



## BOARD OF TRUSTEES MEETING

Thursday, December 14, 2023 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

\*LIVE STREAM available at Town website\*

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### LOCAL LICENSING AUTHORITY

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*This agenda is subject to revision 24 hours prior to commencement of the meeting.*

#### Call to Order

1. Application to Transfer Liquor License - Sundance Pit BBQ, Hwy 105

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### AGENDA

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*This agenda is subject to revision 24 hours prior to commencement of the meeting.*

#### Call to Order

#### Pledge of Allegiance

#### Roll Call

#### Consent Agenda

*Items under the consent agenda may be acted upon by one motion. If, in the judgment of a board member, a consent agenda item requires discussion, the item can be placed on the regular agenda for discussion and/or action.*

- [2.](#) Minutes from November 9, 2023 Meeting
- [3.](#) Financials (Corrected Cash Position page for September; October; November)
4. Checks over \$15,000 - Renner Sports Surfaces (\$26,533.00); Meyer & Sam's (\$24,138.50); Timberline Electric & Control Corp (\$76,619.21)
- [5.](#) Resolution 76-2023 to Re-Appoint Trustee Dennis Stern to the Pikes Peak Regional Building Advisory Board

#### Staff/Department Reports

- [6.](#) Water
- [7.](#) Public Works including Roads & Park Maintenance
- [8.](#) Police
- [9.](#) Fire

- [10.](#) Administration
- 11. Attorney
- 12. Administrator/Clerk

**Public Hearing at 6 pm** – *Mayor will introduce the item and Board will hear the applicant request. Mayor will ask if any public member wishes to speak for or against the request. Public should address the Board members directly while members listen. Applicant may provide closing remarks and members may ask questions of the applicant. Mayor will close the hearing and members will discuss the item at the appropriate time on the agenda or continue the hearing to a particular date.*

- [13.](#) Application for Conditional Use in CC Zone - Religious Institution (304 Hwy 105)

#### **Business Items**

- [14.](#) Resolution 77-2023 to Approve Conditional Use in CC Zone - Religious Institution (304 Hwy 105)
- [15.](#) Application for Public Display - Mural, Yak's Motorcycle Maintenance and Detail Shop
- [16.](#) Proposal/Direction to Staff Relating to Trail and Bridge Work (Parks Commission)
- [17.](#) Resolution 78-2023 to Approve Revised MOU with Awake Palmer Lake for Pickleball Project
- [18.](#) Resolution 79-2023 to Authorize Lease Agreement with CORE for EV Charger
- [19.](#) Resolution 73-2023 to Accept Final Water Rate Study Report
- [20.](#) Resolution 80-2023 to Authorize IGA with CDOT for the Palmer Lake Spruce Mountain Road
- [21.](#) Resolution 81-2023 to Authorize Professional Service Agreement with GMS Consulting for Main Street Design Project
- [22.](#) Resolution 82-2023 to Authorize Agreement with Dukes Electric for Ped Bridge Lighting Plan
- [23.](#) Resolution 83-2023 to Authorize Demolition of Elephant Rock Structures
- [24.](#) Ordinance 24-2023 to Adopt Final Version of Sign Code
- [25.](#) Ordinance 25-2023 Relating to Motor Vehicles on Undeveloped Town Right of Ways
- [26.](#) Emergency Ordinance 26-2023 to Adopt the 2024 Budget
- [27.](#) Distribute/Review Revised Employee Handbook
- [28.](#) Distribute/Review Draft of Proposed Master Fee Schedule

**Public Comment** - *Public comments are encouraged to be emailed to the Town office at [info@palmer-lake.org](mailto:info@palmer-lake.org) with subject line of Public Comment (24 hours prior to meeting) and shall be distributed and read at the meeting. Otherwise, please step to the microphone, state your name and address for the record, and address the Board on matters not on the agenda. Please note that the Board will not take action on your comment but may refer it to staff and/or a future meeting agenda. Public members are allowed up to 3 minutes for comments. Thank you!*

#### **Board Reports**



**Next Meeting (1/11/2024) and Future Items - Board Retreat 1/26?****Convene to Executive Session**

*For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – Elephant Rock property lease terms for Star View Ranch, and possible public land sale; for personnel matter under C.R.S. 24-6-402(4)(f) - employment agreement; for conference with Town Attorney for the purpose of receiving legal advice under C.R.S. 24-6-402(4)(b) - PD complaint.*

**Reconvene to Open Session**

29. Action on Employment Agreement (Town Administrator)

**Adjourn**

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**Americans with Disabilities Act**

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Reasonable accommodations for persons with a disability will be made upon request. Please notify the Town of Palmer Lake (at 719-481-2953) at least 48 hours in advance. The Town of Palmer Lake will make every effort to accommodate the needs of the public.

## SUMMARY OF APPLICATION MATERIALS

### Hotel and Restaurant Liquor License Application

- Applicant: Justin T Cline
  - The entity known as La Rosa is transferring their liquor license to the entity, Sundance Pit BBQ LLC
  - The business was purchased by Justin T Cline as the sole member/officer
- Applicant Eligibility: The applicant is eligible for the liquor application
  - Managers: The entity is operated and the license managed by Justin T Cline, the corporate member - there is no need for Managers
  - The entity known as Sundance Pit BBQ LLC is in good standing and all filings are complete as filed with the Colorado Secretary of State
  - The entity will conduct business as Sundance Pit BBQ
- Criminal History: Individual history form was completed and there is no criminal history found for Justin T Cline; fingerprinting for the member is in process to be submitted to CBI.
- License Type: The applicant is applying for the Hotel and Restaurant class liquor license. This license class allows service of malt, vinous, and spirituous liquors, often referred to as "full alcohol." The applicant is eligible to apply for this class of license.
- Premises: The proposed premises is the building located at 25 Hwy 105, Palmer Lake, a two-level building where alcohol is sold, served (main) and stored (lower level).
  - The property is controlled through a lease agreement between Lionel Industries LLC and JT Cline. This lease was enacted on September 1, 2023, and is effective for a minimum of five years.

The Town Administration confirms receipt of a complete application, diagram of premises, proof of property, applicant background information as required by law, and appropriate fees paid to the Town.

**AFFIDAVIT OF PUBLICATION****STATE OF COLORADO  
COUNTY OF El Paso**

I, Kate Dickens, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Tri Lakes Tribune, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Tri Lakes Tribune; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 12/06/2023**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



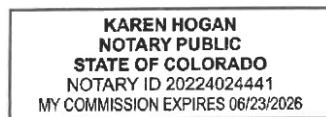
**Kate Dickens**  
Sales Center Agent

Subscribed and sworn to me this 12/06/2023, at said City of Colorado Springs, El Paso County, Colorado.

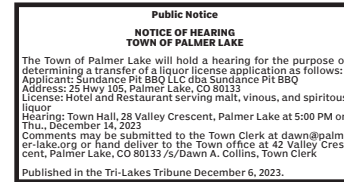
My commission expires June 23, 2026.



**Karen Hogan**  
Notary Public  
The Gazette



Document Authentication Number  
20224024441-943817





## BOARD OF TRUSTEES MEETING

Thursday, November 09, 2023

Executive Session at 5 PM / Regular Meeting at 6 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

### MINUTES

**Call to Order.** Mayor Havenar called the meeting to order at 5:07 pm. Roll call taken – present: Mayor Glant Havenar; Trustees Jessica Farr, Kevin Dreher, Sam Padgett, Dennis Stern; excused: Trustees Nick Ehrhardt, Shana Ball.

**Convene to Executive Session** for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – possible sale of public property; asbestos estimate claim; Town Administrator employment contract; and personnel matter under C.R.S. 24-6-402(4)(f) - Town Administrator evaluation. MOTION (Padgett, Stern) to convene to executive session. Roll call vote – aye 5; nay 0. Motion passed.

**Reconvene to Open Session.** MOTION (Padgett, Stern) to reconvene to open session at 5:51 pm. Roll call vote – aye 5; nay 0. Motion passed.

Mayor Havenar asked for a brief recess to open doors for the public.

**Roll Call.** Present: Mayor Glant Havenar; Trustees Jessica Farr, Kevin Dreher, Sam Padgett, Dennis Stern; excused: Trustees Nick Ehrhardt, Shana Ball.

**Pledge of Allegiance.** Trustee Farr led the pledge.

#### Presentations

1. Recognition of Citizen Volunteer, Jane Garrabrant. Mayor Havenar invited Ms Jane Garrabrant forward to accept a certificate of appreciation from Town Administration for her volunteer assistance in the office.
2. Presentation on Request to Install EV Charger at Palmer Lake - Rob Osborn, CORE. Mr. Rob Osborn, CORE, presented a request to install an EV charger in two parking spaces on the west side of Palmer Lake. He explained that CORE will fully support the fast charging, ADA compatible charger and the infrastructure to operate it. Discussion took place with members about the impact on the potential pedestrian walkway design, whether the town will own it after the lease, and the vendor support of the charger. CORE would like to finalize the lease in 2023 if the Board is interested in the service installed.

**Consent Agenda**

MOTION (Farr, Dreher) to approve the consent agenda including items 3) Minutes from October 26, 2023 Meeting; and 4) Checks over \$15,000 - Bradley Excavating (\$42,243.36); Krob Law (\$20,668.50). Roll call vote – aye 4; nay 1 (Padgett). Motion passed.

**Staff/Department Reports**

5) Water; 6) Public Works including Roads & Park Maintenance; 7) Police – Trustee Dreher inquired about a code enforcement summary and Chief Vanderpool referred to the summary attached with the PD report. The Board agreed to continue having a monthly summary.

8) Fire – Chief Vincent reported that two Firefighters returned this week from deployment.

9) Administration; 10) Attorney – none; 11) Administrator/Clerk – none.

**Public Hearing**

Mayor Havenar stated a clarification in the recent Mayor's message about the sales tax revenue collected in 2023, noting that overall sales tax revenue was down from the budget forecast for 2023 not actual collections of past years.

12. Proposed 2024 Budget. Board discussion took place about overall revenue. Collins stated that the budgeted 2023 tax revenue from retail marijuana was forecasted to be higher than it should have been. Discussion noted a healthy water fund budget. For the general fund, three options were reviewed – option A includes no new hires and funds the roadway and drainage projects prioritized by the Board, and considering approximately \$118,000 from the fund balance of the general fund; option B includes a proposal from the Police Department to cut operating expenses within the department to increase police personnel wages and reducing the bottom line to approximately \$116,000; option C includes part time personnel cuts in the Police budget, adds a Deputy Clerk to Administration, an Equipment Operator to Public Works, and increased staff wages in all departments. Discussion took place with Sgt Lundy about police coverage with option C. It was stated that all town department managers are involved in daily department operations. It was noted that details for coverage could be forthcoming if needed in option C. Discussion took place about the recent BHCON grant award. Mayor Havenar opened the floor for public comment on the 2024 proposed budget.

Ms. Marty Brodzik provided a handout to the Board members with comments concerning the proposed 2024 budget some of which were addressed in the revised version. Mr. Jim Parco thanked the Board members for their service to the community and provided a handout to the Board explaining the background to the suggested forecast made in 2022 for projected marijuana tax revenue with the former Board, a high of \$800,000. He suggested that if the Board had followed the Manitou model and spread the word about the new ordinance allowing retail stores, it would have assisted getting the word out and the tax revenue may have been higher. Mr. Parco stated the Board and staff can still make a difference by letting it be known that Palmer Lake stores are open for business. Mr. Roger Moseley made a statement about non-emergency calls being referred to County dispatch for PD. He suggested that 2022 payments to Bradley Excavating and GMS were inaccurate from the general fund and should be from the water fund. Attorney Krob stated that this public hearing is for the 2024 proposed budget and asked Mr. Moseley if he had comments about the proposed budget. Mr. Moseley provided a packet to the Board members.

Trustee Stern inquired about the difference needed in the general fund budget and asked if that percentage amount could be removed across all departments. Mayor Havenar closed the hearing.

### Business Items

13. Resolution 73-2023 to Authorize Rate Study to Consider Stormwater Enterprise Fund. Mr. Roger Moseley commented that the High Street area is not the only issue for drainage; that code should be enforced relating to clearing private culverts to help with drainage issues; and suggested that GMS do a rate study for all issues in town. Ms. Marty Brodzik provided a handout to the Board with a proposal to fund stormwater infrastructure. She spoke about maintenance of current infrastructure. Discussion took place about enforcement of clearing private culverts. Discussion ensued further about waiting to consider creating a stormwater enterprise fund. Ms. Brodzik told the Board to wait until 2025. Discussion took place about the potential increase in future revenue for the town. MOTION (Farr, Stern) to table this item until the end of first quarter of 2024. Roll call vote – aye 4; nay 1 (Dreher). Motion passed.

14. Resolution 74-2023 to Set Hearing for Petition of Annexation (UCC). Attorney Krob stated this resolution sets the hearing date and explained the effective date due to the limited meetings in November and December due to holidays. MOTION (Dreher, Stern) to approve Resolution 74-2023 to set the hearing for January. Roll call vote – aye 5; nay 0. Motion passed.

15. Resolution 75-2023 to Authorize Fire Protection Services in Unincorporated EPSO. It was noted that this resolution assists with fire protection for unincorporated County parcels. MOTION (Padgett, Dreher) to approve Resolution 75-2023 to authorize fire protection services. Roll call vote – aye 5; nay 0. Motion passed.

16. Resolution 76-2023 to Consider Final Water Rate Study Report. Collins noted that this item was not finalized for the meeting. MOTION (Padgett, Stern) to table Resolution 76-2023 until the next meeting. Roll call vote – aye 5; nay 0. Motion passed.

17. Resolution 77-2023 to Authorize Installation of Lighting on Pedestrian Bridge. Discussion took place about other quotes. Collins explained this was a higher quote, however, the vendor was recommended by staff for their quality work and timeliness to complete it. Trustee Stern suggested bringing back quotes. MOTION (Padgett, Dreher) to table this item to consider all quotes. Roll call vote – aye 5; nay 0. Motion passed.

18. Ordinance 23-2023 to Amend Section 12.08.020 Relating to Minimum Standards of Streets. Mayor Havenar and Attorney Krob explained amending the language about required paving. MOTION (Stern, Padgett) to adopt Ordinance 23-2023 to amend language relating to minimum standards. Roll call vote – aye 5; nay 0. Motion passed.

19. Direction to Consider a Lease Agreement for Placement of EV Charger at Palmer Lake (CORE). Discussion took place about the fast-charging EV charger lease with CORE. Mr. Roger Moseley commented about the parking space from the roadway. Trustee Padgett inquired if a shorter lease term of 2-3 years vs 5 years could be considered. Discussion took place about other municipal agreements. Attorney Krob offered to ask about a shorter lease option and check into the success of the Bennett charger. Board consensus was to bring the lease agreement back under Resolution.

20. Direction on Ordinance Relating to Motor Vehicles on Undeveloped Right of Ways. Discussion ensued about the past conversations about undeveloped right of ways in town and the liability to the town. Attorney Krob reviewed the process to consider development of a roadway, the flexibility on

staff to allow for the slope, grade and width, and the appeal process to the Board. Mr. Roger Moseley commented about other landowners paying toward the development. Attorney Krob spoke about the legal non-conforming parcels with private agreements. Board members agreed that staff bring an ordinance back to the Board.

21. Direction for the Proposed 2024 Budget. The Board members reviewed the new positions in the proposed budget for 2024. Discussion took place about code enforcement and the number of hours needed. Board members suggested an option that adds a part-time code enforcement position to Administration and cuts a percentage in all departments to balance the general fund. It was agreed to have a special budget workshop on November 29 to review and on December 6 if needed.

#### **Public Comment**

Mayor Havenar asked Mr. Matt Stephen if he had comments. Mr. Stephen inquired about the past TLCA conditional use application for mixed use to include a residential dwelling. Attorney Krob responded that the application was withdrawn.

**Board Reports.** None.

**Next Meeting (12/6 workshop; 12/14) and Future Items.** Mayor reiterated workshop dates of 11/29 and 12/6 for the budget as needed and one meeting in December on 12/14 to consider adoption of the 2024 budget.

**Convene to Executive Session** for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – possible sale of public property; asbestos estimate claim; Town Administrator employment contract; and personnel matter under C.R.S. 24-6-402(4)(f) - Town Administrator evaluation. MOTION (Padgett, Dreher) to convene to executive session at 9:36 pm to finish discussion of items. Roll call vote – aye 5; nay 0. Motion passed.

**Reconvene to Open Session.** MOTION (Padgett, Farr) to reconvene at 10:10 pm. Roll call vote – aye 5; nay 0. Motion passed.

