenda

SUGGESTED MOTION:

For Approval: I move to approve the Consent Agenda.

For Denial:

Reviewed:


Town Manager

**COUNCIL
MINUTES**

The Town Council of the Town of Johnstown met on Monday, April 20, 2015 at 7:00 p.m. in the Council Chambers at 450 S. Parish Avenue, Johnstown.

Mayor Romanowski led the Pledge of Allegiance.

Roll Call:

Those present were: Councilmembers Berg, James, Lebsack, Mellon, Molinar Jr. and Townsend

Also present: Avi Rocklin, Town Attorney, Roy Lauricello, Town Manager. John Franklin, Town Planner, Tom Hellen, Public Works Director, Brian Phillips, Police Chief and Diana Seele, Town Clerk

Agenda Approval

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

Consent Agenda

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

- April 6, 2015 - Town Council Meeting Minutes
- Payment of Bills
- March Financial Statements
- Vacation of Easement – Thompson Ranch Development Co.

Motion carried with a unanimous vote.

New Business

A. Consider Professional Services Agreement with BBC Research and Consulting for Updating the Town's Impact Fees and Design of a Potential Street Maintenance Fee - Councilmember James made a motion seconded by Councilmember Townsend to approve the professional services agreement with BBC Research & Consulting for updating the town's impact fees and design of a potential street maintenance fee in a total amount not to exceed \$49,500, and authorize the Mayor to sign the agreement. Motion carried with a unanimous vote.

B. Public Hearing – Use by Special Review for Oil and Gas Exploration on Pratt Technology Park PUD by Synergy Resources Corporation – This is a request by Synergy Resources Corporation to develop 10 horizontal wells and construct a new tank battery/production facility.

Mayor Romanowski opened the public hearing at 7:41 p.m. With no objections made the Mayor closed the public hearing at 8:41 p.m.

Councilmember Mellon made a motion seconded by Councilmember Berg to approve the Use by Special Review, for oil and gas exploration on the Pratt Technology Park PUD by Synergy Resources Corporation, with conditions as recommended by the Planning and Zoning Commission and an additional 2 more conditions set by the Council: 1. Synergy Resources (Operator) agrees to comply with Town and State regulations, including obtaining a building permit and payment of applicable use tax for permanent improvements; 2. The Operator has proposed using an existing access road from the I-25 East Frontage Road. Traffic levels associated with the operations are not anticipated to be a concern. CDOT is responsible for maintenance of the frontage road. The Operator shall ensure that the existing paved road surface is periodically cleaned of operation-related mud and debris, or as directed by CDOT and the Town; 3. The Operator shall shield, and/or direct all lighting sources away from residential, especially to the east; 4. Due to proximity to residential development, the Operator shall provide noise mitigation prior to drilling which shall include special mufflers, on-rig screening and noise barriers as approved by the Town; 5. Given the high degree of visibility of the proposed wells and production facility/tank batter area from public roads, the Operator shall provide for effective permanent visual screening of the facilities, subject to Town approval; 6. The Operator shall call for utility locates prior to subgrade work; 7. Operator shall screen the north side of the property and staff shall approve the overall landscape plan; 8. Staff shall approve the haul routes (truck routes). Motion carried with a unanimous vote.

C. Recognition of Outgoing Council Member - Mayor Romanowski acknowledged Councilmember Aaron Townsend and his 12 years as a member of the council.

There being no further business to come before Council the meeting adjourned at 8:48 p.m.

Mayor

Town Clerk/Treasurer

RESOLUTION

No. 2015-04

TOWN OF JOHNSTOWN, COLORADO

RESOLUTION NO. 2015-04

**APPROVING THE FINAL PLAT FOR THOMPSON RIVER RANCH FILING NO. 5,
BEING A SUBDIVISION LOCATED IN THE SOUTH ONE-HALF OF THE
NORTHEAST ONE-QUARTER OF SECTION 23, TOWNSHIP 5 NORTH, RANGE 68
WEST OF THE 6TH P.M., COUNTY OF LARIMER, STATE OF COLORADO.**

WHEREAS, an application has been made to the Town of Johnstown for approval of a Final Plat for Thompson River Ranch Filing No. 5, a subdivision of certain lands located in the South one-half of the Northeast one-quarter of Section 23, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado; and

WHEREAS, on January 28, 2015, the Planning and Zoning Commission held a hearing and reviewed the request and recommended that the Town Council approve the Final Plat for Thompson River Ranch Filing No. 5 with certain conditions, which conditions have been satisfied; and

WHEREAS, on March 16, 2015, the Town Council held a hearing concerning approval of the Final Plat and after considering the Planning Commission recommendations, reviewing the file, and conducting such hearing, finds as follows with regard to the Final Plat:

1. The data requirements, design standards and required improvements meet the requirements of the Johnstown Municipal Code Subdivision Regulations.
2. The Final Plat, as submitted, conforms substantially with the Preliminary Plat as approved.

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

Section 1. Final Plat Approval: The Final Plat for Thompson River Ranch Filing No. 5 located in the South one-half of the Northeast one-quarter of Section 23, Township 5 North, Range 68 West of the 6th P.M., County of Larimer, State of Colorado, is hereby approved.

Section 2. Recording: The Town Clerk is hereby directed to obtain the appropriate signatures for the Final Plat and to have it properly recorded at the Office of the Weld County Clerk and Recorder.

PASSED, SIGNED, APPROVED, AND ADOPTED THIS 4th DAY OF May, 2015.

