

**Town of Lyons, Colorado
Board of Trustees
BOT Agenda Cover Sheet
Agenda Item No: X. 3.
Meeting Date: Nov 18, 2024**

TO: Mayor Rogin and Members of the Board of Trustees

FROM: Aaron Caplan, Engineering, Building & Utilities Director

DATE: October 13, 2024

ITEM: Discussion/Direction on a Request to Accept Cash in Lieu of Two Shares of Colorado Big-Thompson Water (C-BT) for Two Lots in Lyons Valley Park from Team Chatfield, LLC

X ORDINANCE
 MOTION / RESOLUTION
 INFORMATION

- I. **REQUEST OR ISSUE:** Whether to accept \$112,000 cash in lieu of two shares of C-BT for two lots in Lyons Valley Park.
- II. **RECOMMENDED ACTION / NEXT STEP:** Discuss the request and if approved, draft a resolution documenting the acceptance of the cash in lieu of water rights and a resolution amending the Subdivision Improvement Agreement (SIA) for Lyons Valley Park Filing No. 8.
- III. **FISCAL IMPACTS:** The water utility would receive \$112,000.
- IV. **BACKGROUND INFORMATION:** There was previously a discussion with Wickstrom Builders LLC and Team Chatfield LLC about accepting cash in lieu of water rights for the two lots they each own in LVP, for a total of four lots. The trustees made an agreement with Wickstrom Builders LLC to accept \$112,000 cash in lieu of two shares of C-BT for the two lots they own. This included a payment plan of \$56,000 to be made by Jan 30th, 2025, and a second payment of \$56,000 by Oct 31st, 2025.

During the discussion on the amount of cash to be accepted, Team Chatfield left the meeting they had been attending via Zoom. They have advised that after reading the actual agreement that was entered into via a resolution and amendment to the current Subdivision Improvement Agreement with Wickstrom Builders LLC, they are interested in moving forward with the same offer to pay \$112,000 cash in lieu of two shares of C-BT with a payment of \$56,000 to be made by Jan 30th, 2025 and a second payment of \$56,000 to be made by Oct 31st, 2025.

The Utility and Engineering Board was advised of this request and approved a motion to recommend accepting these parameters and moving forward with accepting the cash in lieu of C-BT water rights.

V. **LEGAL ISSUES:** None

VI. **CONFLICTS OR ENVIRONMENTAL ISSUES:** None

VII. **SUMMARY AND ALTERNATIVES:**

- The \$112,000 the water utility would receive could help fund needed capital improvement projects. The trustees can request staff bring forward the resolution and amendment to the SIA.
- Advise Staff that they prefer not to accept cash in lieu of the required water rights.
- Direct staff to offer different terms for an agreement to accept cash in lieu of water rights.