**Adjourn.** MOTION (Padgett, Dreher) to adjourn at 10:11 pm. Roll call vote – aye 5; nay 0. Motion passed.

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*Mayor Glant Havenar*

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*ATTEST: Dawn A. Collins, Town Clerk*

TOWN OF PALMER LAKE					
Schedule of Cash Position					
September 30, 2023					
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE	
<b>OPERATING FUNDS:</b>					
Community Banks of CO	General Fund Operating	Checking	n/a	\$	1,020,488
<i>* Restricted - Operating Reserve - 3 months (\$582,475)</i>					
Community Banks of CO	Water Fund Operating	Checking	n/a	\$	1,489,516
<i>* Restricted - Operating Reserve - 3 months (\$224,600)</i>					
Colorado Trust (ColoTrust)	General Fund	Savings	5.51%	\$	1,479,292
Subtotal - Operating Funds				\$	3,989,296
<b>RESTRICTED FUNDS:</b>					
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	5.51%	\$	188,432
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	5.51%	\$	208,754
Colorado Trust (ColoTrust)	Water Savings	Savings	5.51%	\$	209,403
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	5.51%	\$	7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	5.51%	\$	62,870
Colorado Trust (ColoTrust)	CTF Reserve	Savings	5.51%	\$	28,629
Colorado Trust (ColoTrust)	Roads CIP Reserve	Savings	5.51%	\$	10,470
Subtotal - Restricted Funds				\$	708,565
TOTAL				\$	4,697,860



**TOWN OF PALMER LAKE**  
**Financial Statements**  
**October 2023**  
**Unaudited**



**CASH POSITION**  
**October 31, 2023**



TOWN OF PALMER LAKE					
Schedule of Cash Position					
October 31, 2023					
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE	
<b>OPERATING FUNDS:</b>					
Community Banks of CO	General Fund Operating	Checking	n/a	\$	827,122
<i>* Restricted - Operating Reserve - 3 months (\$582,475)</i>					
Community Banks of CO	Water Fund Operating	Checking	n/a	\$	1,518,071
<i>* Restricted - Operating Reserve - 3 months (\$224,600)</i>					
Colorado Trust (ColoTrust)	General Fund	Savings	5.53%	\$	1,486,254
Subtotal - Operating Funds				\$	3,831,447
<b>RESTRICTED FUNDS:</b>					
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	5.53%	\$	189,319
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	5.53%	\$	209,737
Colorado Trust (ColoTrust)	Water Savings	Savings	5.53%	\$	210,389
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	5.53%	\$	7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	5.53%	\$	63,166
Colorado Trust (ColoTrust)	CTF Reserve	Savings	5.53%	\$	28,763
Colorado Trust (ColoTrust)	Roads CIP Reserve	Savings	5.53%	\$	10,519
Subtotal - Restricted Funds				\$	711,899
TOTAL				\$	4,543,346

# GENERAL FUND

## October 2023



# TOWN OF PALMER LAKE

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Nine Months Ended October 31, 2023  
UNAUDITED

Item 3.

	2023 Amended Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
<b>REVENUE</b>				
Taxes	\$ 3,664,377	\$ 2,215,225	\$ (1,449,152)	60%
Fees and Licenses	261,435	243,158	(18,277)	93%
Intergovernmental	6,000	7,352	1,352	123%
Fines	90,000	65,924	(24,076)	73%
Interest income	43,000	77,706	34,706	181%
Departmental	49,500	56,402	6,902	114%
Grants and Donations	395,182	279,453	(115,729)	71%
Miscellaneous income	117,200	78,173	(39,027)	67%
Total Revenue	<u>\$ 4,626,694</u>	<u>\$ 3,023,393</u>	<u>\$ (1,603,301)</u>	<u>65%</u>
<b>EXPENDITURES</b>				
General and Administrative				
Salaries and Benefits	\$ 274,996	\$ 164,385	\$ 110,611	60%
Professional Services	305,475	184,768	120,707	60%
General Administration	585,317	295,833	289,484	51%
Total General and Administrative	<u>\$ 1,165,788</u>	<u>\$ 644,986</u>	<u>\$ 520,802</u>	<u>55%</u>
Police Department				
Salaries and Benefits	\$ 781,175	\$ 497,620	\$ 283,555	64%
Professional Services	-	5,093	(5,093)	0%
General Administration	122,399	43,520	78,879	36%
Total Police Department	<u>\$ 903,574</u>	<u>\$ 546,233</u>	<u>\$ 357,341</u>	<u>60%</u>
Fire Department				
Salaries and Benefits	\$ 867,644	\$ 400,380	\$ 467,264	46%
Professional Services	-	3,378	(3,378)	0%
General Administration	289,420	66,489	222,931	23%
Total Fire Department	<u>\$ 1,157,064</u>	<u>\$ 470,247</u>	<u>\$ 686,817</u>	<u>41%</u>
Public Works Department - Roads				
Salaries and Benefits	\$ 315,186	\$ 174,717	\$ 140,469	55%
Professional Services	30,000	13,961	16,039	47%
General Administration	756,875	284,137	472,738	38%
Total Roads Department	<u>\$ 1,102,061</u>	<u>\$ 472,815</u>	<u>\$ 629,246</u>	<u>43%</u>
Public Works Department - Parks				
General Administration	\$ 83,165	\$ 83,266	\$ (101)	100%
Total Parks Department	<u>\$ 83,165</u>	<u>\$ 83,266</u>	<u>\$ (101)</u>	<u>100%</u>
Grants & Donations	<u>\$ 395,182</u>	<u>\$ 315,014</u>	<u>\$ 80,168</u>	<u>80%</u>
Total Expenditures	<u>\$ 4,806,833</u>	<u>\$ 2,532,561</u>	<u>\$ 2,274,273</u>	<u>53%</u>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>\$ (180,139)</u>	<u>\$ 490,832</u>	<u>\$ 670,972</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 2,880,403</u>		
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 3,371,235</u>		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months		(582,475)	<i>Note 1</i>	
Fire and Roads - CIP Reserve		(73,685)		
<b>FUND AVAILABLE - END OF YEAR - Unrestricted</b>		<u><u>\$ 2,715,075</u></u>		

*Note 1: A 12 Month Operating Reserve would be Optimum*

# WATER ENTERPRISE FUND

## October 2023



# TOWN OF PALMER LAKE

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL WATER ENTERPRISE FUND

For the Nine Months Ended October 31, 2023  
UNAUDITED

	2023 Amended Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
<b>REVENUE</b>				
Water Revenue	\$ 1,156,000	\$ 1,022,309	\$ (133,691)	88%
Water Fees	55,000	48,372	(6,628)	88%
Water Taps	100,000	8,271	(91,729)	8%
Late Fees/Service Fees	14,000	16,397	2,397	117%
Water Meters	3,000	1,300	(1,700)	43%
ARP Funds	259,238	141,714	(117,524)	55%
Interest	14,000	25,513	11,513	182%
Miscellaneous	10,200	730	(9,470)	7%
Total Revenue	<u>\$ 1,611,438</u>	<u>\$ 1,264,606</u>	<u>\$ (346,832)</u>	<u>78%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 562,906	\$ 306,876	\$ 256,030	55%
Professional Services	183,225	97,997	85,228	53%
Administrative	200,570	122,758	77,812	61%
Operations	222,270	189,220	33,050	85%
Capital	388,525	186,537	201,988	48%
Debt Service	183,229	183,139	90	100%
Total Expenditures	<u>\$ 1,740,725</u>	<u>\$ 1,086,527</u>	<u>\$ 654,198</u>	<u>62%</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ (129,287)</u>	<u>\$ 178,079</u>	<u>\$ 307,366</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 958,494</u>		
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 1,136,573</u>		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months (CWR&PDA Loan Requirement)		(224,600)	<i>Note 1</i>	
<b>FUND BALANCE - END OF YEAR - Unrestricted</b>		<u><u>\$ 911,973</u></u>		

*Note 1: A 12 Month Operating Reserve would be Optimum*

# CONSERVATION TRUST FUND

October 2023





# TOWN OF PALMER LAKE

## STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONSERVATION TRUST FUND

For the Nine Months Ended October 31, 2023

UNAUDITED

	2023 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
<b>REVENUE</b>				
State Shared Revenue	\$ 36,140	\$ 26,472	\$ (9,668)	73%
Interest/Miscellaneous income	400	1,204	804	301%
<b>Total Revenue</b>	<u>\$ 36,540</u>	<u>\$ 27,676</u>	<u>\$ (8,864)</u>	<u>76%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 20,866	\$ 8,651	\$ 12,215	41%
Administrative	15,674	10,309	5,365	66%
<b>Total Expenditures</b>	<u>\$ 36,540</u>	<u>\$ 18,960</u>	<u>\$ 17,580</u>	<u>52%</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 8,716</u>	<u>\$ 8,716</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 37,609</u>		
<b>FUND BALANCE - END OF YEAR - Restricted</b>		<u><u>\$ 46,325</u></u>		

# GRANTS AND DONATIONS

October 2023



**GRANTS & DONATIONS SCHEDULE***For Information Purposes Only*

Item 3.

	<b>2023 Budget</b>	<b>10.31.23 Actual</b>
<b>REVENUE</b>		
Colo. State Historical Society ADA Door	\$ 42,000	\$ -
Police Donations/ Grants	5,000	12,331
CDOT PL Elementary Road Improvement	145,682	16,061
Fire Mitigation Grant	-	48,721
CDOT Overlay Maint.	200,000	200,000
Parks Donations/ Grants	2,500	2,340
Total Revenue	<u>\$ 395,182</u>	<u>\$ 279,453</u>
<b>EXPENDITURES</b>		
General Administrative		
Colo. State Historical Society ADA Door	\$ 42,000	\$ -
Total General Administrative Expenditures	<u>\$ 42,000</u>	<u>\$ -</u>
Police Department Expenditures		
Grant Expense	\$ 5,000	\$ 7,272
Total Police Department Expenditures	<u>\$ 5,000</u>	<u>\$ 7,272</u>
Fire Department Expenditures		
Grants Expense	\$ -	\$ -
Total Fire Department Expenditures	<u>\$ -</u>	<u>\$ -</u>
Roads Department Expenditures		
CDOT Overlay Maint.	\$ 200,000	\$ 244,842
CDOT PL Elementary Road Improvements	145,682	62,900
Total Roads Department Expenditures	<u>\$ 345,682</u>	<u>\$ 307,742</u>
Parks Department Expenditures		
Parks Committee (donations)	\$ 2,500	\$ -
Total Parks Department Expenditures	<u>\$ 2,500</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 395,182</u>	<u>\$ 315,014</u>
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (35,561)</u>

# Check Register

October 2023



Ranges: From: To: From: To:  
Check Number First Last Check Date 10/1/2023 10/31/2023  
Vendor ID First Last Checkbook ID First Last  
Vendor Name First Last

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
49250	BROOKSPLUMBING	BROOKS PLUMBING & HEATING, INC	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$213.45
49251	CENTRALCOLORADO	CENTRAL COLORADO BUILDERS, INC	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$6,750.00
49252	CENTURYLINK	CENTURYLINK	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$64.02
49253	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$60.00
49254	COREANDMAIN	CORE & MAIN LLP	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$799.80
49255	EMERGENCYNETWOR	EMERGENCY NETWORK SECURITY SYS	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$32.03
49256	EVOQUA	EVOQUA WATER TECHNOLOGIES LLC	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$2,363.00
49257	JULIESCOTT	JULIE SCOTT	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$100.00
49258	LITTLELOGCHURCH	LITTLE LOG CHURCH	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$75.00
49259	MEYER&SAMS,INC	MEYER & SAMS, INC. DBA GMS INC	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$24,480.90
49260	POWERSERVICEINC	POWER SERVICE INC.	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$1,686.90
49261	PURCELLTIRECO	PURCELL TIRE CO.	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$7,935.89
49262	RICKAUSMUSTRUCK	RICK AUSMUS TRUCKING	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$2,230.00
49263	SGS	SGS NORTH AMERICA, INC.	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$753.28
49264	SOURCEMANAGE	SOURCE MANAGEMENT INC.	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$36.15
49265	STARSTONE	STARSTONE FELLOWSHIP CHURCH	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$75.00
49266	STERICYCLE	STERICYCLE, INC.	10/3/2023	COBANK-CKG 9495	PMCHK00000127	\$38.59
49267	AIRGAS	AIRGAS USA, LLC	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$113.68
49268	ALLCOUNTYCS	ALL COUNTY COLORADO SPRINGS	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$299.31
49269	AMCOBIIT	AMCOBI	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$3,744.00
49270	AT&TMOBILITY	AT & T MOBILITY	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$6,138.35
49271	CHAVEZCONSULTIN	CHAVEZ CONSULTING INC., LLC	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$712.50
49272	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$30.00
49273	CKT	COMMON KNOWLEDGE TECHNOLOGY	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$2,423.50
49274	COREANDMAIN	CORE & MAIN LLP	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$140.16
49275	ESO	ESO SOLUTIONS, INC.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$208.53
* 49276	FULLSPEEDAUTOMO	FULLSPEED AUTOMOTIVE CORPORATE	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$173.78
49277	HOMEDEPOTCREDIT	HOME DEPOT CREDIT SERVICES	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$545.31
49278	KELLYBOOKSLLC	KellyBooks LLC	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$7,256.25
49279	MIDWESTBARRICAD	MIDWEST BARRICADE CO., INC.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$2,676.00
49280	NEVADATAPMASTER	NEVADA TAP MASTER, INC.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$1,700.00
49281	OREILLY	O'REILLY	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$73.81
49282	OASISLANDSCAPE	OASIS LANDSCAPE & IRRIGATION I	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$320.83
49283	SGS	SGS NORTH AMERICA, INC.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$245.57
49284	SPRINGSMOUNTAIN	Springs Mountain Water	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$22.50
49285	T2SYSTEMS	T2 SYSTEMS CANADA INC.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$70.00
49286	GAZETTE	THE GAZETTE	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$172.13
49287	TRILAKESSERVICE	TRI-LAKES SERVICE CENTER	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$1,317.81
49288	TROJANTECH	TROJAN TECHNOLOGIES CORP.	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$29,816.19
49289	UNCC	UTILITY NOTIFICATION CENTER OF	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$58.05
49290	CIRSA	CIRSA	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$179.13
49291	CITYOFFORTCOLLI	CITY OF FORT COLLINS	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$90.00
49292	COREANDMAIN	CORE & MAIN LLP	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$300.80
49293	DYNAMICAIRSYSTE	DYNAMIC AIR SYSTEMS	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$390.00
49294	GENEKALESTI	Gene Kalesti	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$896.17
49295	JAN-PROFRANCHIS	JAN-PRO FRANCHISE DEVELOPMENT	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$255.00
49296	JOHNCRESSMAN	JOHN CRESSMAN	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$75.00
49297	LANDSCAPESCHRIS	LANDSCAPES BY CHRIS	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$1,800.00
49298	PALMERLAKESANIT	PALMER LAKE SANITATION	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$2,431.20
49299	PIONEER	PIONEER	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$4,205.56
49300	ROCKYMOUNTAININ	ROCKY MOUNTAIN INFORMATION NET	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$50.00
49301	STRIDEEVENTSLLC	STRIDE EVENTS LLC	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$75.00
49302	TRILAKESRADIO	TRI-LAKES MONUMENT RADIO ASSOC	10/16/2023	COBANK-CKG 9495	PMCHK00000129	\$75.00
49303	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$30.00
49304	DPCINDUSTRIES	DPC INDUSTRIES, INC.	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$70.00
49305	HACHCOMPANY	HACH COMPANY	12/20/23/2023	COBANK-CKG 9495	PMCHK00000130	\$897.00

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
49306	CICCOLELLAJOH	JOHN CICCOLELLA	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$320.00
49307	PIONEER	PIONEER	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$4,408.80
49308	PSISYSTEMSINC	PSI SYSTEMS, INC.	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$94.00
49309	RAMPARTSUPPLY	RAMPART SUPPLY	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$635.25
49310	KNASTERTECHNOLO	THE KMASTER TECHNOLOGY GROUP	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$2,340.00
49311	TLECC	TIMBER LINE ELECTRIC & CONTROL	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$1,737.00
49312	WHISLERINDUSTRI	WHISLER INDUSTRIAL SUPPLY	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$19.54
49313	XEROX	XEROX BUSINESS SOLUTIONS SOUTH	10/23/2023	COBANK-CKG 9495	PMCHK00000130	\$66.91
						-----
Total Checks:	64			Total Amount of Checks:		\$127,220.41
						=====

# Voided Check Register

October 2023



System: 11/15/2023 4:11:31 PM  
User Date: 11/15/2023

Town of Palmer Lake  
VENDOR CHECK REGISTER REPORT  
Payables Management

Page: 1  
User ID: mkelly

Item 3.