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

RESOLUTION

No. 2015-05

TOWN OF JOHNSTOWN, COLORADO

RESOLUTION NO. 2015-05

APPROVING A USE BY SPECIAL REVIEW FOR DRILLING OF OIL AND GAS WELLS AND CONSTRUCTION OF A TANK BATTERY/PRODUCTION FACILITY ON PROPERTY KNOWN AS THE PRATT TECHNOLOGY PARK PUD FOR SYNERGY RESOURCES CORPORATION ON A PARCEL OF LAND LOCATED IN SECTION 2, TOWNSHIP 4 NORTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, WELD COUNTY, STATE OF COLORADO

WHEREAS, Synergy Resources Corporation submitted an application for a Use by Special Review to drill and operate oil and gas wells and construct a new tank battery/production facility on property known as the Pratt Technology Park PUD, more particularly described as Section 2, Township 4 North, Range 68 West of the 6th Principal Meridian, Weld County, State of Colorado; and

WHEREAS, on January 14, 2015, the Planning and Zoning Commission held a public hearing and voted unanimously to recommend approval of the Use by Special Review with conditions; and

WHEREAS, on April 20, 2015, the Town Council held a public hearing concerning Synergy Resources Corporation's application for a Use by Special Review; and

WHEREAS, after considering the Planning and Zoning Commission's recommendations, reviewing the file, and conducting such public hearing, the Town Council finds as follows with respect to the said application:

1. The special use will be consistent with the Town of Johnstown's ("Town") current Comprehensive Plan.
2. The special use, with the recommended conditions, will be compatible with existing conforming, surrounding and probable future land uses.
3. The special use will not cause an unreasonable demand on the Town's services.
4. The special use, with the recommended conditions, will not unreasonably or adversely affect traffic flow and parking in the surrounding area.
5. Approval of the special use based upon compliance with the conditions will not adversely affect the general public welfare.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, that Synergy Resources Corporation's ("Operator") application for a Use by Special Review to drill and operate oil and gas wells and construct a tank battery/production facility on property known as the Pratt Technology Park PUD, more

particularly described as Section 2, Township 4 North, Range 68 West of the 6th Principal Meridian, Weld County, State of Colorado (the "Site"), is hereby approved subject to the following conditions:

1. The Operator shall comply with Town and State regulations, including, but not limited to, obtaining a building permit and payment of applicable use tax for permanent improvements.
2. The Operator agrees that vehicles and heavy equipment shall only use the I-25 East Frontage Road from the northern direction for access to and from the Site. The Operator shall implement traffic routes and traffic patterns to effectuate the foregoing, by appropriate signage and otherwise, which shall be subject to approval by the Town.
3. The Operator shall ensure that the existing paved road surface is periodically cleaned of operation-related mud and debris, and shall promptly comply with requests by the Town or CDOT to clean the paved roadway.
4. The Operator shall shield and/or direct all lighting sources away from residential development, especially to the east.
5. Due to the proximity of the Site to residential development, the Operator shall provide noise mitigation prior to drilling, which shall include special mufflers, on-rig screening and noise barriers as approved by the Town.
6. Given the high degree of visibility of the Site and of the proposed wells and production facility/tank batteries from the public road, the Operator shall provide for permanent visual screening of the facilities. The permanent visual screening shall include a berm(s) on the east and south side of the Site along with trees and landscaping, in the manner and form approved by the Town. The Operator shall also install permanent visual screening on the north side of the Site in the manner and form approved by the Town.
7. The Operator shall call for utility locates prior to subgrade work.

PASSED, SIGNED, APPROVED, AND ADOPTED this 4th day of May, 2015.

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

AGENDA ITEM 9A

**PROFESSIONAL
SERVICES
AGREEMENT
(Auditing Services)
(Revenue Recovery Group, Inc.)**

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: May 4, 2015

ITEM NUMBER: 9A

SUBJECT: Consider Professional Services Agreement with Revenue Recovery Group, Inc.

ACTION PROPOSED: Approve Agreement with Revenue Recovery Group, Inc.

PRESENTED BY: Town Attorney and Town Clerk

AGENDA ITEM DESCRIPTION: Revenue Recovery Group, Inc. ("RRG") provides audit services to state and local government clients. The proposed agreement between the Town and RRG would permit the Town to engage RRG on an as-needed basis to perform specified audits. While RRG would be available for other types of audits, Town staff currently anticipates utilizing RRG to perform primarily construction use tax audits.

As structured, the agreement is a perpetual agreement unless terminated by either party with thirty days written notice and is subject to annual appropriation. If an audit is desired with respect to a particular project, the Town would request RRG to commence an initial discovery phase. The initial discovery phase would be limited to a maximum of five hours at the rate of \$85.00 per hour. If additional time is needed for the discovery phase, RRG would seek Town authorization. At the conclusion of the discovery phase, RRG would provide the Town with a report containing taxpayer errors, if any, and an estimate of taxes due. At that time, the Town would have the option to seek a full audit of the taxpayer's records. A full audit would be at the rate of \$185.00 per hour.

A cover letter from RRG as well as information regarding the company's qualifications is attached.

LEGAL ADVICE: The Town Attorney has reviewed the proposed agreement.

FINANCIAL ADVICE: N/A

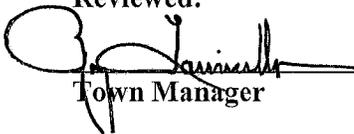
RECOMMENDED ACTION: Approve the Agreement with Revenue Recovery Group, Inc.

SUGGESTED MOTIONS:

For Approval: I move to approve the Professional Services Agreement with Revenue Recovery Group, Inc. and authorize the Mayor to sign it.

For Denial: I move to deny approval of the Professional Services Agreement with Revenue Recovery Group, Inc.

