

Town of Lyons, Colorado  
Board of Trustees  
BOT Agenda Cover Sheet  
Agenda Item No: XI. 3.  
Meeting Date: Oct 7, 2024

TO: Mayor Rogin and Members of the Board of Trustees  
FROM: Aaron Caplan, Engineering, Building & Utilities Director  
DATE: October 3, 2024  
ITEM: Discussion/Direction Regarding the Value of Colorado Big Thompson (C-BT) Units & the Ability of the Town to Sell them

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☐ ORDINANCE  
☒ MOTION / RESOLUTION  
☐ INFORMATION

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- I. **REQUEST OR ISSUE:** Discuss the current value of C-BT Units, and the ability of the Town to sell them.
- II. **RECOMMENDED ACTION / NEXT STEP:** Direct staff
- III. **FISCAL IMPACTS:** To be determined.
- IV. **BACKGROUND INFORMATION:** At the September 16<sup>th</sup> Board of Trustees meeting, the Trustees requested that the UEB review and recommend what they believe is the current market value of a C-BT unit for accepting cash in lieu of four C-BT Units for a current proposal.

The UEB recommended a market value of \$56,000 per unit.

There was also a previous discussion of the Town selling units of C-BT, and staff wanted to point out why the Town may not be able to sell any of its water rights. Page 12 of the 2003 IGA with Longmont for Treated Water includes this section:

**5.10 No Alienation of Lyons Water Rights.** Lyons shall not pledge, sell, convey, dedicate, encumber, or otherwise divest itself of any of the Lyons Water Rights during the term of this Agreement. A lease of one year or less shall not be considered an encumbrance in violation of this Agreement, except that Lyons shall not lease the Lyons Button Rock Water. Lyons warrants and represents to Longmont that the Lyons Water Rights are owned by Lyons on the date of this Agreement, free and clear of all liens, encumbrances, pledges, leases or sale contracts.

The definition of Lyons Water Rights, as listed in the agreement, is as follows:

1.11 “Lyons Water Rights” shall mean, either alone or in combination, the Lyons Pipeline Priorities, the Lyons C-BT Water, the Lyons Button Rock Water, and other water rights approved by Longmont.

- V. **LEGAL ISSUES:** The town attorney has reviewed the Agreement language and concurs that the town cannot resell CBT units included as Lyons Water Rights in the Longmont agreement.
- VI. **CONFLICTS OR ENVIRONMENTAL ISSUES:** Unknown.