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	10/1/2023
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
* 49276	FULLSPEEDAUTOMO	FULLSPEED AUTOMOTIVE CORPORATE	10/11/2023	COBANK-CKG 9495	PMCHK00000128	\$173.78
Total Checks: 1						Total Amount of Checks: \$0.00



# ACH Register

October 2023



Town of Palmer Lake  
ACH REGISTER REPORT  
Payables Management

ACH Date	From:	To:
Checkbook ID	10/1/2023	10/31/2023
	COBANK-CKG 9495	COBANK-CKG 9495

Sorted By: Date

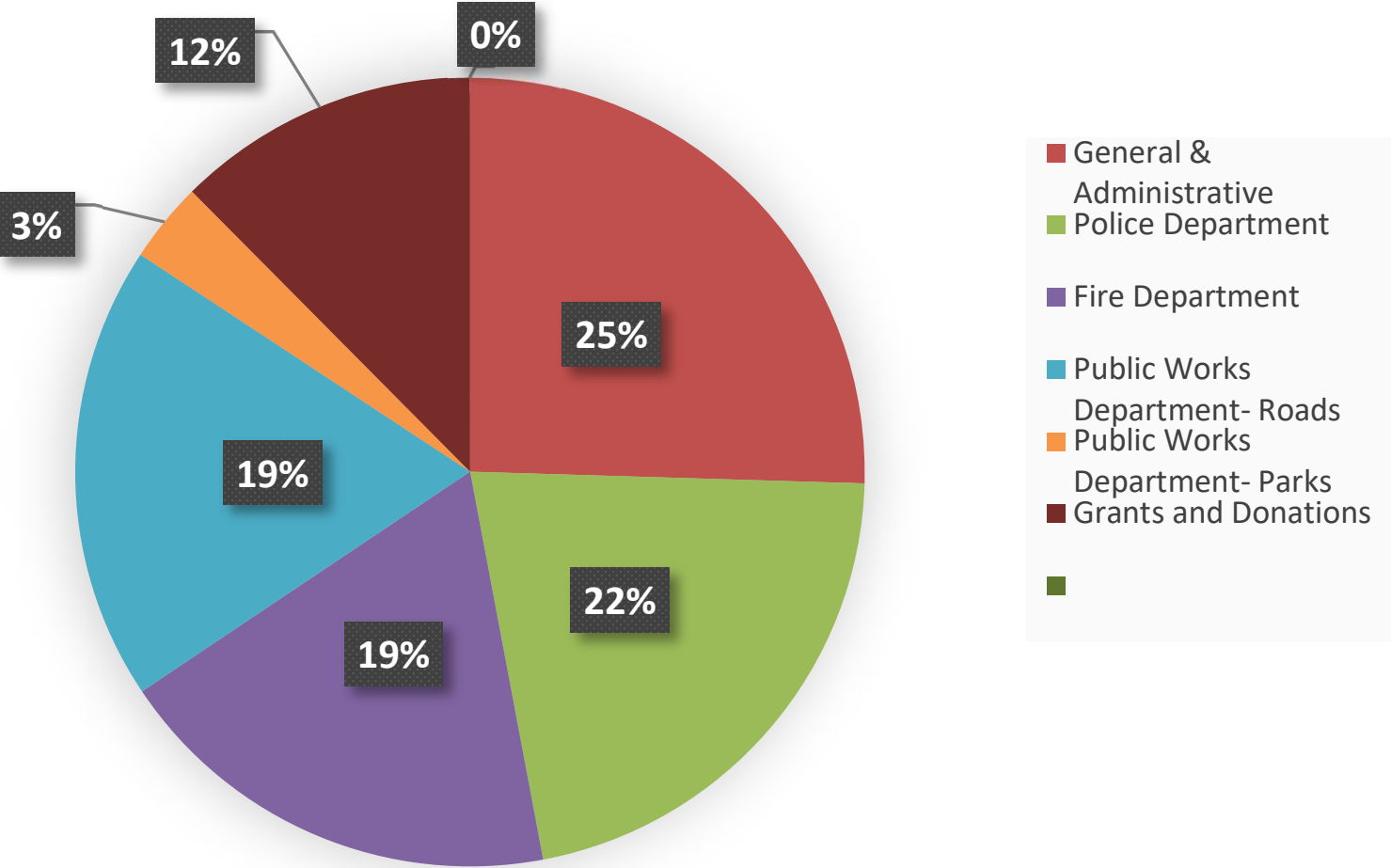
Trx Date	Orig. Audit Trail	Distribution Reference	Orig. Master Number	Orig. Master Name	Amount
10/2/2023	CMTRX00000086	Bank Transaction Entry	WDL000000837	Xfinity	9.96
10/2/2023	CMTRX00000086	Bank Transaction Entry	WDL000000838	Comcast	193.35
10/3/2023	CMTRX00000099	Bank Transaction Entry	WDL000000905	Parking Kiosk Credit Card Fee	327.29
10/5/2023	CMTRX00000087	Bank Transaction Entry	WDL000000846	Paycom	54,426.10
10/6/2023	CMTRX00000099	Bank Transaction Entry	WDL000000908	WEX Fuel	3,444.79
10/10/2023	CMTRX00000097	Bank Transaction Entry	WDL000000889	Black Hills Energy	79.51
10/10/2023	CMTRX00000099	Bank Transaction Entry	WDL000000906	Humana	822.77
10/11/2023	CMTRX00000099	Bank Transaction Entry	WDL000000904	Health Equity	5.00
10/11/2023	CMTRX00000099	Bank Transaction Entry	WDL000000907	CORE Electric	9,842.52
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000891	Black Hills Energy	47.02
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000892	Black Hills Energy	29.97
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000893	Black Hills Energy	25.31
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000894	Black Hills Energy	24.54
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000895	Black Hills Energy	23.01
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000896	Black Hills Energy	19.89
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000897	Black Hills Energy	19.89
10/16/2023	CMTRX00000098	Bank Transaction Entry	WDL000000898	Black Hills Energy	19.89
10/18/2023	CMTRX00000091	Bank Transaction Entry	WDL000000859	ABG	2,393.96
10/18/2023	CMTRX00000091	Bank Transaction Entry	WDL000000860	FPPA	6,125.28
10/19/2023	CMTRX00000091	Bank Transaction Entry	WDL000000858	Paycom	56,837.00
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000878	AMCOBI	804.35
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000879	AMCOBI	540.57
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000880	AMCOBI	124.22
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000881	AMCOBI	120.02
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000882	AMCOBI	91.46
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000883	AMCOBI	74.95
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000884	AMCOBI	74.11
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000885	AMCOBI	73.27
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000886	AMCOBI	73.27
10/23/2023	CMTRX00000097	Bank Transaction Entry	WDL000000887	AMCOBI	68.23
10/23/2023	CMTRX00000101	Bank Transaction Entry	WDL000000920	Visa Cardmember Services	11,140.36
10/25/2023	CMTRX00000091	Bank Transaction Entry	WDL000000861	ABG	2,390.73
10/26/2023	CMTRX00000097	Bank Transaction Entry	WDL000000888	Anthem	6,407.71
10/26/2023	CMTRX00000104	Bank Transaction Entry	WDL000000921	FPPA	6,411.99
10/31/2023	CMTRX00000098	Bank Transaction Entry	WDL000000899	Xfinity	9.96
10/31/2023	CMTRX00000098	Bank Transaction Entry	WDL000000902	Comcast	193.35
<b>Total ACHs:</b>	<b>36</b>			<b>Total Amount of ACHs:</b>	<b>\$ 163,315.60</b>

# CHARTS

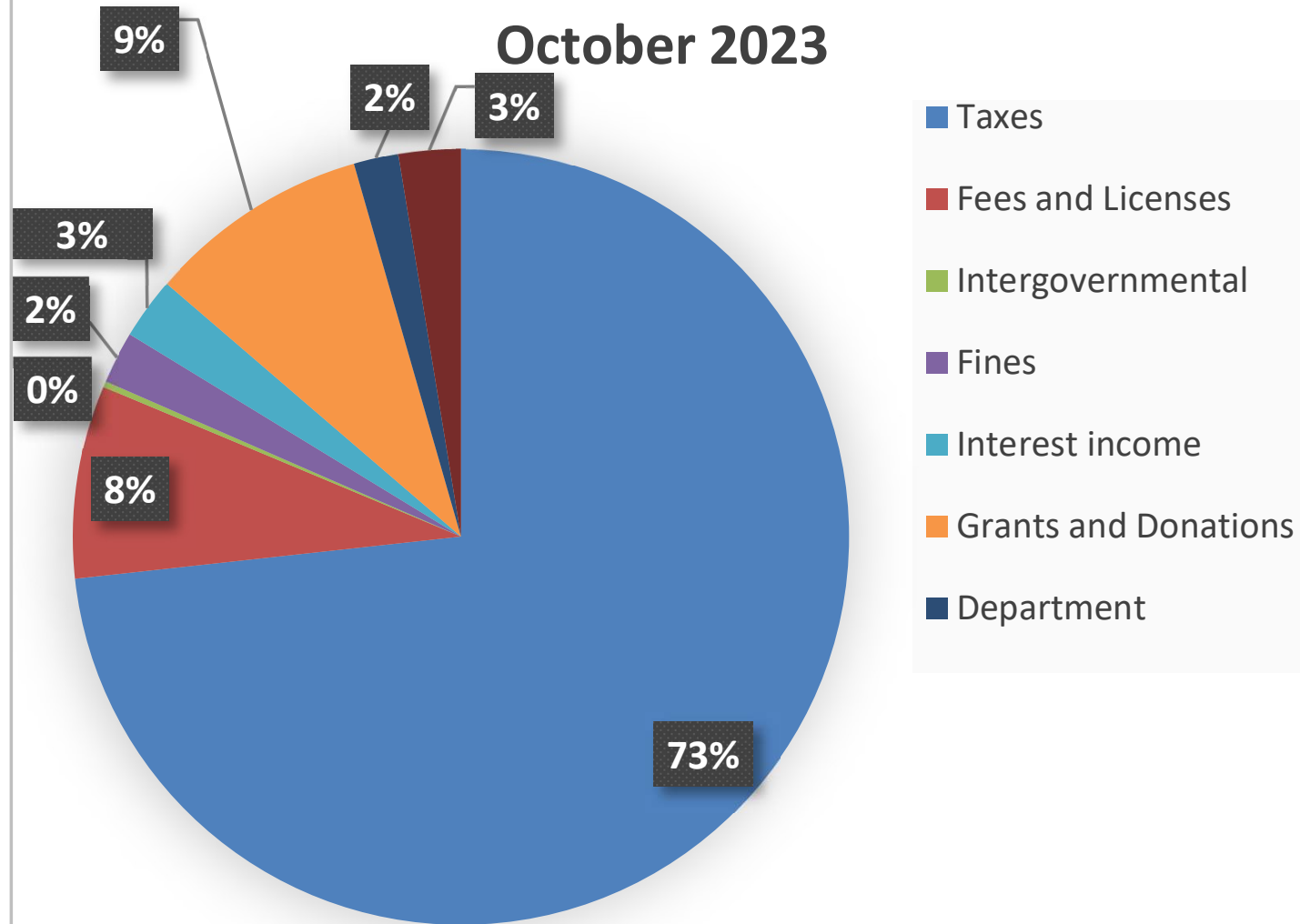
## October 2023



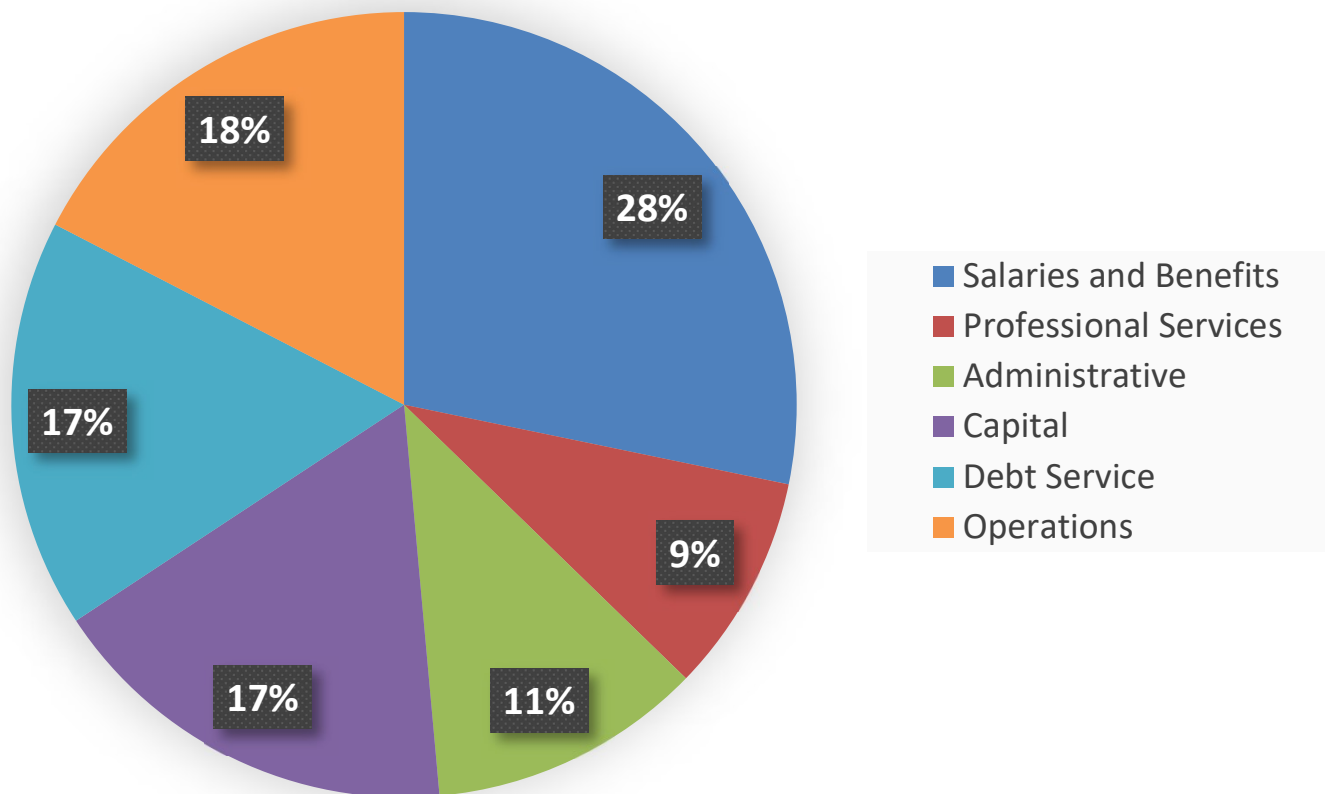
# General Fund Expenditure Breakdown October 2023



## General Fund Revenue Breakdown October 2023



## Water Enterprise Fund Expenditure Breakdown October 2023



**TOWN OF PALMER LAKE**  
**Financial Statements**  
**November 2023**  
**Unaudited**



**CASH POSITION**  
**November 30, 2023**





TOWN OF PALMER LAKE					
Schedule of Cash Position					
November 30, 2023					
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE	
OPERATING FUNDS:					
Community Banks of CO	General Fund Operating	Checking	n/a	\$	685,840
* Restricted - Operating Reserve - 3 months (\$752,109)					
Community Banks of CO	Water Fund Operating	Checking	n/a	\$	1,663,062
* Restricted - Operating Reserve - 3 months (\$224,600)					
Colorado Trust (ColoTrust)	General Fund	Savings	5.56%	\$	1,493,061
Subtotal - Operating Funds				\$	3,841,962
RESTRICTED FUNDS:					
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	5.56%	\$	190,186
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	5.56%	\$	210,697
Colorado Trust (ColoTrust)	Water Savings	Savings	5.56%	\$	211,352
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	5.56%	\$	7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	5.56%	\$	63,455
Colorado Trust (ColoTrust)	CTF Reserve	Savings	5.56%	\$	28,895
Colorado Trust (ColoTrust)	Roads CIP Reserve	Savings	5.56%	\$	10,568
Subtotal - Restricted Funds				\$	715,160
TOTAL				\$	4,557,122

# GENERAL FUND

## November 2023



# TOWN OF PALMER LAKE

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Eleven Months Ended November 30, 2023  
UNAUDITED

Item 3.

	2023 Amended Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 92%)
<b>REVENUE</b>				
Taxes	\$ 3,664,377	\$ 2,421,456	\$ (1,242,921)	66%
Fees and Licenses	261,435	252,076	(9,359)	96%
Intergovernmental	6,000	7,352	1,352	123%
Fines	90,000	75,872	(14,128)	84%
Interest income	43,000	84,850	41,850	197%
Departmental	49,500	59,440	9,940	120%
Grants and Donations	395,182	280,298	(114,884)	71%
Miscellaneous income	117,200	86,034	(31,166)	73%
Total Revenue	<u>\$ 4,626,694</u>	<u>\$ 3,267,378</u>	<u>\$ (1,359,316)</u>	<u>71%</u>
<b>EXPENDITURES</b>				
General and Administrative				
Salaries and Benefits	\$ 274,996	\$ 171,185	\$ 103,811	62%
Professional Services	305,475	210,982	94,493	69%
General Administration	585,317	309,820	275,497	53%
Total General and Administrative	<u>\$ 1,165,788</u>	<u>\$ 691,987</u>	<u>\$ 473,801</u>	<u>59%</u>
Police Department				
Salaries and Benefits	\$ 781,175	\$ 550,920	\$ 230,255	71%
Professional Services	-	5,093	(5,093)	0%
General Administration	122,399	58,829	63,570	48%
Total Police Department	<u>\$ 903,574</u>	<u>\$ 614,842</u>	<u>\$ 288,732</u>	<u>68%</u>
Fire Department				
Salaries and Benefits	\$ 867,644	\$ 448,537	\$ 419,107	52%
Professional Services	-	3,586	(3,586)	0%
General Administration	289,420	84,202	205,218	29%
Total Fire Department	<u>\$ 1,157,064</u>	<u>\$ 536,325</u>	<u>\$ 620,739</u>	<u>46%</u>
Public Works Department - Roads				
Salaries and Benefits	\$ 315,186	\$ 195,453	\$ 119,733	62%
Professional Services	30,000	14,576	15,424	49%
General Administration	756,875	294,236	462,639	39%
Total Roads Department	<u>\$ 1,102,061</u>	<u>\$ 504,265</u>	<u>\$ 597,796</u>	<u>46%</u>
Public Works Department - Parks				
General Administration	\$ 83,165	\$ 93,101	\$ (9,936)	112%
Total Parks Department	<u>\$ 83,165</u>	<u>\$ 93,101</u>	<u>\$ (9,936)</u>	<u>112%</u>
Grants & Donations	<u>\$ 395,182</u>	<u>\$ 336,014</u>	<u>\$ 59,168</u>	<u>85%</u>
Total Expenditures	<u>\$ 4,806,833</u>	<u>\$ 2,776,534</u>	<u>\$ 2,030,300</u>	<u>58%</u>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>\$ (180,139)</u>	<u>\$ 490,844</u>	<u>\$ 670,984</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 2,880,403</u>		
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 3,371,247</u>		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months		(752,109)	<i>Note 1</i>	
Fire and Roads - CIP Reserve		(74,022)		
<b>FUND AVAILABLE - END OF YEAR - Unrestricted</b>		<u><u>\$ 2,545,116</u></u>		