Reviewed:


Town Manager

AGREEMENT

AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20____, by and between the Town of Johnstown, Colorado, a municipal corporation, located at 450 S. Parish, Johnstown, Colorado 80534 (herein referred to as "TOWN"), and Revenue Recovery Group, Inc., a Louisiana corporation domiciled and with its principal place of business located at 12012 Bricksome Ave. Baton Rouge, Louisiana 70816 (herein referred to as "RRG").

I. RECITALS AND PURPOSE.

- A. The Town imposes and collects use taxes and other taxes and fees.
- B. RRG is authorized to do business in the State of Colorado and possesses the requisite skill, expertise, and experience with respect to state and municipal revenues to perform the services hereunder.
- C. The Town desires to retain the services of RRG to provide auditing services.

II. TERM OF AGREEMENT.

This Agreement shall become effective upon execution and shall continue until terminated by either party by giving thirty (30) days written notice to the other party. Pursuant to Section 29-1-110, C.R.S., as amended, financial obligations of the Town payable as set forth herein, after the current fiscal year, are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. This Agreement shall be terminated effective January 1 of the first fiscal year for which funds are not appropriated.

III. SERVICES.

The Town may engage RRG to perform any one or more of the following services through this Agreement:

A. Auditing Services – may include, but are not limited to, auditing for the following revenues (Reference Exhibit A):

1. Construction use tax
2. Public Improvement Fee (PIF)
3. Motor vehicle use tax
4. Occupational privilege taxes
5. Accommodations or lodging taxes
6. Admission tax and/or Seat Tax
7. Franchise fees
8. Alcohol / Tobacco

In performing such audit, RRG shall employ and utilize generally accepted auditing standards and be and remain familiar with all applicable laws, rules and regulations, including but not limited to C.R.S. § 29-2-109 and Johnstown Municipal Code Chapter 4, Article V, during the term of this Agreement.

IV. FEES AND EXPENSES.

A. In consideration of the services rendered hereunder, the Town shall compensate RRG at the rates shown on Exhibit A, which is attached hereto and incorporated herein by reference, based upon the work authorized and performed.

B. The Town shall pay invoices within the time specified in Exhibit A. Payments made after the time specified in the exhibits may be assessed an interest charge of one percent (1%) per month.

C. RRG shall maintain and retain all audit files for at least three (3) years following the date on which services are rendered. The Town shall have full access to all information related to audits and contained in said files during this period.

V. CONFLICTS OF INTEREST.

A. RRG shall not represent or assist any taxpayer in any matter involving the taxes of the Town that are the subject of this Agreement without first disclosing such representation or assistance to the Town and obtaining the Town's approval in writing. Further, RRG shall not perform similar services for persons, firms, or entities which have the potential to create a conflict of interest unless this is disclosed to and approved by the Town in writing.

B. During the term of this Agreement and for a period of twenty four (24) months following the termination of this Agreement, Town agrees not to offer, hire, or in fact employ any of RRG's employees or consultants, including previous employees or consultants, if any such employees or consultants were utilized by RRG in providing auditing services under this Agreement.

VI. CONFIDENTIALITY.

A. RRG acknowledges the applicable requirements of law, including but not limited to C.R.S. §29-2-106(4)(c), C.R.S. §39-21-113(4), and any ordinances of the Town, concerning the confidentiality of tax records and agrees that, except in accordance with judicial order or as otherwise provided by law, that RRG and its employees and consultants shall maintain confidentiality and not divulge any information gained from any audit conducted pursuant to this Agreement or disclosed in any document, report, or return filed in connection with the taxes to which this Agreement applies.

VII. STATUS OF RRG.

A. RRG and any persons employed by RRG for the performance of work hereunder shall be independent contractors and not employees of the Town. Nothing herein shall be construed as establishing a quality standard for any individual, or as establishing any right on the part of the Town to oversee the actual work of RRG or to instruct any individual as to how the work will be performed.

B. It is further understood and agreed that RRG shall have the right to employ such assistance, including the assistance of its employees and consultants, as may be required for the performance of work under this Agreement.

C. THE PARTIES HERETO UNDERSTAND THAT RRG AND RRG'S EMPLOYEES AND CONSULTANTS ARE NOT ENTITLED TO WORKERS' COMPENSATION BENEFITS UNDER ANY WORKERS' COMPENSATION INSURANCE POLICY OF THE TOWN, AND THAT RRG IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX AND OTHER APPLICABLE TAXES AND OTHER AMOUNTS DUE ON ANY MONIES PURSUANT TO THIS AGREEMENT.

D. RRG shall provide and keep in force throughout the term of this Agreement Workers' Compensation Insurance for all employees and personnel employed in connection with the performance of this Agreement. Limits shall not be less than the amount specified by statute.

VIII. GENERAL.

A. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if hand-delivered or sent by certified or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given at the address set forth on the first page and paragraph of this Agreement. Such notice shall be deemed to have been given when delivered or deposited in the United States mail.

B. The captions of the paragraphs are set forth only for convenience and reference of the parties and are not intended in any way to define, limit, or describe the scope or intent of the Agreement.

C. A waiver by any party to this Agreement of a breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

D. Colorado law shall apply to the construction and enforcement of this Agreement, and venue for any claim, proceeding or action arising out of this Agreement shall be in Weld County, Colorado.

E. RRG shall not assign this Agreement or any portion of the audit services to be provided hereunder without the prior written consent of the Town.

F. This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings.

G. Only an instrument in writing signed by the parties may amend this Agreement. If any other provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect. All previous agreements, understandings, and arrangements between the parties are terminated by this Agreement.

