

**TOWN OF LYONS, COLORADO  
RESOLUTION 2022-34**

**A RESOLUTION OF THE TOWN OF LYONS, COLORADO  
RATIFYING THE DECISION OF THE BOARD OF TRUSTEES ON MARCH 21, 2022,  
TO REQUIRE THE DEDICATION OF 1.4 SHARES OF LAKE MCINTOSH WATER  
SHARES BY SPIRIT HOUND DISTILLERS BY MAY 20, 2022**

**WHEREAS**, pursuant to Article XXV of the Colorado Constitution, the Town of Lyons Board of Trustees ("Board") has the authority to establish and operate municipal utilities serving the Town of Lyons ("Town") and pass rates, rules, and regulations governing the operation of those municipal utilities; and

**WHEREAS**, pursuant to that power the Board previously enacted Article 4, Chapter 13, of the Lyons Municipal Code ("LMC") entitled "Water Service" establishing a water utility; and

**WHEREAS**, the LMC Sec. 17-14-10(1)(a) permits the dedication of Lake McIntosh water shares for or the purposes of "Affordable Housing," "Commercial Development," or "Economic Development Opportunities" as those terms are defined in the Intergovernmental Agreement Between the Town of Lyons and the City of Longmont; and

**WHEREAS**, the Town of Lyons Board of Trustees on February 1, 2021 approved a Policy for Accepting Lake McIntosh Share Dedications

**WHEREAS**, Spirit Hound Distillers submitted an application for use of Lake McIntosh shares under the category of economic development opportunities; and

**WHEREAS**, On June 7, 2021, the Town of Lyons Board of Trustees (the "Board") approved the application of Spirit Hound Distillers ("Spirit Hound") to submit Lake MacIntosh Shares for their increase in water usage and tap size; and

**WHEREAS**, the Board ratified its decision pursuant to Resolution 2021-58; and

**WHEREAS**, Resolution 2021-58 required Spirit Hound to "submit 1.4 shares of Lake MacIntosh stock and \$17,500 in water connection fees upon receipt of an invoice for using more than 270,000 gallons of water in 2020 which requires paying for an increase from a ¾ inch to a 1-inch service connection or tap;" and

**WHEREAS**, Spirit Hound has increased their water usage above 270,000 but has not dedicated 1.4 lake Macintosh shares; and

**WHEREAS**, at the March 21, 2022, Board of Trustees meeting, the Board considered a request to waive the share dedication and held a discussion on how to otherwise address the undedicated 1.4 shares from Spirit Hound; and

**WHEREAS**, the Board directed Spirit hound to provide 1.4 shares of Lake MacIntosh stock within 60 days of March 21, 2022 (May 20, 2022); and

**WHEREAS**, the Board further directed that if 1.4 shares of Lake MacIntosh Stock is not provided by May 20, 2022, the grant of ability to use Lake Macintosh stock pursuant to Resolution 2021-58 shall be revoked unless otherwise directed by the Board; and

**WHEREAS**, the Board now desires to ratify its March 21, 2022, direction as described in this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF LYONS THAT:**

- Section 1. The above recitals are hereby incorporated by reference.
- Section 2. Spirit Hound Distillers shall submit 1.4 shares of Lake MacIntosh Stock by May 20, 2022.
- Section 3. If Lake MacIntosh Stock is not dedicated to the Town by May 20, 2022, the ability to use Lake MacIntosh Stock pursuant to resolution 2021-58 shall be revoked without further action by the Board.
- Section 4. This resolution may be modified by future action of the Board of Trustees.
- Section 5. This Resolution shall take effect upon adoption.

**ADOPTED THIS 4th DAY OF April 2021.**

TOWN OF LYONS, COLORADO

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Nicholas Angelo, Mayor

ATTEST:

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Dolores Vasquez, MMC – Town Clerk