*Note 1: A 12 Month Operating Reserve would be Optimum* 4

# WATER ENTERPRISE FUND

## November 2023



# TOWN OF PALMER LAKE

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL WATER ENTERPRISE FUND

For the Eleven Months Ended November 30, 2023  
UNAUDITED

	2023 Amended Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 92%)
<b>REVENUE</b>				
Water Revenue	\$ 1,156,000	\$ 1,148,678	\$ (7,322)	99%
Water Fees	55,000	54,645	(355)	99%
Water Taps	100,000	8,271	(91,729)	8%
Late Fees/Service Fees	14,000	18,147	4,147	130%
Water Meters	3,000	3,330	330	111%
ARP Funds	259,238	218,333	(40,905)	84%
Interest	14,000	28,305	14,305	202%
Miscellaneous	10,200	730	(9,470)	7%
Total Revenue	<u>\$ 1,611,438</u>	<u>\$ 1,480,439</u>	<u>\$ (130,999)</u>	<u>92%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 562,906	\$ 332,237	\$ 230,669	59%
Professional Services	183,225	112,603	70,622	61%
Administrative	200,570	128,973	71,597	64%
Operations	222,270	199,010	23,260	90%
Capital	388,525	263,157	125,368	68%
Debt Service	183,229	183,139	90	100%
Total Expenditures	<u>\$ 1,740,725</u>	<u>\$ 1,219,119</u>	<u>\$ 521,606</u>	<u>70%</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ (129,287)</u>	<u>\$ 261,320</u>	<u>\$ 390,607</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 958,494</u>		
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 1,219,814</u>		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months (CWR&PDA Loan Requirement)		(224,600)	<i>Note 1</i>	
<b>FUND BALANCE - END OF YEAR - Unrestricted</b>		<u><u>\$ 995,214</u></u>		

*Note 1: A 12 Month Operating Reserve would be Optimum*

# CONSERVATION TRUST FUND

November 2023



# TOWN OF PALMER LAKE

## STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONSERVATION TRUST FUND

For the Eleven Months Ended November 30, 2023  
UNAUDITED

	2023 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 92%)
<b>REVENUE</b>				
State Shared Revenue	\$ 36,140	\$ 26,472	\$ (9,668)	73%
Interest/Miscellaneous income	400	1,336	936	334%
<b>Total Revenue</b>	<u>\$ 36,540</u>	<u>\$ 27,808</u>	<u>\$ (8,732)</u>	<u>76%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 20,866	\$ 8,651	\$ 12,215	41%
Administrative	15,674	8,733	6,941	56%
<b>Total Expenditures</b>	<u>\$ 36,540</u>	<u>\$ 17,384</u>	<u>\$ 19,156</u>	<u>48%</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 10,424</u>	<u>\$ 10,424</u>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<u>\$ 37,609</u>		
<b>FUND BALANCE - END OF YEAR - Restricted</b>		<u><u>\$ 48,033</u></u>		

# GRANTS AND DONATIONS

November 2023





# GRANTS & DONATIONS SCHEDULE

*For Information Purposes Only*

Item 3.

	<b>2023 Budget</b>	<b>11.30.23 Actual</b>
<b>REVENUE</b>		
Colo. State Historical Society ADA Door	\$ 42,000	\$ -
Police Donations/ Grants	5,000	13,176
CDOT PL Elementary Road Improvement	145,682	16,061
Fire Mitigation Grant	-	48,721
CDOT Overlay Maint.	200,000	200,000
Parks Donations/ Grants	2,500	2,340
Total Revenue	<u>\$ 395,182</u>	<u>\$ 280,298</u>
<b>EXPENDITURES</b>		
General Administrative		
Colo. State Historical Society ADA Door	\$ 42,000	\$ -
Total General Administrative Expenditures	<u>\$ 42,000</u>	<u>\$ -</u>
Police Department Expenditures		
Grant Expense	\$ 5,000	\$ 7,272
Total Police Department Expenditures	<u>\$ 5,000</u>	<u>\$ 7,272</u>
Fire Department Expenditures		
Grants Expense	\$ -	\$ -
Total Fire Department Expenditures	<u>\$ -</u>	<u>\$ -</u>
Roads Department Expenditures		
CDOT Overlay Maint.	\$ 200,000	\$ 244,842
CDOT PL Elementary Road Improvements	145,682	83,900
Total Roads Department Expenditures	<u>\$ 345,682</u>	<u>\$ 328,742</u>
Parks Department Expenditures		
Parks Committee (donations)	\$ 2,500	\$ -
Total Parks Department Expenditures	<u>\$ 2,500</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 395,182</u>	<u>\$ 336,014</u>
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (55,716)</u>

# Check Register

November 2023



Town of Palmer Lake  
VENDOR CHECK REGISTER REPORT  
Payables Management

Ranges: From: To: From: To:  
Check Number First Last Check Date 11/1/2023 11/30/2023  
Vendor ID First Last Checkbook ID First Last  
Vendor Name First Last

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
49314	CENTURYLINK	CENTURYLINK	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$822.74
49315	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$30.00
49316	COREANDMAIN	CORE & MAIN LLP	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$2,882.40
49317	EMBLEMAUTHORITY	EMBLEMS, INC. DBA THE EMBLEM A	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$1,117.80
49318	EMERGENCYNETWOR	EMERGENCY NETWORK SECURITY SYS	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$32.03
49319	EVOQUA	EVOQUA WATER TECHNOLOGIES LLC	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$1,463.00
49320	HACHCOMPANY	HACH COMPANY	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$54.58
49321	MOZINGOCONSULT	MOZINGO CONSULTING, LLC	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$4,519.00
49322	MYFLEETCENTER	MYFLEETCENTER	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$250.89
49323	OASISLANDSCAPE	OASIS LANDSCAPE & IRRIGATION I	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$450.83
49324	RAMPARTSUPPLY	RAMPART SUPPLY	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$193.17
49325	REPUBLICSERVICE	REPUBLIC SERVICES #653	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$1,974.13
49326	RYANMURRI	RYAN MURRI	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$75.00
49327	ORCUTT,STEVE	STEVE ORCUTT	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$91.34
49328	TRILAKESSERVICE	TRI-LAKES SERVICE CENTER	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$1,188.87
49329	VALERIESILVA	VALERIE SILVA	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$125.00
49330	WATERRATESBYBRA	WATER RATES BY BRANDEWIE LLC	11/1/2023	COBANK-CKG 9495	PMCHK00000131	\$1,200.00
49331	4RIVERSEQUIPMEN	4 RIVERS EQUIPMENT	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$341.47
49332	ABIGAILBECKMAN	ABIGAIL BECKMAN	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$75.00
49333	ALLCOUNTYCS	ALL COUNTY COLORADO SPRINGS	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$574.45
49334	AMCOBIIT	AMCOBI	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$4,573.80
49335	AMYHUTSON	AMY HUTSON	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$265.00
49336	ANNACOEN	ANNA COEN	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$125.00
49337	BRADLEYEXCAVATI	BRADLEY EXCAVATING INC.	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$42,243.36
49338	BROOKSPLUMBING	BROOKS PLUMBING & HEATING, INC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$321.00
49339	CKT	COMMON KNOWLEDGE TECHNOLOGY	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$2,423.50
49340	GRAINGER	GRAINGER	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$105.20
49341	HOMEDEPOTCREDIT	HOME DEPOT CREDIT SERVICES	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$812.87
49342	KELLYBOOKSLLC	KellyBooks LLC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$5,112.50
49343	KROBLAWOFFICES	KROB LAW OFFICE, LLC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$20,668.50
49344	LESLIEBOYCE	LESLIE BOYCE	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$575.00
49345	MEYER&SAMS,INC	MEYER & SAMS, INC. DBA GMS INC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$9,990.91
49346	OREILLY	O'REILLY	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$382.34
49347	ORKIN	Orkin	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$98.65
49348	PITNEYBOWES	PITNEY BOWES GLOBAL FINANCIAL	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$440.94
49349	PORCHELECTRIC	PORCH ELECTRIC INC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$3,770.87
49350	SPRINGSMOUNTAIN	Springs Mountain Water	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$77.50
49351	STERICYCLE	STERICYCLE, INC.	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$38.59
49352	GAZETTE	THE GAZETTE	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$166.79
49353	TRILAKESPRINTIN	TRI-LAKES PRINTING	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$624.29
49354	UNCC	UTILITY NOTIFICATION CENTER OF	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$33.54
49355	WITMERPUBLIC	WITMER PUBLIC SAFETY GROUP INC	11/7/2023	COBANK-CKG 9495	PMCHK00000132	\$365.41
49356	AIRGAS	AIRGAS USA, LLC	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$116.48
49357	CHAVEZCONSULTIN	CHAVEZ CONSULTING INC., LLC	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$225.00
49358	CML	CML	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$1,678.00
49359	CKT	COMMON KNOWLEDGE TECHNOLOGY	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$138.25
49360	CRAIGSPOWEREQUI	CRAIG'S POWER EQUIPMENT LLC	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$293.59
49361	ECS	EMPLOYERS COUNCIL	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$379.75
49362	ESO	ESO SOLUTIONS, INC.	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$208.53
49363	OREILLY	O'REILLY	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$129.23
49364	PALMERLAKESANIT	PALMER LAKE SANITATION	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$1,646.72
49365	PIONEER	PIONEER	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$5,783.63
49366	RAMPARTSUPPLY	RAMPART SUPPLY	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$249.57
49367	RENNERSPORTS	RENNER SPORTS SURFACES	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$26,533.00
49368	REPUBLICSERVICE	REPUBLIC SERVICES #653	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$1,713.76
49369	SLWS	SALT LAKE WHOLESALE SPORTS	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$3,933.00
49370	SGS	SGS NORTH AMERICA, INC.	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$240.00
49371	T2SYSTEMS	T2 SYSTEMS CANADA INC.	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$70.00

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
49372	KNASTERTECHNOLO	THE KNASTER TECHNOLOGY GROUP	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$666.00
49373	REINALT-THOMASC	THE REINALT-THOMAS CORPORATION	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$1,279.92
* 49374	TROJANTECH	TROJAN TECHNOLOGIES CORP.	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$5,951.25
* 49375	ALLCOUNTYCS	ALL COUNTY COLORADO SPRINGS	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$26.56
49376	AXISRESIDENTIAL	AXIS RESIDENTIAL	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$75.00
49377	CIRSA	CIRSA	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$2,500.00
49378	CIVICPLUSLLC	CIVICPLUS LLC	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$216.00
49379	COMMUNITYMATTER	COMMUNITY MATTERS INSTITUTE	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$7,420.00
49380	DPCINDUSTRIES	DPC INDUSTRIES, INC.	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$70.00
49381	JAN-PROFRANCHIS	JAN-PRO FRANCHISE DEVELOPMENT	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$255.00
49382	CICCOLELLAJOH	JOHN CICCOLELLA	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$320.00
49383	TORWEIHE,LETICI	Leticia Torweihe	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$77.96
49384	MARYRECTALUGO	MARY RECTA-LUGO	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$75.00
49385	OREILLY	O'REILLY	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$174.45
49386	PALMERLAKECOUNC	PALMER LAKE ARTS COUNCIL	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$75.00
49387	RICKAUSMUSTRUCK	RICK AUSMUS TRUCKING	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$390.00
49388	SGS	SGS NORTH AMERICA, INC.	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$241.20
49389	SPRINGSMOUNTAIN	Springs Mountain Water	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$22.50
49390	TLECC	TIMBER LINE ELECTRIC & CONTROL	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$2,659.29
49391	XEROX	XEROX BUSINESS SOLUTIONS SOUTH	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$2,584.57
49392	ALLCOUNTYCS	ALL COUNTY COLORADO SPRINGS	11/20/2023	COBANK-CKG 9495	PMCHK00000135	\$21.56
49393	BROOKSPLUMBING	BROOKS PLUMBING & HEATING, INC	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$379.90
49394	CENTURYLINK	CENTURYLINK	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$601.86
49395	CHRISMEDINA	CHRIS MEDINA	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$75.00
49396	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$1,280.00
49397	CKT	COMMON KNOWLEDGE TECHNOLOGY	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$550.00
49398	DIGITCOM	DIGITCOM ELECTRONICS	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$1,345.24
49399	EMBLEMAUTHORITY	EMBLEMS, INC. DBA THE EMBLEM A	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$208.00
49400	GENEKALESTI	Gene Kalesti	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$127.29
49401	L.N.CURTISANDSO	L.N. CURTIS AND SONS	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$687.86
49402	LLFLOORINGINC	LL FLOORING, INC.	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$6,984.57
49403	MIDWESTBARRICAD	MIDWEST BARRICADE CO., INC.	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$445.32
49404	MONARCHMERCHAND	MONARCH MERCHANDISING	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$395.95
49405	MYFLEETCENTER	MYFLEETCENTER	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$92.62
49406	RENNERSPORTS	RENNER SPORTS SURFACES	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$5,000.00
49407	RICKAUSMUSTRUCK	RICK AUSMUS TRUCKING	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$1,737.50
49408	STERICYCLE	STERICYCLE, INC.	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$38.59
49409	THESUPPLYCACHE	THE SUPPLY CACHE	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$14.51
49410	TLECC	TIMBER LINE ELECTRIC & CONTROL	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$3,120.54
49411	TROJANTECH	TROJAN TECHNOLOGIES CORP.	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$35,767.44
49412	USDAFORESTSERVI	USDA FOREST SERVICE	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$175.18
49413	UNCC	UTILITY NOTIFICATION CENTER OF	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$43.86
49414	OESTERREICH,WES	WESTON OESTERREICH	11/29/2023	COBANK-CKG 9495	PMCHK00000136	\$235.54
49415	FAC	FROMM & COMPANY LLC	11/30/2023	COBANK-CKG 9495	PMCHK00000137	\$14,989.50

Total Checks: 102

Total Amount of Checks: \$247,436.61

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# Voided Check Register

November 2023



System: 12/10/2023 11:12:39 AM  
User Date: 12/10/2023

Town of Palmer Lake  
VENDOR CHECK REGISTER REPORT  
Payables Management

Page: 1  
User ID: mkelly

Item 3.

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	11/1/2023
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
* 49374	TROJANTECH	TROJAN TECHNOLOGIES CORP.	11/13/2023	COBANK-CKG 9495	PMCHK00000133	\$5,951.25
* 49375	ALLCOUNTYCS	ALL COUNTY COLORADO SPRINGS	11/20/2023	COBANK-CKG 9495	PMCHK00000134	\$26.56
Total Checks: 2						Total Amount of Checks: \$0.00

# ACH Register

November 2023



Town of Palmer Lake  
ACH REGISTER REPORT  
Payables Management

ACH Date	From:	To:
Checkbook ID	11/1/2023	11/30/2023
	COBANK-CKG 9495	COBANK-CKG 9495

Sorted By: Date

Trx Date	Orig. Audit Trail	Distribution Reference	Orig. Master Number	Orig. Master Name	Amount
11/2/2023	CMTRX00000109	Bank Transaction Entry	WDL000000979	Paycom	58,405.29
11/3/2023	CMTRX00000109	Bank Transaction Entry	WDL000000972	Parking Kiosk Credit Card Fee	304.55
11/7/2023	CMTRX00000109	Bank Transaction Entry	WDL000000969	CORE Electric	6,673.36
11/7/2023	CMTRX00000109	Bank Transaction Entry	WDL000000970	Humana	942.06
11/7/2023	CMTRX00000109	Bank Transaction Entry	WDL000000974	WEX Fuel	3,144.45
11/8/2023	CMTRX00000109	Bank Transaction Entry	WDL000000971	Health Equity	5.00
11/8/2023	CMTRX00000109	Bank Transaction Entry	WDL000000975	ABG/PCS	2,471.21
11/9/2023	CMTRX00000106	Bank Transaction Entry	WDL000000959	Black Hills Energy	79.54
11/9/2023	CMTRX00000109	Bank Transaction Entry	WDL000000977	FPPA	6,125.28
11/14/2023	CMTRX00000106	Bank Transaction Entry	WDL000000960	Black Hills Energy	94.55
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000962	Black Hills Energy	75.19
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000963	Black Hills Energy	52.93
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000964	Black Hills Energy	45.03
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000965	Black Hills Energy	39.29
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000966	Black Hills Energy	36.43
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000967	Black Hills Energy	34.27
11/14/2023	CMTRX00000108	Bank Transaction Entry	WDL000000968	Black Hills Energy	31.41
11/16/2023	CMTRX00000109	Bank Transaction Entry	WDL000000980	Paycom	64,817.08
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000948	AMCOBI	1,373.81
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000949	AMCOBI	651.61
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000950	AMCOBI	550.36
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000951	AMCOBI	138.25
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000952	AMCOBI	123.85
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000953	AMCOBI	112.69
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000954	AMCOBI	94.60
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000955	AMCOBI	93.40
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000956	AMCOBI	90.04
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000957	AMCOBI	90.04
11/21/2023	CMTRX00000106	Bank Transaction Entry	WDL000000958	AMCOBI	85.00
11/21/2023	CMTRX00000109	Bank Transaction Entry	WDL000000973	Visa Cardmember Services	2,900.11
11/21/2023	CMTRX00000109	Bank Transaction Entry	WDL000000976	ABG/PCS	2,816.82
11/24/2023	CMTRX00000109	Bank Transaction Entry	WDL000000978	FPPA	10,896.97
11/27/2023	CMTRX00000106	Bank Transaction Entry	WDL000000947	Anthem	7,716.65
11/30/2023	CMTRX00000109	Bank Transaction Entry	WDL000000981	Paycom	80,956.74
<b>Total ACHs:</b>	<b>34</b>			<b>Total Amount of ACHs:</b>	<b>\$ 252,067.86</b>