H. If any law is passed, subsequent to this Agreement, which seeks to alter the terms, conditions, or obligations of the parties, which the parties have herein agreed upon, it is the parties' intent that the Agreement shall be considered "grandfathered" in and the new law shall not affect such existing terms, conditions, or obligations of the parties, unless the new law otherwise provides.

I. Should this Agreement become the subject of litigation between the Town and RRG, the prevailing party shall be entitled to recovery of all actual and reasonable costs in

connection therewith, including but not limited to attorney's fees and expert witness fees. All rights concerning remedies and/or attorney's fees shall survive any termination of this Agreement.

J. RRG shall hold harmless, indemnify and defend the Town, from any claim, lawsuit, or award of damages, to the extent such claims, lawsuit, or award of damages arises from the negligence or action or inaction of RRG, its officers, employees, consultants and agents.

K. Nothing herein shall be interpreted as a waiver of governmental immunity, to which the Town is entitled under the Colorado Governmental Immunity Act, §§ 24-10-101 et seq., 10 C.R.S.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

REVENUE RECOVERY GROUP, INC.

By: King Woolf
Its: President

Exhibit A - Audit Services

A. Responsibilities of RRG.

1. RRG shall render auditing services – and other related services with regard to the following taxes and/or fees:

- Construction use tax
- Public Improvement Fee (PIF)
- Motor vehicle use tax
- Occupational privilege tax / Head tax
- Accommodations or lodging tax
- Admissions taxes / Seat Tax
- Alcohol / Tobacco tax
- Franchise fees
- Other: To be determined by Town

2. The specific services to be provided by RRG hereunder shall be as follows:

- a. Assistance as requested by the Town in establishing criteria for the selection of taxpayers to be audited, selecting the taxpayers to be audited, and identifying acceptable methodologies for the audit;

- b. Identification of the specific taxes and/or fees to which the audit will apply;

- c. Audit planning, including the contacting of each taxpayer to be audited and scheduling of each audit;

- d. Identifying and obtaining the taxpayer records to be reviewed in conducting the audit;

- e. Conducting testing, searching for unrecorded transactions or disbursements, examining expense accounts, examining fixed assets, or otherwise performing such other audit procedures as determined necessary or appropriate by the Town and RRG;

- f. Preparing audit summaries and work papers, assessments, and such other documents as requested by the Town;

- g. Attendance, as requested by the Town, during conferences, negotiations, and hearings concerning the audit;

- h. If requested by the Town, assistance in negotiation of settlements or compromises, although it is understood that RRG shall have no authority to approve any such settlements or compromises on the Town's behalf;

- i. If requested by the Town, assistance in reviewing a taxpayer's request for a refund of taxes or fees paid to the Town, including verification of the accuracy of the refund request, adjustments to the proposed refund amount, audit of all open periods of the taxpayer, and determination and adjustment for any additional taxes or fees owed to the Town;

- j. Collection assistance, as requested by the Town; and
 - k. Related matters as agreed to by Town and RRG in writing.
3. RRG's auditing services shall be considered substantially complete upon conclusion of a requested audit of a taxpayer. Town acknowledges that RRG will incur substantial expense, and assume substantial risk, in connection with the rendition of its auditing services, due to the amount of time and effort in discovery, auditing, consulting, and research.
 4. RRG shall not initiate any audit or contact any taxpayer for the purpose of conducting an audit for Town unless Town has authorized such action in writing.
 5. Upon request by the Town, RRG shall provide to the Town a copy of all correspondence between RRG and any taxpayer selected for an audit, as well as all other records or papers pertinent to such audit.

B. Responsibilities of Town.

1. Town shall cooperate with RRG in completing its services, and shall provide such information as is in its possession and as is reasonably necessary for RRG's work under this Agreement.
 2. The Town shall notify RRG of administrative procedures required to be followed by RRG.
 3. The Town's designated representative, on whose instructions and directions RRG may rely for the purposes of this Agreement, is the following or such other person as the Town may designate in writing:
 1. Roy Lauricello, Town Manager
 4. The Town shall make its copying facilities available to RRG at no cost for making copies of work papers, reports and other similar documents generated by RRG in performing services hereunder.
 5. To the extent permitted by law and the applicable rules of ethics, the Town shall make its Town Attorney reasonably available to RRG for the purpose of inquiry concerning the application of the Town's ordinances and other laws applicable to the audit.
 6. The Town acknowledges that RRG shall not be expected to provide legal support, which may be needed to pursue an assessment, other than attendance at conferences, negotiations, and hearings concerning the assessment as requested by Town.
 7. If RRG has initiated services related to an audit of a taxpayer prior to the date of the Town's notice of termination of the Agreement, then, in such event, RRG shall be entitled to receive compensation until the date of termination.
-

Exhibit A - Audit Services (con't)

8. Town agrees to provide RRG with a letter of authorization for the purpose of presentation to taxpayers(s), sufficient to permit the access by RRG to the records and documentation of such taxpayer(s). Town agrees to expedite its authorization, and to perform all acts necessary to compel cooperation by the taxpayer(s), when necessary. Once authorized, Town agrees that RRG shall have full authority and power as permitted by law to contact taxpayers for the purpose of auditing all relevant records and documentation. Town agrees to allow access by RRG to the information and data available to Town through its reciprocity arrangements with other taxing jurisdictions for the purpose of determining the existence of delinquent taxes or untaxed transactions. This access by RRG shall be subject to any limitations imposed by written agreements with other taxing jurisdictions or law, which may restrict the information that may be shared by Town with RRG. Town acknowledges that RRG performs its service for a number of other taxing jurisdictions, and consents to RRG obtaining information from taxpayers in connection with simultaneous audits for more than one taxing jurisdiction.
9. Town agrees that information provided by RRG on the "audit request form" for the purpose of securing approval for audit of a specific taxpayer is proprietary, and Town further agrees that if Town has not contacted the taxpayer to initiate an audit prior to receipt of the RRG "audit request form," Town will not deny RRG approval and then use the information to pursue the taxpayer for the purpose of recovering delinquent revenues.

C. Fees and Expenses.

The per hour billing rates for the personnel of RRG shall be \$85.00 per hour for discovery hours and \$185.00 per hour for post-discovery.

All participating jurisdictions shall pay their prorated share of the audit expenses based on the audit hours allocated.

RRG shall submit to the Town an invoice, following completion of an audit. Invoice is payable 30 days from date of invoice.

D. Procedure for Audits

To obtain an audit, the Town shall provide a written request to RRG. RRG shall, in a reasonably timely manner, commence the discovery phase of the audit. The discovery phase of the audit shall be limited to a time period of up to and including five hours. At the conclusion of the five hour period, if additional discovery is warranted, RRG shall obtain written authorization from the Town to proceed. At the conclusion of the discovery phase, RRG shall provide the Town with a report of preliminary audit findings. The report shall provide the Town information relating to significant errors, and estimates of outstanding tax due and costs to complete a full-scope audit of the taxpayer's records. Upon written request from the Town, RRG shall thereafter prepare a full-scope audit of the taxpayer's records.

E. Employment of Illegal Aliens

RRG shall not:

1. Knowingly employ or contract with an illegal alien to perform work under this public contract for services; or
2. Enter into a contract with a subcontractor that fails to certify to the RRG that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this public contract for services.

RRG has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the e-verify program or the Department of Labor and Employment program.

RRG is prohibited from using either the e-verify program or the Department of Labor and Employment program procedures to undertake pre-employment screening of job applicants while the public contract for services is being performed.

If RRG obtains actual knowledge that a subcontractor performing work under the public contract for services knowingly employs or contracts with an illegal alien, the RRG shall be required to:

1. Notify the subcontractor and the contracting state agency or political subdivision within three days that the RRG has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
2. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to subparagraph 1 of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that the RRG shall not terminate the contract with the subcontractor if during such three days that subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

RRG shall comply with any reasonable request by the Department made in the course of an investigation that the Department of Labor and Employment is undertaking pursuant to the authority established in subsection (5) of Section 8-17.5-102 of the Colorado Revised Statutes.

IF RRG VIOLATES ANY OF THE AFOREMENTIONED REQUIREMENTS, THE TOWN MAY TERMINATE THE CONTRACT FOR BREACH OF CONTRACT. IF THIS CONTRACT IS SO TERMINATED, RRG SHALL BE LIABLE FOR ACTUAL AND CONSEQUENTIAL DAMAGES TO THE TOWN OF JOHNSTOWN.

LETTER
FROM
REVENUE RECOVERY GROUP
PRESIDENT
(Mr. King Woolf)



April 2, 2015

Re: Response to request for information concerning Revenue Recovery Group

Dear Ms. Seele,

Revenue Recovery Group, Inc. (RRG) is pleased to offer audit services for Johnstown.

Since being invited to Colorado by local governments sixteen years ago, RRG has demonstrated its commitment to excellence in providing a full range of audit services to its municipal partners. Since its founding in 1989 RRG has been solely focused on providing discovery and audit services to its state and local governmental clients. We have performed work on behalf of over thirty municipal clients in Colorado, several counties, RTD and the Colorado Department of Revenue.

Over the past sixteen years in Colorado, RRG has completed close to 4000 tax examinations on behalf of its clients. RRG has not lost one tax hearing, and not one of its examination findings has been litigated.

Return on investment for clients located near Johnstown is as follows; Loveland 13:1, Longmont 6:1, Greeley 7.4:1, and Windsor 4.5:1.

RRG has discovered and detailed tax liabilities in excess of \$70,000,000 for its Colorado municipal clients. The dedicated Colorado staff possesses extensive knowledge and experience relative to all municipal taxes, including PIF audit services. The company utilizes Generally Accepted Auditing Principles while providing services for our clients and continually solicits feedback from both clients and taxpayers to ensure that fair, accurate and quality audits are being conducted. RRG will adhere to all confidentiality statutes and ordinances protecting the confidential information of the taxpayer.

RRG Colorado has an audit staff of 15 dedicated Colorado auditors who can, at this time, interpret, understand, and make decisions based on the lease agreement covenants. Staff has demonstrated over many years extensive experience in establishing and maintaining effective working relationships with city staff, taxpayers and their representatives. Staff is experienced and effective in communicating effectively with municipal staff and taxpayers, reading and comprehending detailed documents, working well under pressure, and managing stressful situations and conflict with confidence and in a tactful manner. Moreover, staff understands the history, mechanisms, and complexities that influence political dynamics in a municipal audit environment and work closely with and under the supervision of municipal staff to manage and mitigate unintended consequences resulting from taxpayer interaction. RRG has a history of excellence in its management and staff. RRG is extremely familiar with local tax issues and methodologies. Most RRG staff are former employees of municipalities in Colorado. The Audit Manager, Sean Lykins, is physically located in Colorado and is readily available for on-site meetings. RRG has earned a solid reputation in Colorado among municipalities, CML, the Colorado Department of Revenue, and business and industry as a responsible, professional, and ethical firm.

Due to the substantial number of Colorado clients represented by RRG, the firm is positioned to deliver coordinated audits. Coordination provides for a large number of local taxing jurisdictions to participate simultaneously in a single audit of one taxpayer. Such audits concentrate on multi city and multi state vendors, including those who engage in electronic commerce. To date thousands of audits have been efficiently and successfully completed. Substantial economies of scale (lower costs) are passed on to municipal clients when they participate in coordinated audits with other Colorado cities. Greeley has benefited from this over the past years. Moreover, coordination provides for minimal interruption to the vendors workflow, as opposed to a "revolving door" audit presence by multiple local auditors.