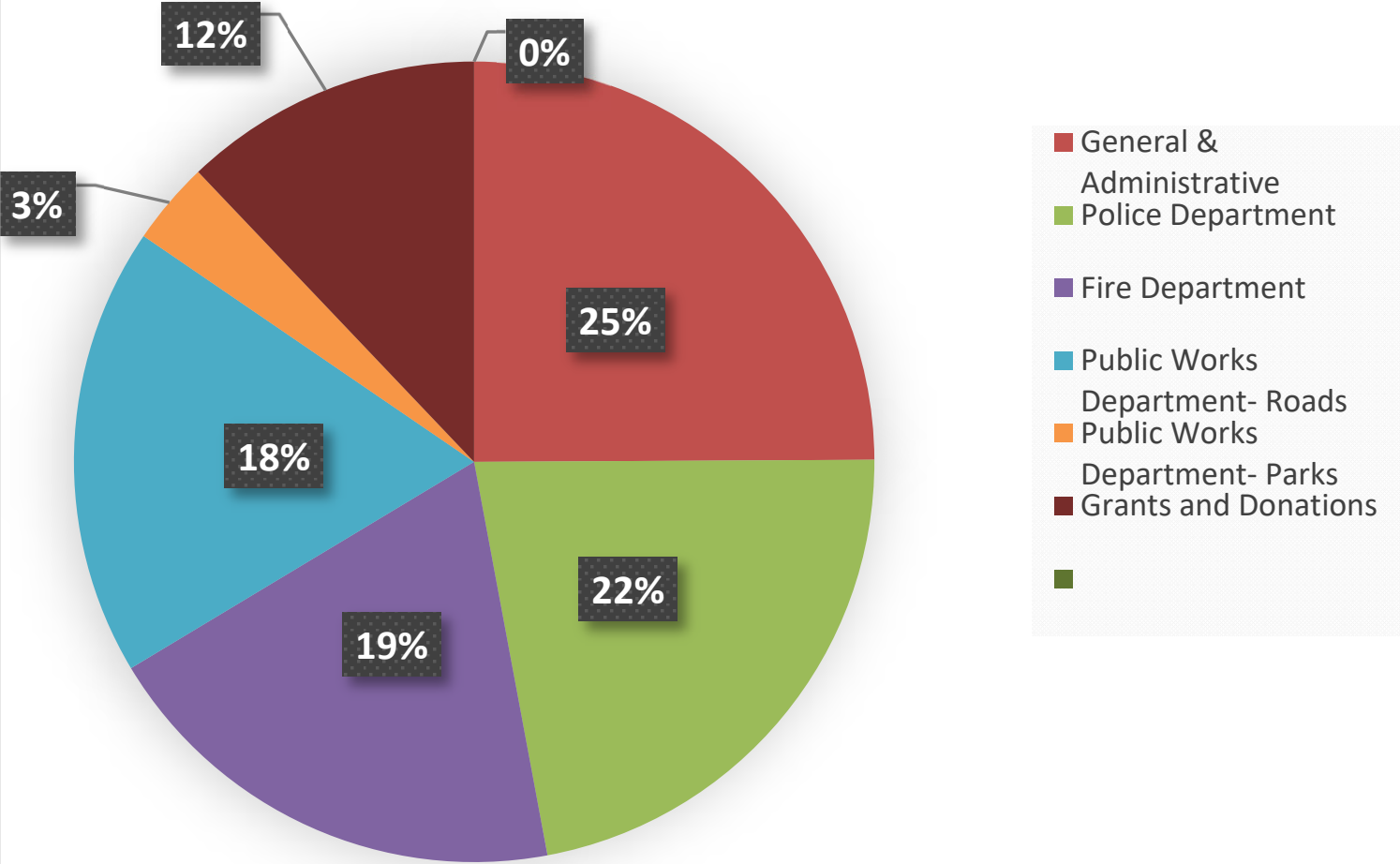


# CHARTS

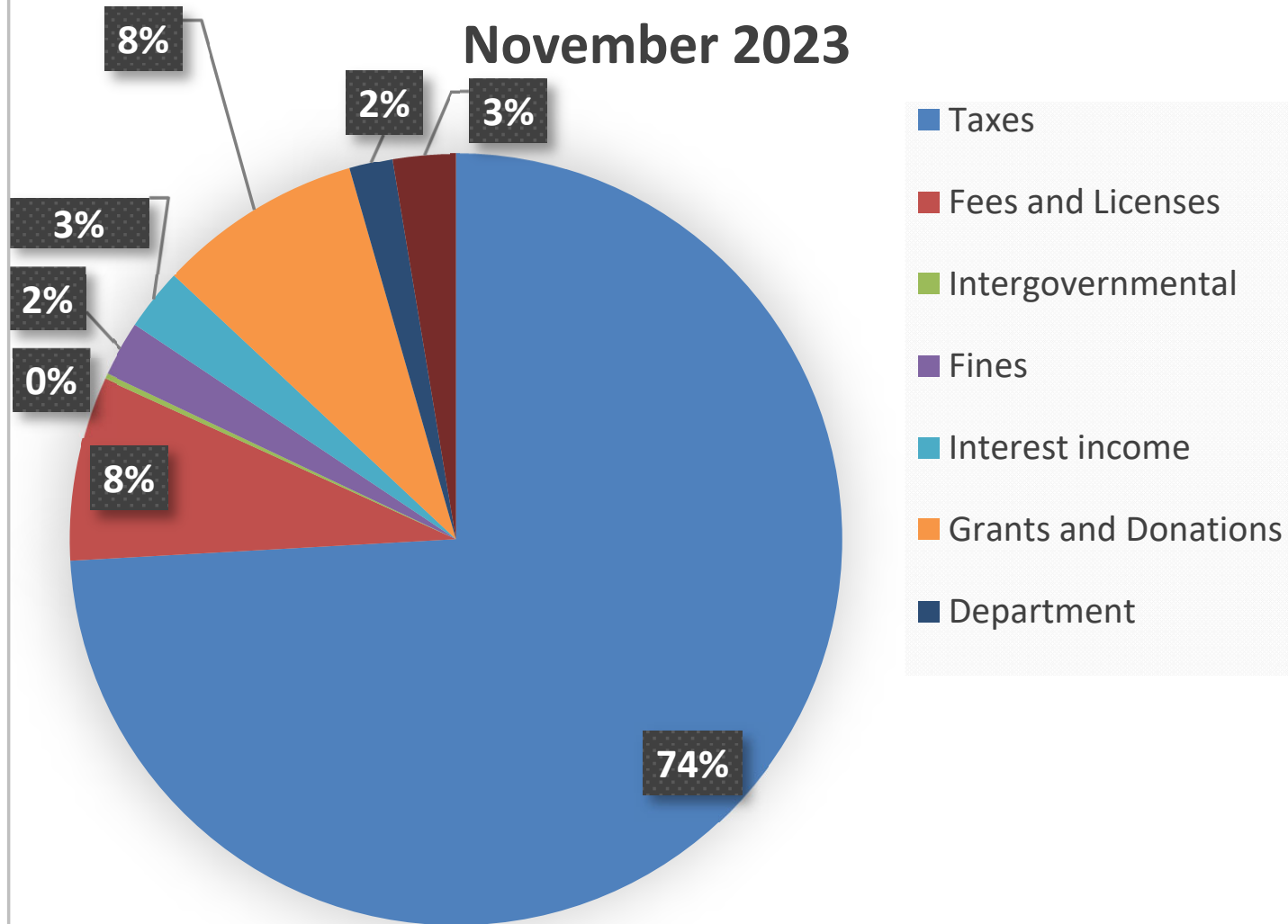
## November 2023



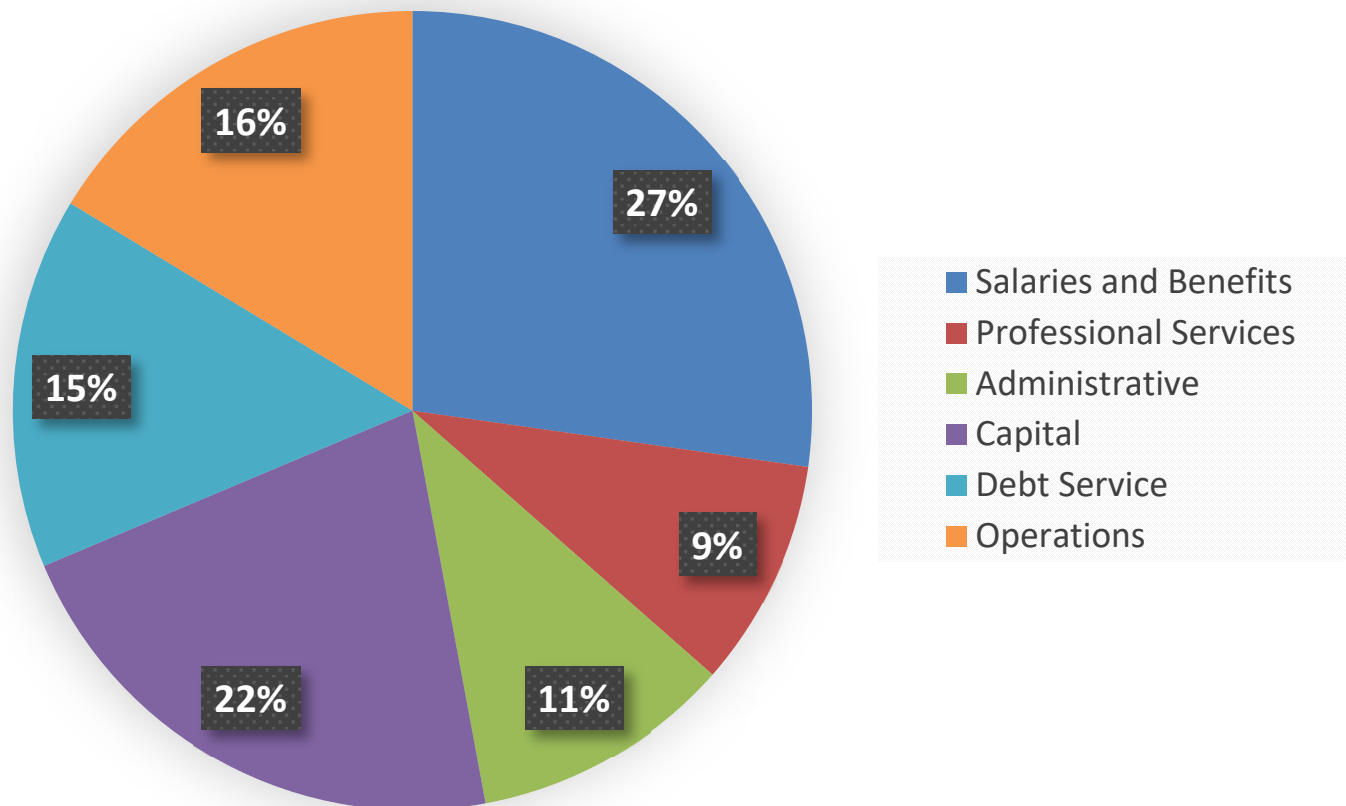
# General Fund Expenditure Breakdown November 2023



## General Fund Revenue Breakdown November 2023



## Water Enterprise Fund Expenditure Breakdown November 2023



**TOWN OF PALMER LAKE  
EL PASO COUNTY  
STATE OF COLORADO**

**RESOLUTION NO. 76 - 2023**

**A RESOLUTION TO RE-APPOINT BOARD OF TRUSTEE MEMBER TO THE PIKES PEAK REGIONAL  
BUILDING DEPARTMENT (PPRBD) ADVISORY BOARD**

**WHEREAS**, Palmer Lake is a statutory town organized under Part 3 of Article 4 of Title 31 of the Colorado Revised Statutes; and

**WHEREAS**, pursuant to State Statute and the Palmer Lake municipal code, the Board of Trustees is authorized to re-appoint a member to fill a position with an outlying agency, including the PPRBD Advisory Board.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER  
LAKE OF EL PASO COUNTY, COLORADO, AS FOLLOWS:**

**Section 1.** The following elected official is re-appointed to the PPRBD Advisory Board for the Town of Palmer Lake:

One-Year term (ending December 2024) – Trustee Dennis Stern

**Section 2. Severability.** If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

**Section 3. Repeal.** Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF  
THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

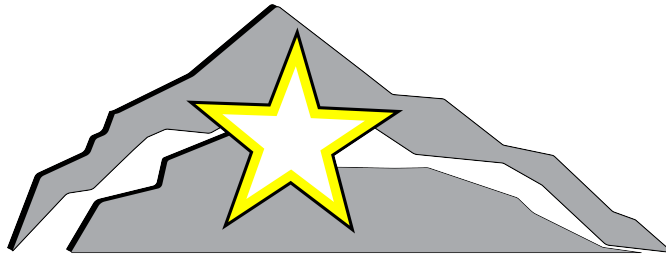
TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Glant Havenar, Mayor

ATTEST:

By: \_\_\_\_\_  
Dawn A. Collins, Town Administrator/Clerk

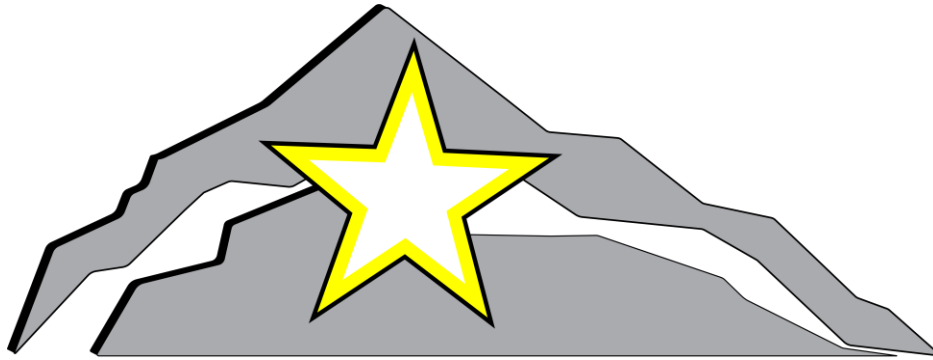
Town of Palmer Lake Monthly Water Usage			Month Year	November 2023
	Gallons	Acre Ft		
Surface Water	2,016,000	6.19		
Well A2	0	0		
Well D2	1,889,000	5.8		
Total	3,905,000	11.99		
Avg. Gal/Day	130,000	0.4		
Release To Lake 8.27 AF Max Allowed = 8.4 AF / Month				
Release Glen Park Evaporation 0 AF				
Water system 0 AF				
	Total	0 AF		



# Town of Palmer Lake

## *Board of Trustees Summary Sheet*

	<b>November 2023</b>
Title	<b>Public Works Monthly Report</b>
Date	12/14/2023
Contact	Supervisor Jason Dosch
Summary	<p>Graded Roads  Plowed and sanded ROW's after snows  Patched Potholes  Cut tree limbs from ROW  Replaced and repaired street signs  Performed routine maintenance on equipment and playground equipment  Hung Christmas lights around Town Hall  Emptied trash cans at Lake Rec. area  Performed playground inspections  Maintained area around the Town office and Town Hall  Set up and tear down seating and tables at Town Hall for meetings and events  Attended Parks Committee meetings  Attended Special events permit meetings  Attended TAC meeting at PPACG  Performed maintenance on parking kiosk at Trailhead parking lot</p>
Training	<p>Ongoing safety training  Equipment training with new staff</p>
Other Activity	<p>Working on design phase on Palmer Lake Elementary School roadway improvement project  GMS Eng is designing Circle Rd and Circle Dr for construction in summer of 2024  Working on PW draft 2024 budget  Making Buena Vista two-way traffic, added signs  Started importing material for pickleball courts in Centennial Park  Worked on applications for projects for Long Range plan at PPACG  Gathering bids for tear down of cabins at Elephant Rock property</p>



# Town of Palmer Lake

## *Board of Trustees Summary Sheet*

	<b>October &amp; November 2023</b>
Title	<b>PARKS Report</b>
Date	November 2023
Contact	Parks Commission
Summary of Volunteer Hours	Labor (clean up, maintenance) : 61 Clerical (email, calls, grants, spreadsheets) : 35.5 Miscellaneous Meetings (other than Parks) : 17
Total Volunteer Time	Total = 113.5 hours
Upcoming Activity	Continued Trail and Grant activity



# Palmer Lake Parks: Project / Punch List 2023 (New, In Progress, Completed, Ongoing) - updated 11/25/2023

Item 7.