*12012 Bricksome Avenue / Baton Rouge, LA 70816 / (225) 928-9175
Toll Free 800-927-9175 / Fax (225) 928-9176*

The RRG Users Group was created to facilitate information sharing, group audit selection, and accountability. The Users Group meetings occur three times per year and provide a forum for RRG and its municipal clients to meet as a group and discuss current issues and exchange information for optimal audit selection. This is an extremely productive peer group where the sum is much greater than its parts. Collaboration between municipality representatives and with the private sector brings into focus best practices. This is a one of a kind program that is available only under the RRG format. The meetings are well attended by RRG's clients, including Greeley.

Commercially reasonable steps are taken to secure and protect all confidential information. Since its founding in 1989 there has been no breach of confidential taxpayer information by RRG.

The RRG team is available to perform for Johnstown. Fees will be \$85 per hour for the discovery phase, \$185 per hour for the post-discovery phase, plus reasonable audit related expenses.

Respectfully,

King Woolf
President

**WORK
SESSION**

- **Discussion of Wholesale Municipal Water
Sale Agreement
(Central Weld County Water District)**

WHOLESALE MUNICIPAL WATER SALE AGREEMENT

This Wholesale Municipal Water Sale Agreement (the "Agreement") is made and entered into this ____ day of _____, 2015 between the TOWN OF JOHNSTOWN, COLORADO, a municipal corporation, hereinafter referred to as the "Town," and the CENTRAL WELD COUNTY WATER DISTRICT, a special district organized pursuant to Colorado law, hereinafter referred to as the "District." The District and the Town agree as follows:

1. BACKGROUND, PURPOSE AND AUTHORITY

1.01 Section 29-1-203, C.R.S. provides that District and Town may enter into agreements with one another to provide governmental services.

1.02 District owns, maintains and operates a system for the treatment of water and the storage, transportation and distribution of potable water within Larimer and Weld Counties in Colorado.

1.03 Town owns, maintains and operates a system for the storage and distribution of potable water to the inhabitants of the Town.

1.04 Town desires to purchase from the District, and the District desires to sell to the Town, potable water for use by the Town for an Emergency Condition or a Temporary Condition. Town desires to obtain other supplies of potable water so that the District is NOT the exclusive supplier of potable water to the Town.

1.05 By enacting Titles 31 and 32 and specifically §31-35-402 (1) (b) and §32-1-502 (2) (c) of the Colorado Revised Statutes and pursuant to Article XIV, Section 18 of the Colorado Constitution, the Legislature of the State of Colorado has: (a) determined that the State of Colorado has a valid interest in providing water for its citizens; (b) clearly articulated and affirmatively expressed the State of Colorado's policy to allow municipalities and special service districts to provide water by utilizing cooperative agreements and to eliminate competition in areas where each party is capable of providing service; (c) developed a structure to actively supervise municipalities and special service districts if the District and Town choose to utilize such agreements; and (d) specifically provided that there shall be no overlapping service territories for municipal corporations providing water service.

1.06 The Agreement supersedes any prior agreements between the parties for the provision of water.

2. PROVISION OF POTABLE WATER

2.01 District shall sell and deliver to Town, and Town shall purchase and receive from District, potable water for use in Town's water system under either an Emergency Condition or a Temporary Condition. The rates paid for the water and other District products and services shall be as provided on Schedule A attached to the Agreement. The point(s) of delivery of potable water by the District to

Town set forth in Schedule B attached hereto, which may be amended from time to time as agreed upon by the parties ("Delivery Point"). The minimum annual amount, peak hourly demand, and operating pressures shall be as provided on Schedule C attached to the Agreement.

2.02 For the purpose of this Agreement:

.01 An "Emergency Condition" is defined as any occurrence, condition or event that results in the Town being unable to deliver treated water for Essential Use to their customers. Emergency Conditions have a finite duration linked to a formal schedule agreed upon by both parties to fix, repair or replace the root cause of the Emergency Condition and return the systems to normal service.

.02 A "Temporary Condition" is a condition in which the District will provide service as a "convenience" to facilitate construction or upgrade of major facilities for duration of approximately ninety days or less.

.03 Essential Use is defined as all uses except for the watering and irrigation of exterior landscape, and the washing of pavement, sidewalks, structures or vehicles.

2.03 Town may purchase or receive potable water from any water system other than the District throughout the term of the Agreement. The Town has a water purchase agreement in effect on the date of the Agreement with the City of Greeley, Colorado dated May 16, 2005. The Town has entered into an Intergovernmental Agreement with Little Thompson Water District dated October 21, 2002 and January 21, 2009.

3. RATES

3.01 Town shall timely pay District a rate for potable water delivered to the Town at the Delivery Point(s) during the previous month. Until revised by District the rates(s) shall be as specified on Schedule A. Schedule A may be revised from time to time by the District. Such revised rates established by District after the date of this Agreement shall be deemed to be substituted for the original rates herein provided in Schedule A; and Town agrees to pay such revised rates after the effective date of such rate revisions. No rate increase shall take effect until after ninety days' prior written notice to the Town.

3.02 Billing for the rates shall be as provided in the tariffs, rules and regulations of the District. Any bill not paid shall be subject to the termination of service and a delinquency fee as stated on Schedule A. Any default by Town under the Agreement shall be considered as a delinquency in payment.

4. TERM

4.01 This Agreement shall remain in full force and effect until fifteen years from the date of the Agreement and thereafter this Agreement shall be automatically renewed for ten years unless cancelled as provided below.

4.02 The Town and District each has the right to cancel this Agreement by giving one year's written notice to the other party of its intent so to do. Said one- year notice is to be given before the end of the fourteenth year of the primary term of this Agreement, or before the end of the ninth year of any renewed term.

5. RAW WATER

5.01 Town shall annually, each water year, provide to District raw (untreated) water for use by District within District's water system by December 30th, at the rate specified on Schedule C in the "Raw Water Requirements." Raw water provided to District shall be provided on an actual gallon basis. Schedule C may be revised by the District at any time.

5.02 The Raw Water Requirements shall be provided to District from the Colorado-Big Thompson Project ("CBT"), or any other source of water acquired by Town and treatable by District at its facility.

5.03 Town shall retain ownership of the raw water rights, however the annually transferred water shall be owned by District upon the date of each annual transfer to District by Town.

5.04 Town shall purchase, own and give to District for use in District's water system no less than all of its Raw Water Requirements according to Schedule C.

5.05 District shall not be required to acquire any additional raw water necessary to meet Town's Raw Water Requirements.

5.06 In the event Town does not provide sufficient raw water to District to meet its Raw Water Requirements the Town shall be in default under the Agreement. District shall give Town notice of such insufficiency, however such notice shall not be a prerequisite to a default under the Agreement.

5.07 Town shall pay for all costs associated with acquisition of the Raw Water Requirements by Town and transfer of the same to District, and any periodic charges or assessments related to such raw water. Town shall be responsible for all costs or expenses involved in changing the District's operations to facilitate District's use of raw water under the terms of this Agreement from a provider other than the Northern Colorado Water Conservancy District or Windy Gap water.

6. MASTER METER(S), OWNERSHIP AND MAINTENANCE OF FACILITIES

6.01 One or more master meters shall be installed, owned, operated and maintained by the District at each Delivery Point.

6.02 Such meter(s) shall be read by District under the District's meter reading schedule. If requested by Town, District shall give Town advance notice of the time and date of any master meter reading and allow a Town representative to be present. Town shall have access to the meter reading data at any time. If any meter shall fail to register for any period, Town and District shall attempt in good faith to reach agreement as to the amount of water furnished during such period based upon all

reasonable criteria and indicia of use for the period at issue. If no agreement can be reached, District shall issue a billing to Town which shall be based upon historical average annual usage data; and Town shall pay such bill issued by the District.

6.03 Town's water shall not be allowed to backflow or otherwise enter the District's water delivery system; and the interconnections shall provide for protection for this requirement. Town shall own, operate and maintain, and shall be responsible for the construction, operation, and maintenance of its water distribution lines and other water system facilities on the downstream side of the Delivery Point(s). Town shall undertake all proper steps under American Water Works Association standards to prevent or disconnect, or both, connections to Town's water system which would in any way permit water in Town's water distribution system to enter District's water distribution system by backflow, back-pressure or otherwise, so as to prevent the quality of water in District's water distribution system from being detrimentally affected by water in Town's water distribution system.

6.04 District shall own, operate and maintain and shall be responsible for the construction, operation and maintenance of District's water distribution lines and other water system facilities, water lines and treatment plant facilities necessary to serve Town as required by this Agreement, ending at the Delivery Point(s). For the purpose of determining repair, replacement, operation and maintenance responsibility, District shall own all facilities at each Delivery Point to a point five feet on the downstream side of the master meter vault. From the point five feet on the downstream side of the master meter vault continuing on the downstream side of the vault, Town shall own all such water facilities.

6.05 Town shall pay for and District shall install, own and operate a flow restricting valve at each of the Delivery Point.

7. ANNEXATION INFORMATION

7.01 Town shall provide to District notice of any proposed annexation to Town in Weld County at the time Town's officials become aware of the proposed annexation. The notice shall contain a legal description of the annexation and a map showing the area proposed to be annexed as well as the surrounding area. The map shall also indicate locations of natural landmarks and all existing utilities and shall also contain other information pertinent to the annexation. Town shall provide to District a copy of any report furnished to the County Commissioners pursuant to §31-12-108.5, C.R.S. District shall be allowed to comment in all planning relative to the location of utilities, roads, drainage easements, ditch rights-of-way and utility easements. Such participation shall be that which is accorded to District by law.

8. ESTABLISHMENT OF SERVICE AREAS

8.01 Town shall not render any water service directly or indirectly in the exclusive District Service Area shown on Schedule D until after the date of annexation of property that is within the District Service Area and after the date that the property has been excluded from the boundaries of the District. Town shall not sell any water at wholesale or retail to any existing or potential customer of Town for resale by that customer to any point for use within the District Service Area.

8.02 Within thirty days after the annexation to the Town of a parcel of property that is in the boundaries of District becomes final and nonappealable, Town may request to exclude any such annexed area from District's boundaries and District's Service Area. If Town fails to make such request, then District shall have the perpetual exclusive right to serve at retail all water within such annexed area notwithstanding the termination of this Agreement. If Town makes such request to District, then District will take action under state statute to exclude such annexed area from the boundaries of the District after payment by Town to District of the total amount required under this Agreement. The total amount due shall be invoiced by District to Town and Town shall pay such invoice within thirty days of the invoice date.

9. ENFORCEABILITY

9.01 The parties to this Agreement recognize that there are legal constraints imposed upon Town and District by the Constitution, statutes and laws of the State of Colorado and the United States. Subject to such constraints, the parties fully intend to carry out the terms and conditions of this Agreement in good faith.