Ref#	Park* belo	PROJECT LIST:	Previous Ranking Average	EST. COST	Project Lead(s)	Statu s	Project Progress & Notes
1	ALL	Work with PLFD to move logs to bridge locations or cutting them in-place to size for bridges, picnic tables, benches.	1.71		Parks, PLVFD		
2	ALL	Ask Phyllis to develop a table for noxious weed control - time of year, type of control, specific weeds to Palmer Lake and where	1.83		Phyllis		Publish on Town weekly newsletter. Phyllis is already working with a couple of entities to accomplish this.
3	ALL	Develop a "New Parks and Trails Commissioner" packet	2.16				
5	ALL	Noxious weed service day at least once per year		\$ 10	Phyllis		
6	ALL	Holiday lights contest - annual		\$ 100	Jennifer,		Revise the rules & categories - done 11/23
7	CP	Trash clean-up around the Lake, weekly	1.00		J a s o n , parks		I believe Madeline and/or "Q" are doing it weekly
8	CP	Clean out fishing line disposal tubes one per month	1.00				Possibly recycle the lines
9	CP	Contribute to the research and development, and writing of a GOCO grant for multi-use field with ATL	1.57	\$450,000	Reid, Jennifer, Cindy & town		Submitted a concept to GOCO on July 20th and it was not accepted (heard back Aug. 16, 2023. Will hear suggestions and resubmit in the next cycle. Will edit and resubmit Jan. '24
10	CP	Install the Lake fountain in the spring and remove in the fall	1.66		Jason & parks		Install on the spring, remove in the fall - annually
11	CP	Connect with Soccer, football, and lacrosse groups to develop a plan and involvement with multi-use field.	1.85		Reid		, 8/1/22 connected with PDSC and gave them the survey (see # 19); 8/3 reached out to lacrosse (no reply as of 9/12) finally established a contact 1/7/23. Pride SC 1/20/23; met w/PDSC 1-17-23
12	CP	Once Bridge lighting plan is approved install the electrical and lighting per code	1.85	\$22,000	Jason & parks		BOT at 10/23 meeting asked for additional bids; ask APL for a share of the cost.
13	CP	Begin brainstorming Centennial park area adjustments and modifications. Make sure we coordinate this activity planning with the Centennial Park, Palmer Lake Master plans, Awake the Lake plus and Disc Golf.	1.88		All parks members, ATL		Now that the survey for Centennial Park improvements and new facilities is completed, master plan done, the site plan will map out the suggestions
14	CP	Connect with Little League to develop a plan, 3-5 year for improvements. See lists Kirk and Reid created in 2020-21? <b>We need to start charging them a use fee for practices and games!</b>	2.00		Dawn & Reid		Meeting w/Dawn, Jason, Dion, Del and Reid 8/23/22, need to meet with them prior to the season to discuss their plans for field improvements this year, and to have them develop a 5 year plan as promised 8/23/22. Dawn asked for meeting with LL Jan. 2023 - waiting to hear back. Zoom mtg w/Dion early May '23, in-person mtg scheduled for June 22, 2023

15	CP	Establish a handicapped parking area and install the appropriate sign in the parking area across from the Depot, O'Malley's.	2.25		Town, Parks		Item 7.
16	CP	Quotation 1/20/23 from Churchich, Miracle Recreation secure funds and schedule repair	2.57	\$10,004	Reid, Dawn		- received: 10003.50, APL funding - they declined. CTF funds and got a new quote 6/16. As of 11/23 waiting to be scheduled - most likely in 2024 weather dependent.
17	CP	Brush & tree clean up day for the area between back of restaurants and ballfield parking lot	2.5		Parks		High priority for Jason, need to design a strip park w/picnic tables.
18	CP	Do noxious and non-weed mitigation around the lake and bridge.	2.14		Parks	Ongoing	Contract with qualified weed eradicator
19	CP	Develop a plan for the bulletin board at the restroom - PL parks, El Paso cty parks, Hist. Society.	3.00	\$ 100	Parks		Need 2 4"x6" x 8' treated posts \$16.00/ea, 4 lag bolts 8" long (approx \$20.00 + 6 bags cement (\$30.00). Determine best location for 2nd B. Board
20	CP	Remove the 3 park benches across the street from the Art Center and install them in a better location to be determined by the Parks Commission.	3.00	\$ 30	Reid, Jason		
21	CP	Replace / repair cedar rail posts along north end along RR tracks and Lake trail	3.50	\$ 208	Mike, Reid service group		check number needed: 11 8'rails (at \$14 ea = \$154) and 3 2 rail posts (18.00ea = \$54.00) for ref. = \$208.00
22	CP	Replace / repair cedar rail posts and rails along west side of the Lake trail.	3.50	18.00 ea	Mike, Reid service group		check number needed
23	CP	Begin planning for a non-motorized boat launch area at the S. End of the Lake, possibly fence or boulder off or use boulders for boundary and bring in sand.	3.57	\$ 200	Jason & parks		Okay with Jason D. 1-31-23, moved a few rocks to the area 9/23, sand about \$40 / cu yd need about 5 yards
24	CP	Remove dead trees/brush from around lake, trim dead branches etc.	2.00	\$ 600	Jason, service day		Service day: ongoing spring/summer. 30 yard rolloff about \$600
25	CP	Add some protection around the edge of the roof of the information kiosk at the west end of the pedestrian bridge			Mike & Eagle Scouts		Low and sharp - a bit dangerous
26	CP	Continue to research and look into the installation of a free standing shade structure for over the playground. 1st quote is over the swings, 2nd over playground.	2.00	\$30365 - 110137	Cindy		Cindy researched and reported at the 8/22, 2023 Parks Workshop - over \$100,000. Need to discuss alternatives. Too expensive. Consider building our own from Reservoir logs w/PLVFD and just buying the fabric cover.
27	CP	Work with El Paso County Parks to research the possibility of expanding the parking from the County Line entrance along the east side of the entrance driveway.	2.00		Jason & parks		Met with El Paso county parks summer 2021 or 2022. They made diagram of the proposal.

28	CP	Place barriers across the south and north entrances to the dirt road between the RR tracks and the fencing to prevent cars from using that area as a thoroughfare.	2.00	\$600-700	Jason & parks		Work with PL Sanitation, PLVFD, and PLPD. This would be a movable gate like on the east side of the Park. Traffic Safety Tractor Supply \$200.00 approx. each	Item 7. /
29	CP	Close any entrance to the dirt road along the west side RR tracks across from the PO or Art Center entrance.	1.00	\$200-300	Jason & parks		Work with PL Sanitation, PLVFD, and PLPD. This would be a movable gate like on the east side of the Park.	
30	CP	Develop a Centennial Park Master Plan site map per Panning Commission			Reid and Nick E.		Started and completed 1st draft Nov. '23, 2nd draft 11/27/23	
31	CP	Explore the possibility of an electric charging station in one of the parking areas along st. hwy 105			Jason & parks		CORE is interested and has reached out to the Town and mayor	
32	CP	Explore the possibility of a paid parking kiosk in the parking area across from to old Art Center			Jason & parks			
33	CP	Design and conduct a town wide survey to gage the support for a multi-use field in CP (suggested by the GOCO area Representative).			Parks		Must be conducted before and built into the 1/24 concept.	
34	CP	Conduct an annual Broomball Tournament in the winter.			Parks		Changed from Winterfest to Broomball T.	
35	CP	Mount sled hill sign and place posts (to prevent bicyclists from riding through) rather than a chain at the opening.		\$ 100	Parks			
36	CP	Clean up the trail to the RR overlook hill at the south end of the Park and install a bench.			Parks		Bench could be a log bench manufactured by Parks and PLVFD	
37	CP	Work with disc golf club to relocate holes 1 & 2 so that all the holes are on the east side of the bridge.			Parks & Greg		Hole 1 and 18 would star and end , respectively, at the pedestrian bridge. Talked with Greg in mid-summer. No decision yet.	
38	CP	Work with APL to complete the 6 pickle ball courts and the restroom on the west side of the RR tracks		Grant funds	Mike & Jason		APL liaison : Tim Caves	
39	CP	Design and begin to construct a "strip" park along the west side of large south parking lot and behind the restaurants along St. Hwy 105, in the trees		\$600 to 2400	Parks, Jason		Picnic tables could be manufactured from logs at the Upper Res. In corporation with the PLVFD, picnic tables approx. \$200-800 if we purchase rather than build them	
40	CRK	Mitigate the trail area from Spring Street to Monument Creek E-Rock chicken coop crossing.	1.00	\$600.00	P a r k s , Jason		Directed by the BOT 4/5, use volunteers; started 6/23, cost is for a 30 yard rolloff	

42	CRK	Develop a master plan for Creekside Trail & Kent Street Connection trail			Parks		Item 7.
43	CRK	Create & install trail markers and mileage signs at trail intersections between Chicken Coop bridge site and Lovers Lane / Walnut intersection. (4 trail. Markers?)		\$ 28			
44	CRK	Complete the new section of Creekside Trail from Spring Street to Chicken Coop crossing					Possible MHYC help and grantee
45	CRK	Formalize a 5-7 cars parking area at the intersection of Walnut and Greeley for trail parking.		\$250-350	Jason & parks		Cost would for parking strips, 6' rubber parking blocks \$50.00 ea
46	ER	Develop a 3-5 year master plan for proposed E-Rock park if approved by BOT. See projects list specifically for E-Rock as a starting point.	1.33		Reid, Gene		Work with E-Rock master plan workgroup starting June 14, 2023
47	ER/CRK	Submit / present an explanation plan to the BOT for the bridges and trail beyond their 1st resolution.			Reid, Kevin, Gene, Jennifer		1st draft created 11/23, Presentation at the BOT mtg 12/23
48	ER	Connect with the PL Master plan workgroup committee to merge ideas for E-Rock property master plan	1.5		Gene, Reid		Directed by the BOT 4/5, disbanded after one session - nothing accomplished.
49	ER	Devise Pre-tours with public schools, homeschool & private schools for age appropriate historic talks	1.66		GENE, CPSC		Wait until after the trail is beyond the pavilion
50	ER	Open Air Pavilion Restoration, clean up and repair	1.8	\$3000-9000			Start in early 2024, work on cost estimates, look into the use of CTF money
51	ER	Decide on a name for the proposed E Rock property park if approved by the BOT, contest?, historical?	1.83		Gene, Reid		
52	ER	Parimeter Pin Survey Work	2.00		GENE, CPSC		CrossPaths Surveying, is it really needed? By parks?
53	ER	Announce Name of Park after presentations to the Parks Comm., Historical Society and BOT and MP workgroup	2.16		Gene, parks		Parks Media and Marketing Commissioners
54	ER	Permanent bridge for Chicken Coop crossing to be designed by USAFA & installed May 2024. 2 designs, present to Parks for input and approval	2.00		Gene, Parks		Parks would review each year at a presentation Dec. '23
55	ER	Decide on log bridge design for wilderness pedestrian bridges across Monument Creek	1.85	\$21000 - 27000	Parks		USAFA eng. dept. - Dec. '23 to submit to Parks Comm. for decision. Kevin then to work up a estimated cost. CTF and/or kiosk
56	ER	Apply for Non-motorize grant to pay for the 1st bridge at Chicken Coop			Jennifer, Kevin		Done in October '23 for 2024 award. See #62 & 64. We asked for \$60,000

57	ER/CRK	Apply for MHYC/GOCO grant to pay for trail building along N. Monument and Monument Creek into E-Rock		\$34,000	C i n d y , Jennifer		Done in October '23 for 2024 award. See #62 & asked for 4 weeks of In-Kind trail work = \$34,000	Item 7.
58	ER	Research and establish a porta potty or restroom need for inside E-Rock in parks areas.	2.16		Gene, Parks		"	
59	ER	Nature Center created in part of Dining Hall or a cabin	2.4	*			Depends on BOT determination of the buildings. Possible CTF money - Dawn to look into. See also #101 & 94	
60	ER	Small bridges & trails in the Beaver Pond area	2.2				Look to 2025-2026 to develop a plan and design	
61	ER	COMMUNITY GARDEN BOXES, 32' X 32' WITH 9 EACH 10' X 10' BOXES	2.35	*			Late 2024 into 2025 with BOT permission. Research costs to construct and	
62	ER	Permanent bridge at Historic Epworth site to be designed by USAFA & installed May 2025, 2 designs, present to BOT & Staff for input and approval	3.00	\$21000	G e n e , Parks		Parks would review each year at a present Dec. '24. See # 56	
63	ER	Decide on log bridge design for wilderness pedestrian bridges across Monument Creek at Epworth Hwy.	1.85		Parks		USAFA eng. dept. - Nov. '24 to submit to Parks Comm. for decision	
64	CRK	Permanent bridge upstream of the Creekside/Kent Street bridge to be designed by USAFA & installed May 2026, 2 designs, present to BOT & Staff for input and approval	3.5	\$34000	G e n e , Parks		Parks would review each year at a present Dec. '25. See #56	
65	CRK	Decide on log bridge design for wilderness pedestrian bridges across Monument Creek upstream from Kent St./ Creekside bridge.					USAFA eng. dept. - Nov. '25 to submit to Parks Comm. for decision	
66	ER	Announce Park Naming Contest, Parks Commission can suggest categories.	2.66				Wait until the trail, Willans, and ? Are past their initial stages so that we don't get folks wandering the property too soon.	
68	ER	Fundraiser / Donor / Sponsor for multiple signage at various trail entrances for Trail markers, Historic Signage placards, Benches, QR Code Signs for donations, Donation Boxes,			Gene, Parks			
69	ER/ CRK	Work with and check with the appropriate wildlife division for rules and restrictions to placing a single track trail in a potential Treble Mouse and / or wetlands area.			Gene, Kevin			
70	ER	Seek a resolution from the BOT for the E-Rock perimeter trail inside the E-Rock property to start sometime in 2024						
71	ER	Flagging Trail every 10' to 15' AROUND THE Perimeter of E-Rock approx. 1.7 MILES (?) once the BOT gives permission through Resolution. Won't flag entrances otherwise curious people will be in the way.	1.5	\$10.00	Gene , parks		Start work on the trail once flagged in 2024	63

72	GP	Update or add to the Glen Park playground rules signs to specific that the parking is for Playground Users only	1.83		Mike		Item 7.
73	GP	Create a picnic area with tables (3-4), made from logs at the Upper Reservoir, near the Res. TH parking area			Parks, PLVFD		Enlist PLVFD and a local mill to create the tables
74	GP	Reinstall the Handicapped Parking sign at the reservoir trail head parking area.	2.12	\$ 25	Jason, parks		
75	GP	Order and spread wood chip in Glen Park playground	2.14	\$ 450	Parks, Jason		May/June Service Day every year, 1st load in May/June, 2nd load (?) in Sept.
77	GP	Look at replacing the wood, plywood practice wall at Glen Park tennis court Do attachment cost research. Possible Adopt a Court grant from Colorado Tennis	2.75	\$ 155	Reid & Cindy		( 2 4'x8' exterior treated / severe weather plywood + clamps) @ \$45.00 / sheet plus green exterior paint - 1 gallon (\$65)
78	GP	Additional signs at information kiosk for trailhead: reason for the fees; more reminder signs along the South side of parking.	3.00	\$ 100	Parks		Renovate / repair the existing kiosk
79	GP	Update the tennis/pickle ball rules sign and mount at least 2 at the tennis courts	2.8	\$ 480	Reid, Mike		Draft 11/2023
80	GP	Create and install 2 signs for the center post reminding users to close the center net after using the courts.		\$ 50	Mike		Draft 11/2023
82	GP	Install an adequate ADA path from the handicapped parking spot into the playground.			Parks		Recommended by CIRSA May 2023
83	GP	Create and install trail markers and mileage signs for the perimeter trail in Glen Park.		\$ 70			Approximately 10 4' posts
84	KNT	Begin trail work down Kent Street to the Creekside Trail, don't advertise - local knowledge only	1.16		Reid, Gene		Possible use for fencing, work w/neighbors' concerns
85	KNT	Complete Kent Street to Creekside Trail			Parks		
86	KNT	Determine a place for and install donated wire fencing?	3.14		Parks, Jason		4' x 500': along Kent Street? (See #46); somewhere in Palmer Lake. Or wildlife area wire? Perimeter fence in Erock east side?
87	KNT	Create and install trail markers and mileage signs at the Kent Street end and N.Monument Creek crossing (4)		\$ 28			4 x 4 x 8' posts treated - 1 post makes 2 sign/marker posts at \$14 per 8' post
88	KNT	Install 1 or 2 pet waste stations at the top of Kent St. and at the bottom where Kent and Prairie intersect.		\$ 360	Parks		@ \$180 ea
89	KNT	Place a "please respect private property" sign where the trail borders each private property - 4		\$ 100	Parks		Same size as #80 above = \$25 ea
90	CP	Create a high interest MM fund for an annual savings toward replacing multi-use field once built					Either a set amount each year or a percentage of out monthly kiosk fees
91	COL	Research and install a shade structure at Columbine Park		\$20,000	Cindy		For a 8' x 9' shelter, consider log shelter working with PLVFD, possible capital improvement funds.