9.02 Notwithstanding any of the provisions of this Agreement to the contrary, in no event shall any of the parties exercise any powers or undertake any actions which shall be prohibited by applicable law.

9.03 Whenever possible, each provision of the Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. The invalidity or unenforceability of any provisions of the Agreement shall not affect or impair any other provisions.

9.04 All negotiations, considerations, representations, and understandings between the parties are incorporated herein.

9.05 Town shall abide by all tariffs, rules, regulations and policies of the District that the District establishes from time to time; and all such tariffs, rules, regulation and policies of the District may be changed by the District at any time during the term of the Agreement. The Schedules attached to the Agreement may be changed by the District. No changes will take effect until after ninety (90) days prior written notice to the Town.

10. MISCELLANEOUS

10.01 Neither party shall be considered in default in respect to any obligation hereunder if prevented from fulfilling such obligations by reason or uncontrollable forces, the terms uncontrollable forces being deemed for the purposes of the Agreement to mean any cause beyond the control of the party affected, including, but not limited to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, or, riot, civil disturbance, labor disturbance, sabotage, and restraint by court or public authority, which by due diligence and foresight such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligation by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch. Failure to pay any amount due under the Agreement shall never be considered as due to an uncontrollable force.

10.02 Town and District agree to continue the cooperative exchange of information, operational assistance and emergency aid. If, in the maintenance of their respective water systems and other water systems from which either party may obtain water service, it becomes necessary by reason of any emergency or extraordinary condition for either party to request the other to furnish personnel, materials, tools, and equipment for the accomplishment thereof, the party so requested shall cooperate with the other and render such assistance as the party so requested may determine to be available. The party making such requests, upon receipt of properly itemized bills from the other party shall reimburse the party rendering such assistance for all costs properly and reasonably incurred by it in such performance, including but not to exceed ten percent thereof for administrative and general expense, such costs to be determined on the basis of current charges or rates used in its own operations by the party rendering the assistance.

10.03 The parties shall promptly take all necessary action to obtain approvals necessary to consummate this Agreement and render to each other such assistance in cooperation as the parties may reasonably request of the other in order to expeditiously carry out the terms and provision hereof.

10.04 The laws of the State of Colorado shall govern the validity, performance and enforcement of this Agreement and venue for all actions shall be in Weld County.

10.05 The parties agree that the provisions of the Agreement may be specifically enforced in a court of competent jurisdiction, and the parties agree that the defaulting party shall pay all costs of such action as actually incurred by the non-defaulting party, including attorney fees.

10.06 Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or a partnership or a joint venture between the parties hereto.

10.07 Whenever herein the singular number is used, the same shall include the plural, and neuter gender and shall include the masculine and feminine genders when the context so requires.

10.08 Any waiver of or deferral of action upon at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with the Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

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

TOWN OF JOHNSTOWN, COLORADO

By: _____
Mayor

ATTEST:

Town Clerk

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

Subscribed and sworn to under oath before me by Mark Romanowski, Mayor and Diana Seele, Town Clerk of the Town of Johnstown, Colorado on this ___ day of _____, 2015.

Notary Public

My commission expires: _____

Address:
Town of Johnstown, Colorado
450 South Parish Ave
Johnstown, CO 80534
Attention: Town Manager

CENTRAL WELD COUNTY WATER DISTRICT

By: _____
President

ATTEST:

Secretary

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

Subscribed and sworn to under oath before me by _____
_____, President and _____, Secretary of Central Weld
County Water District on this ___ day of _____, 2015.

Notary Public

My commission expires: _____

Address for Notice:

District Manager
Central Weld County Water District
2235 2nd Avenue
Greeley, CO 80631
And
Starr & Westbrook, P.C.
210 East 29th Street
Loveland, CO 80538

**SCHEDULE A
TO
WHOLESALE MUNICIPAL WATER SALE AGREEMENT
BETWEEN
TOWN OF JOHNSTOWN, COLORADO
AND
CENTRAL WELD COUNTY WATER DISTRICT
[water rate, tap fee rate and delinquency fees]**

RATES:

ACCOUNT CHARGE \$586.00/month

DEMAND CHARGE

COMMODITY CHARGE \$0.66/Thousand Gallons

RULE 11 RATE DIFFERENTIAL CHARGE FOR RAW WATER TRANSFERS

(Minimum Monthly Bill)

OTHER CHARGES:

PER REGULAR RULES AND REGULATIONS OF THE DISTRICT

LATE PAYMENT FEES

UNPAID AMOUNT TO BEAR INTEREST AT 18% PER ANNUM

**SCHEDULE B
TO
WHOLESALE MUNICIPAL WATER SALE AGREEMENT
BETWEEN
TOWN OF JOHNSTOWN, COLORADO
AND
CENTRAL WELD COUNTY WATER DISTRICT
[point(s) of delivery of potable water]**

1. At Weld County Road 42 and Weld County Road 17 on the 20 inch water line of Central Weld County Water District.

**SCHEDULE C
TO
WHOLESALE MUNICIPAL WATER SALE AGREEMENT
BETWEEN
TOWN OF JOHNSTOWN, COLORADO
AND
CENTRAL WELD COUNTY WATER DISTRICT**

[minimum annual amount, peak hourly demand, operating pressure, maximum rate of flow, and Raw Water Requirement]

RAW WATER REQUIREMENT:

120% OF ANNUAL USAGE

SCHEDULE D
TO
WHOLESALE MUNICIPAL WATER SALE AGREEMENT
BETWEEN
TOWN OF JOHNSTOWN, COLORADO
AND
CENTRAL WELD COUNTY WATER DISTRICT
 [Central Weld County Water District Service Area Boundary Map]