92	RES.	Cut and manufacture 5-6 log benches from lags at the Upper Res., then install around the Upper Res.		\$ 50	Parks, PLVFD		With the help of there PLVFD, timber lag screws \$25 x 2	Item 7.
93	ER	Once the BOT gives PLP&T permission to proceed with the development of a trail around Erock manufacture and install 5-6 log benches along the trail		\$ 50	Parks, PLVFD		With the help of there PLVFD, timber lag screws \$25 x 2	
94	ER	Research exercise equipment grants for cement platforms once cabins are removed			Cindy, Jennifer		See also #101	
95	ER	Manufacture and build log picnic tables for the cement platforms once cabins are removed			Parks, PLVFD		With the help of there PLVFD	
96	CP	Add road base to the Lake loop trail from the north entrance to the south entrance along the west side to prevent mud.			Parks, Jason			
97	CP	Continue to work with Eagle Scouts to add to facilities and amenities in the Park(s).			Mike, Phyllis & Eagle Scouts			
98	ER/ CRK	Add a temporary style bridge at Greeley Bridge crossing		\$ 1,100	Gene, Parks		2024, same style as Creekside bridge installed 2023	
99	ER	Decide which of the cabins we would like to not have torn down to use as a nature center & pavilion			Parks		Some research happening 11/29/23 re cost to develop a nature center/pavilion	
100	ER	When cabins are torn down conduct a service day to remove all the small debris from cement pads			Parks			
101	ER	When cement pads are exposed look into grants etc for basketball court, etc for some of pads			Cindy, Jennifer			
102	ALL	Send some commissioners to the Trail Symposium - 2 day event 1st week of September 2024		\$ 140	Parks		Gene has the information and encourages 4-6 members to go, \$35 / person	
103	ALL	Trail construction training - 2nd week in May 2024			Gene , parks		Gene to look into and report back on cost and dates	
104	ALL	Look into various professional organizations that focus on parks, trails, and facilities within for possible organization and individual membership			Parks			
104	ER	Look into establishing a parking lot of about 10-15 spaces at Erock entrance.			Parks, Jason			

		<b>2023 Completed Projects by Palmer Lake Parks and Trails Commission and Roads Department</b>						Item 7.
		Information kiosk removed from Fletchers Drilling			Alex & Jess Farr	Done	Spring 2023	
	CP	Repair broken gazebo hand rail			Parks	Done	Completed 11/23	
	ALL	Sort and redistribute Parks shed contents between the Parks shed behind Town Hall & the E-Rock storage room.			Phyllis, Q & Reid	Done	Completed 11/23, cleaned out E-Rock storage.	
	CP	Work with Eagle Scouts for there building and installing of a bulletin board kiosk on the west side of the ped. Bridge entrance.	1.00		Mike & Eagle Scouts	Done	Completed in Early Aug. 2023 but the left roof edge needs protective trim added.	
	CP	Safety fence at the east end of the Pedestrian bridge exit, along the top directing pedestrians away from the slope. Extend the fence to the bridge suggested by CIRSA ins, rip rap the slope to the NW & SE, stone stairs on the N/NE & S/SE slopes. Rip Rap retaining wall top on west side.	1.38	\$32,000	Landscape r, Reid, APL	Done 8/23	Bids received from 3 landscapers. APL chose one and is willing to pay all with conditions. Tentative start in May 2023. APL paid for oversaw the construction.	
	CRK	Explore and plot for a trail extension along Creekside Trail east into E. Rock property & bridge locations if BOT approves the project. Flag the trail.	1.5	\$ 10	Gene, Reid, volunteers	Done	Must flag the proposed trail from Spring St. to the chicken coop - done My 2023	
	CRK	Gather and haul limbs and trees between Creekside Trail and into N. Monument Creek out to Lover's Lane and pile correctly for pick-up by Roads or chipping. PLFD chain saw training?	2.14	\$ -	Jason, parks	Done	September Service Day	
	CRK	Explore an alternate parking area to the proposed wilderness parking area at Epworth and Greeley.	1.00		Jason, parks	Done	Investigated the area at Walnut and Greeley corner for 5-7 spaces with Mike and Jason Dosch, informed Dawn. Highly possible! 4/18/23, tested 6/5-8!!!	
	ER	USAFA Engineering program confirmation by 5.12.23 for designing 3 annual permanent bridge designs.	1.00		GENE, CPSC	Done	USAFA confirmed that will design bridges . Dr. Wambeke.	
	ER	Two Commissioners + for 2023 Pikes Peak Regional Crew Leadership training	2.20		GENE, CPSC	Done	<a href="https://www.rmfi.org/crew-leader-training">https://www.rmfi.org/crew-leader-training</a>	
	ER	Fall semester (mid - late AUG - 2023): USAFA Eng. Class - Conduct joint site visit, w/Parks etc.	2.00		G e n e , Parks	Done		
	ER	MAINTENCE BUILDING shared between Parks & Willans. Parks has west room. New locks & window	1.8		G e n e , Reid	Done	Keyes: Town office, Jason, Gene, Kevin & Reid	
	KNT	Remove random "t" posts and save for other Park uses, possibly along Kent Street	3.57	\$ -	Sub-c		T-posts belonged to Kite's	



	KNT	Inform trail neighboring residents along Kent St. and Creekside trail east of Parks & Trails, and Town/BOT personnel walking, flagging for future trail	1.00		Reid, Jessica,	Done	Provide them with a written notice on Town Letterhead presence and purpose. Done May 27th. <span>Item 7.</span>
	KNT	Flag the proposed trail from Kent to Creekside after notification above for the Kent to Prairie St. section.	1.00		Wesley, Gene and Reid	Done 5/27	Must flag the proposed trail at least 30 days prior to actual construction. Started the prairie st to creekside section 4/18/23.
	CP	Complete research on the multi-use athletic field at the south end of the Lake: artificial turf, try to reach a consensus with ATL.	1.75	\$425,000	Reid & Town	Done	(they agreed with it 1-17-23 parks workshop), vote by Parks. Received a specific quotation 1/2023 still obtaining another quote (Ross), wrote letter of support in June.
	CP	Develop a pedestrian bridge lighting plan to be submitted to RR, and shared with ATL & Rest.	1.75		Reid, Dawn, Jason	Done	Group, plan developed - ongoing discussions to determine which plan with ATL, RR, electricians. Sent lighting plan proposals to Greater Grounds 2/3/23 as their electrician might be interested. APL not interested in participating if it involves the RR 2-8-231. Met with Dail landscapers 2/10/23 & gave them lighting plan. Submitted late summer, approved by RR in September/October
	CP	Install power box from power pole and submit bridge lighting diagram and plan to RR for approval.	1.00		Jason, parks	Done	power installed and plan submitted to RR in July. As of Aug. 28, 2023 still waiting for reply. Approved 9/23
	CP	Connect with ATL to develop a plan for Centennial Park projects & master plan	1.71	\$ -	Jessica, Reid	Ongoing	ATL mtg 4/6/22; Parks workshop with ATL 1-17-23, and 2-8-23. Jeff reviewed in June '23
	CP	Start writing a master plan update for Centennial Park ASAP to formalize the long & short term projects with the Town and BOT and APL	1.5		Reid & Cindy	Done	Completed and submitted to BOT for adoption Aug. 16, 2023. Accepted but must add a site plan for the Park.
	CP	Design and conduct a 2nd survey to establish what the potential users (soccer and lacrosse), Town departments, ATL, Parks, and citizens would support: artificial multi-use field.	2.12		Reid	Done	Develop a survey of Lake/Centennial Park use for PLES students - suggested by Chris A. (GOCO Grant) to get more input from potential users. Posted by District 38 and again by PDSC on May 22, 2023
	CP	Connect with the PL Master plan committee to merge ideas for Centennial Park.	2.28	\$ -	Reid	Done	- done 4/11
	CP	Install new power pole and electrical service to the west parking lot N. of baseball field + survey, approach APL for funds.	2.57	\$11,260	Jason, parks, APL	Done	- they approved 2-8-23, met with CORE at the install sight 2/23. Installed new pole and line 5/3/23 APL funding.
	GP	Tennis court/pickle ball court resurfacing and adding 4 PB courts on east Tennis court overlay				Done	Completed Sept. '23
	CP	Repair or replace the split rail fence along the ball field, 105 section. Broken, covered with dirt etc.	2.00	Andrew	Town & volunteer	Done	Andrew started in July 2023, completed 9/23

	CP	Install 2 park benches along the to be installed fence line at the east end of the pedestrian bridge lake-side slope.	2.57	\$ -	Mike & Eagle Scouts	Done	Eagle Scout project 1-23 they have obtained the funds.	Item 7.
	ER/CRK	Created a Parks Trails & bridge sub-committee/work group for Creekside trail and bridge volunteer work	2.5		GENE	Done	This program will be lead by Gene wi5th support from PLP&T	
	GP	Move one or both of the park benches from the yard to the tennis court and attach to the fence.	2.16		Parks	Done	After the resurfacing - done 9/23, 2 benches	
	CP	Trim, mulch, berm, stake and fence the older memorial tree near the playground, or dig it up.	3.00	\$ 30	Reid	Done	Removed 5/3/23 - dead	
	CP	Remove the wooden kiosk at Fletchers Drilling.	2.75		Parks	Done	Do ASAP, done by Jess and Alex Farr 4/18/23. Stored in the yard.	
	CP	Complete the rest of the free boulder placement in the Glen Park and Res. TH parking areas.	2.71	\$ -	Jason & parks	Done	Completed 4/18/23	
	CP	Replace cedar rail posts and rails along south end of Reservoir Trail Head parking area, and other parking areas along Lovers Lane	2.14	\$ 750	Jason, parks	Done	170' long with donated boulders. Rails removed late June '22. Revised to be boulder. High on Jason D.'s list of to-dos. Completed 4/17/23	
	GP	Working with pickle ball players to raise money for 4 portable nets and standards.	2.60	\$ -	Reid & Mike	Done	In the works - 3/7/23, Donated \$1100.00 4/18/23. for nets & posts	
	GP	Build a dirt barrier along Walnut to prevent water from running off into the Glen Park playground, and add boulders to prevent parking on Walnut near the playground	2.38	\$ -	Jason & parks	Done	Completed 4/17/23	
	CP	Place boulders along the parking area/ped. Bridge SW side slope now that we know the steps exit location.	2.14	\$ 250	Jason & parks	Done	Okay w/Jason D. 1-31-23, Completed 4/18/23	
	CP	Sand for VB court.			Town, Parks	Done	Sand = approx. \$33.00/cu yard/ 70'x40', 2" deep = 17 cu yds. El Paso County parks	
	CP	Finish the wildlife area at the SE end of the lake: fencing wire and signs, 150' on water and land sides: fence posts installed - we already bought fence wire. Mike has 2-3 signs. Finished 2-18-23			Mike & Reid	Done		
	CP	Obtain an updated bid for repair of the Centennial Park playground surface, Churchich-Cook, Miracle Recreation, 1/20/23		\$10,004	Reid	Done		

	CP	Complete the boundary of the wildlife area at the Sw end of the lake: fencing and signs, land side last 50' to water from installed cedar rail fence.			Mike & Reid, Eagle Scouts	Done	Bought the fence wire already. 2-3 signs. Mike has 3. Finished	Item 7.
	CP	Install memorial bench N/NW side of Lake		\$ 30	Reid, Gene	Done	received & assembled 1/31/23, installed 2/5 with family & friends	
	CP	Collect (by 2/2/23) wood and store it in the yard for Winterfest barrel fires:			Reid	Done	started spring '22. Not used.	
	GP	Replace the "s" hooks on the swings in Glen Park with "clevis" attachments, already have Clevis		\$ 30	Reid & Q	Done	Before May 12th, done 4/12	
	GP	Research grant for tennis court resurfacing.			Reid	Done	applied 3/17/23- waiting and negotiating. No go - has to be tennis only, no pickle ball	
	GP	Purchase and install a squeegee and storage box at the PB / Tennis court.				Done	Installed storage bin in September, squeegee in Nov. - stolen within a week	
	GP	Finish specifications, receive bid, and vote on the tennis court improvement so that work can be scheduled.		\$31,533	Parks	Done		
	GP	Install about 7 climbing handholds on the climbing ramp on the Glen Park playground hill. Finished 2-25-23			Reid	Done	Donated handholds and lag bolts	
	ER/CRK	Develop a plan for presentation at Parks, 2/14, and then if there is a recommendation from Parks, to the BOT, 2/23, for the creation of a new open space, park, and Creekside Trail extension from Spring Street into the Elephant Rock property along N. Monument Creek, and then a trail circling the Elephant Rock property.			Parks	Done	Now waiting for BOT to decide what concept of the concepts if any they approve.	
	ALL	Procure the items Parks wants to use from Elephant Rock property and store in shed:			Parks	Done	picked up 2 benches 7/26/22; sleds for Winterfest '23, pickle ball net & paddles	
	CP	Write a CORE grant for an In-Kind donation to the cost of the 400amp pole installation.			Reid	Done	Submitted 3/16/23, replied they don't do this sort of grant.	



### *Board of Trustees Summary Sheet*

	<b>December 2023</b>
Title	<b>Police Monthly Report</b>
Action	N/A
Date	11/1-11/30/2023
Contact	J. Vanderpool
Summary	In the Month of November 2023, the PLPD conducted 113 traffic stops and issued 87 citations. 1 parking ticket was issued for nonpayment at the kiosk. Also, in the month of November, 2 Warrant, and 1 Domestic Violence arrests were made.
Training	Officers attended training for Conflict resolution, Defensive Driving, and Firearms.
Photographs	The Photograph(s) is of the DUI Team up that was conducted over the Thanksgiving Holiday. This was a combined effort, saturation patrol, including El Paso County, Colorado Springs PD, Colorado State Patrol, Fountain PD, Monument PD, and Palmer Lake PD.
Other Actions	PLPD Officers participated in High Visibility Enforcement, as well as the DUI saturation patrol. Keeping DUI Drivers off of the road.
Active investigations	Palmer Lake PD officers are actively investigating thefts involving catalytic converts. This investigation has included one other agency and may include others as the

	investigation continues.
Calls for service	Officers responded to 430 calls for service this month. 404 of these calls were in the Town of Palmer Lake, 26 were outside of town.
Code Enforcement	Code enforcement officers have been working with town residents to correct several violations. The code enforcement officer is continuing her work getting the local businesses up to date with their business licenses.
S.T.E.P.	S.T.E.P. was instituted in March of 2021 and has made a great impact on police operations and overall street safety of Palmer Lake. Accidents are more infrequent and speeds through town have slowed dramatically during these shifts. This program has provided a consistent avenue for extra duty while keeping speeds down and the streets safer for residents.

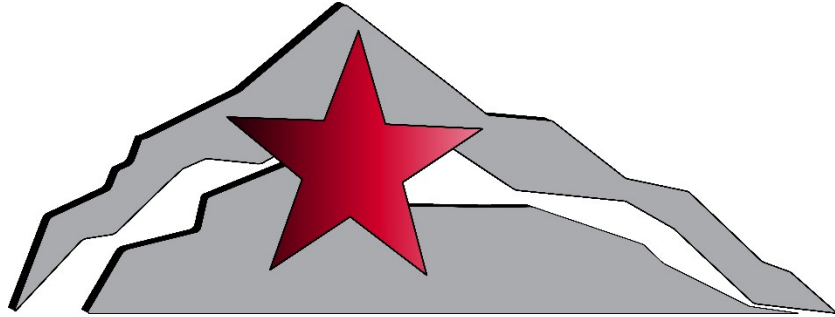






Case #	Date	Address	Complaint	Status	Notes	Additional
23-01	1/30/2023	232 Highland Rd.	Lights	Closed	Lights shone on back of property and tresspassed onto neighbors backyard	
23-02	2/4/2023	242 Shady Ln	Junk	Closed	Rotting couch on property. Warning/ 1 week notice given- 2/13	
23-03	2/8/2023	Dino's	Lights	Closed	Complaint that lights around building were too bright. All within compliance.	
23-04	2/10/2023	720 Westward Unit 22	Junkyard	Closed	Took down privacy fence. Multiple ATC have failed. Send notice via mail	privacy fence re-established as of April
23-05	2/20/2023	Palmer Lake Elementary	Lights	Closed	Complaint about security lights. Two of the SE lights not in compliance.	
23-06	2/21/2023	695 Hwy 105	Dog at Large	Closed	report of beagle type dog wandering around at various times. Have not seen yet.	No dog seen at large after multiple checks.
23-07	2/27/2023	151 Epworth	Barking Dog	Closed	Report of poodle barking at night. Nothing heard yet. Informed RP to advise when it occurs next	No barking heard after multiple checks.
23-08	3/3/2023	230 Auralia St.	Barking Dog	Closed	Report of dog barking all day. Checked @1630 on 3/7, no dogs barking. Will continue to check	No barking heard after multiple checks.
23-09	3/5/2023	695 Hwy 105 Unit B-2	Junkyard	Closed	Junkyard forming again.	Resident appears to have moved out, all trash removed as of May
23-10	4/29/2023	720 Westward Unit 22	Unauthorized building	Closed	Resident appears to be building some sort of structure on roof of her trailer.	Structure was taken down.
23-11	5/9/2023	151 Epworth	Bears in Trash	Closed	Complaint that resident put trash out Sunday night and bears got into it.	Will advise residents to leave trash out on Monday mornings before collection, not Sunday. Pamplets in office.
23-12	6/9/2023	670 Eisenhower	Lights	Closed	Complaint received that bright lights on porch with no cover being left on.	driven by residence twice, no lights on to observe. Contacted management for STR- lights will be hooded
23-13	6/10/2023	HWY 105/Veil	Dumping	Closed	Complaint regarding shed near apartments.	Shed has been taken down
23-14	6/10/2023	84 Hilltop	House on wheels	In-progress	Complaint of miniature house on wheels in a field	Attempting to contact owner
23-15	6/20/2023	93 Academy	Cut Brush	Closed	Complaint of cut branches near house	Owners are working on yard and will be renting trailer to remove all debris when finished.
23-16	6/25/2023	289 Truman	Mini Horses-Zoning	Closed	Complaint of mini horses grazing on property not zoned for agriculture.	Driven by multiple times, no horses observed.
23-17	7/3/2023	289 Truman	Barking Dog	Closed	Complaint of dogs barking	No barking heard after multiple checks.
23-18	7/7/2023	HWY 105/Vail	Signs	Closed	Complaint that signs are posted on side of street	Signs are gone
23-19	7/12/2023	228 Shady	Trash	Closed	Complaint of loose trash attracting bears	Last few follow ups have shown locked boxes for trash to be kept in. No trash placed outside
23-20	7/13/2023	210 South Valley	Bears in Trash	Closed	Complaint of bears getting into trash. Crystal Hoganson spoken to and verbal warning.	RP: Phylis-Head, Patrick Slack 719-437-9599
23-21	9/14/2023	620 El Paso	Dogs at Large	Verbal	Off. Bentley issued verbal warning for loose dogs running around Aurelia and El Paso	
23-23	10/10/2023	126 Star View	Barking Dog	Summon Served	Complaint of dog barking persistently throughout day. Videos taken.	Attempted to serve summons x3. Will send via certified mail 10/25/2023 Served 10/30/2023
23-22	9/22/2023	136 Star View	Bears in Trash	Closed	Complaint of STR renters leaving trash out and bears getting in	Spoke to new property manager and issue has been addressed.
23-24	10/25/2023	3829 Circle Rd	Junkyard	Closed	Complaint of trash loaded into back of pickup, stagnant for years.	Spoke to resident and informed them they had 1 week to get the trash removed. Follow up on 11/4- trash is gone
23-25	10/25/2023	277 Glenway	Illegal Parking	Closed	Complaint of RV parked on easement belonging to D38 and Town of Palmer Lake	Spoke to son of resident, and informed him the school wanted the RV moved off their property. Follow up 11/4- RV has been moved.
23-26	11/1/2023	470 HWY 105	Dog at Large	Verbal	Dog (Luke) consistently off leash and running around.	on 11/2 Off. Bentley gave the owner a verbal warning. Owner stated she would place dog on leash
23-27	12/5/2023	159 Shady Lane	Barking Dog	Verbal	Dog left on porch, barking incessantly, verbal warning given as was first offense	





***PALMER LAKE FIRE DEPARTMENT***

***Board of Trustees Summary Sheet***

Title	<b>Fire Department Report- November 2023</b>
Date	14 December 2023
Contact	John Vincent, Chief
Summary	<p>Fire Department RMS on-boarding continues.</p> <p>Annual FIT Testing for all personnel complete.</p> <p>Lt. Berry obtained his Fire Instructor-I certification.</p> <p>FF. Schubert obtained his Firefighter-I certification.</p> <p>New Volunteer interviews in progress.</p>
Training	101.5 Hours
Photographs	N/A
Other Action	Calls for Service: 30
Code Enforcement	4 Inspections Completed



## Board of Trustees Summary Sheet

	<b>Nov-Dec 2023</b>																	
Title	<b>Administration</b>																	
Date	12/14/2023																	
Contact	Admin personnel																	
Kiosk Revenue	<div>November Collections for the Kiosk / Transactions: 507</div> <div><div><div>\$ 2,687.10</div><div>Gross Collections</div><div>(507 Transactions)</div></div><div><div>\$ 152.10</div><div>Fees</div><div></div></div><div><div><div>\$ 70.00</div><div>Monthly T2 Svc charge</div></div></div><div><div>\$ 2,909.20</div><div>Net Collections - November</div></div></div> <div>Collections 2023 YTD / YTD Transactions: 8,615</div> <div><div><div>\$ 45,659.50</div><div>Gross Collections</div><div></div></div><div><div>\$ (2,236.30)</div><div>Fees</div><div></div></div><div><div>\$ (1,130.00)</div><div>Supplies (Kiosk Paper)</div><div></div></div><div><div>\$ (900.00)</div><div>Annual Maintenance Contract</div><div></div></div><div><div><div>\$ (674.00)</div><div>Monthly T2 Svc charge</div></div></div><div><div>\$ 40,719.20</div><div>Net Collections</div></div><div><div>\$ (4,940.30)</div><div>Total Fees and Maintenance</div><div>12%</div></div></div>																	
Contact Us (online)	<table><tr><th>Submitted Date</th><th>First Name</th><th>Subject</th></tr><tr><td>11/1/2023</td><td>Kevin</td><td>Get A Wikipedia Page For Yourself Or For Your Company.</td></tr><tr><td>11/1/2023</td><td>Zoey</td><td>Virtual Assistant</td></tr><tr><td>11/3/2023</td><td>Lindsey</td><td>Roof Permit Request- Time Sensitive</td></tr><tr><td>11/6/2023</td><td>Bricen</td><td>Volunteer</td></tr></table>			Submitted Date	First Name	Subject	11/1/2023	Kevin	Get A Wikipedia Page For Yourself Or For Your Company.	11/1/2023	Zoey	Virtual Assistant	11/3/2023	Lindsey	Roof Permit Request- Time Sensitive	11/6/2023	Bricen	Volunteer
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11/6/2023	Bricen	Volunteer																
Land Use permits issued	<b>October 2023</b>  Type: Single Family; Qty: 0 Other; Qty: 5 Total water taps issued: <b>1038</b>																	

Business  
Licenses

BUSINESS LICENSE STATUS CHANGES BY BUSINESS TYPE	2023	2023
	Nov	Nov
Business Type	STR	other
New Licenses	1	4
Licenses Renewed	0	7
Licenses Expired	0	0
Businesses Closed	0	0
<b>CURRENT BUSINESS LICENSES BY BUSINESS TYPE</b> (New + Renewed)	44	139
<b>TOTAL CURRENT BUSINESS LICENSES</b> (New + Renewed)	183	

## SCHEDULED TO RENEW IN JANUARY

BUSINESS NAME
Advanced Recovery Systems, LLC dba Recovery Village at Palmer Lake, LLC
Austin Hardwoods of Denver
Big Foot Drywall, LLC dba Big Foot Drywall & Paint
Black Hills Colorado Gas, Inc.
Cinnammonster Franchise Group, Inc. dba Cinnammonster
Custom Design Builders, Inc.
Designio, Inc. dba iWell
Dynamic Air Systems
Foundation Professionals of Co.
Palmer Lake Economic Development Group
Sandoval Custom Creations, Inc.
SEG Security LLC dba Liberty Home Products
T. Carson and Company
Tavatek, LLC
Techno Metal Post Pikes Peak Region, LLC
Think & Tinker, Ltd.

Water  
Billing

Year	Month	# of Water Accounts	# of Gallons Sold	# of Shutoffs
2022	Jan-Dec	1015	41,405,900	11
2023	Jan	1010	3,181,700	0
	Feb	1010	3,221,100	0

		Mar	1011	2,909,900	0	
		Apr	1014	3,211,200	0	
		May	1014	3,499,400	0	
		Jun	1014	3,657,400	5	
		Jul	1017	4,428,800	0	
		Aug	1018	5,105,400	0	
		Sept	1018	4,896,950	0	
		Oct	1018	4,087,400	2	
		Nov	1018	3,457,400	0	
		YTD		41,656,650	7	
Grant Activity Updates	<b>Dept</b>	<b>Grantor - Grant/Award Name</b>	<b>Grant Purpose</b>	<b>Grant Amount</b>	<b>Match/ Cost Sharing</b>	<b>STATUS/NEXT STEPS</b>
	Fire	Leary Firefighters Foundation	electric saws for engine, thermal imaging camera	\$17,500	0	Denied.
	Parks	GOCO - Conservation Service Corps	Mile High Youth Corp activity (build trails)	\$34,400	\$34,225	Awarded (labor, 4 weeks). Work to be planned and completed in 2024.
	Roads	CDOT - Spruce Mtn Rd Improvements	widen and repave road	\$1,241,847	\$258,149	IGA to be considered by Board, Dec 2023 mtg. Design work in 2024 (\$247k).
	Roads	PPACG - (MMOF)	design main street connectivity, public safety	\$150,000	waived	Cost of design to be authorized by Board, Dec 2023 mtg.
Staff Activity	Staff updates: KellyBooks LLC is slowly transitioning to accounting services with Accounting Clerk Julie Cole onboard and learning in-house functions.					
	One part time firefighter is resigning end of the month and an internal applicant, volunteer, has accepted the open position.					

**COPY****NOTICE OF PUBLIC HEARING****TOWN OF PALMER LAKE**

Notice is hereby given that Palmer Lake Planning Commission shall hold a public hearing on Wednesday, November 15, 2023, at 5 PM at the Town Hall, 28 Valley Crescent, Palmer Lake, to consider a Conditional Use application for religious institution in a CC zone, located at 304 Hwy 105 (TLCA). A recommendation will be made to the Board of Trustees on the same matter scheduled for Thursday, December 14, 2023, at 6 PM. A copy of the complete application is on file at the Town Clerk office at 719-481-2953. /s/ Dawn A. Collins, Town Clerk



42 Valley Crescent  
PO Box 208  
Palmer Lake CO 80133  
719-481-2953 – office

## Office Use Only

Case Number: \_\_\_\_\_

Date: 10/12/23Fees: \$250.00Check #: # 14791Rec'd By: DAC / TVApplication Complete: DAC

PC-11/5

## Conditional Use Application Form

Name of Applicant/Property Owner: THE MOVEMENT CHURCH JOHN CRESSMAN FORT LCAAddress: P.O. BOX 1101, PALMER LAKE CO 80133 Phone#: 719-491-0910Email: JOHN@CENTRALCOLORADOBUILDERS.COMName of Proposal: CONDITIONAL USE FOR RELIGIOUS INSTITUTION IN CC ZONELegal Description or Address: LOTS 1-10 BLK 33 TOWN OF PALMER LAKE

*Note: If the applicant is someone other than the property owner, the applicant must provide a notarized letter from the property owner giving permission to be represented in this action.*

**This is a Conditional Use** – A request for a use not permitted under certain zoning categories subject to review by the Planning Commission and consideration by the Board of Trustees.

**Criteria for approval of a conditional use** – Include a “site plan” or building design where a structure is involved to address the following criteria in which the Planning Commission and the Board of Trustees must find evidence, both factual and supportive, provided by the applicant.

- The site for the proposed use is adequate in size and shape to accommodate said use and all yards, spaces, walls and fences, parking, loading, landscaping, and other features required by this ordinance.
- The site for the proposed use relates to streets and highways adequate in width and degree of improvement to handle the quantity and kind of vehicular traffic that would be generated by the proposed use.
- Any negative impacts of the proposed use on adjacent properties and on the public can be mitigated through application of other ordinance standards or other reasonable conditions of approval.
- If of benefit to the community, any proposed structures will be of a design complimentary to the surrounding area.



By signing this application, parties agree to the following:

- Town of Palmer Lake staff or its consultants may enter the property to inspect the property and evaluate the proposal.
- The applicant/petitioner is liable for all non-refundable fees and costs associated with the Town's review of this application. Fees may include, but are not limited, to engineering and consultant fees, public notice costs, publication/recording fees, and any other fees paid by the Town in connection with, or related to, review of this application.
- Payment of fees as described is due within 10 days of the date of filing and, if not received within 30 days will be considered past due. Payment of the above fees shall not relieve the payment of any other fees imposed by the Town.

As owner/applicant, I affirm the information contained in this application is accurate, and I agree to the above conditions.

Applicant Signature: [Signature] Date: 10/12/2023

If the applicant is not the owner:

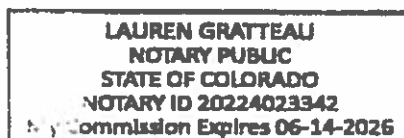
As owner of the above property, I agree to the application.

Owner – Print: Sr. Michael Maddox

Owner – Signature: [Signature] Date: 10/12/23

*Sworn and Subscribed before me on this day, October 12<sup>th</sup>, 2023, by Dr. Michael Maddox.*

*Lauren Gratteau*  
State of Colorado  
County of El Paso



Conditional Use Application  
Rev 03.2021

## 17.52.010. - Permitted uses.

Permitted uses in the CC zone are as follows:

- (1) Restaurants.
- (2) Service establishments, such as barbershops and beauty shops, watch and jewelry repair, pharmacies, pick-up stations for laundry or dry cleaning.
- (3) Commercial (business) offices, including realty, insurance and travel agencies.
- (4) Retail stores, including only the following: drug, clothing, boutiques, sporting goods, books, small grocery, antiques, gift, crafts, small office supply, bakery, print shops, furniture and florist.
- (5) Art, photographic, health, dance and music studios.
- (6) Day care centers.
- (7) Nursing homes, housing ten or fewer full-time residents.
- (8) Bed and breakfast establishments, having ten or fewer rooms.
- (9) Private or government owned community buildings such as libraries, parks, museums, art galleries and post offices.
- (10) Medical and dental clinics/offices.
- (11) Funeral homes and mortuaries.

(Code 1973, § 17.38.010; Ord. No. 3-1995, § 2, 1995; Ord. No. 7-1999, § 1, 1999; Ord. No. 18-2000, § 18, 2000)

## 17.52.020. - Conditional uses.

Conditional uses in the CC zone are as follows:

- (1) Educational institutions.
- (2) Religious institutions.
- (3) Licensed liquor and beer outlets.
- (4) Hotel/motel.
- (5) Light equipment sales and repair shops.
- (6) Public and semi-public uses.
- (7) Cabinetry, wood crafting shop.
- (8) Nonprofit organizations.
- (9) Video rental stores.



- (10) Nursing homes, housing 11 or more full-time residents.
- (11) Mixed-residential dwelling and commercial use occurring in the same building.
- (12) Single-family and multifamily uses (R10,000, R3 and R4 subject to all requirements of those particular zones).
- (13) Other such uses as listed and permitted which are not more detrimental, as determined by the planning commission and board of trustees.

(Code 1973, § 17.38.020; Ord. No. 18-2000, § 19, 2000)

#### 17.52.030. - Lot sizes and dimensions.

(a) The sizes and dimensions of a lot in a CC zone shall be as follows:

- (1) Minimum lot size: 6,600 square feet.
- (2) Minimum lot width: 35 feet street frontage.

(b) No side yard setback shall be required provided the building's side wall is constructed of at least four-hour fire resistance material. If building material has less than four-hour fire resistance, a minimum side yard of five feet shall be required. See section 17.44.030.

(Code 1973, § 17.38.030; Ord. No. 3-1995, § 4, 1995)

#### 17.52.040. - Structure height and area.

The structure height and area requirements in a CC zone are as follows:

- (1) Maximum building height: not to exceed 30 feet.
- (2) Maximum area covered by structure: not to exceed 75 percent of lot.

(Code 1973, § 17.38.040; Ord. No. 3-1995, § 5, 1995)

#### 17.52.050. - Required off-street parking and loading.

For required off-street parking and loading, see chapter 17.84.

(Code 1973, § 17.38.050; Ord. No. 3-1995, § 6, 1995)

#### 17.52.060. - Signs.

Signs in the CC zone are permitted provided they comply with chapter 17.76.

(Code 1973, § 17.38.060; Ord. No. 3-1995, § 7, 1995; Ord. No. 18-2000, § 20, 2000)

#### 17.52.070. - Sewerage.

Septic tanks may be permitted if all of the following conditions are met:

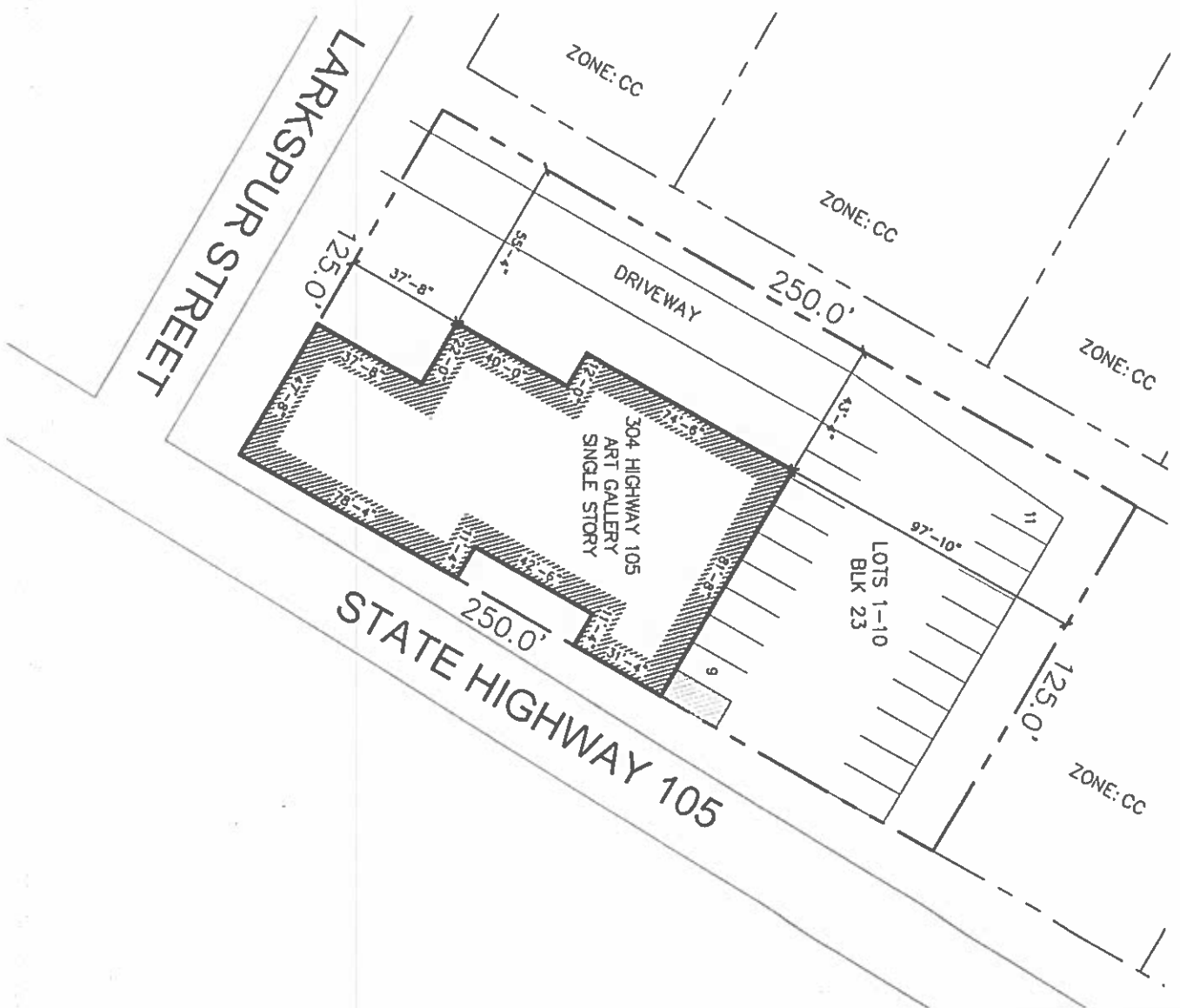
- (1) Inability to tap existing sewer lines.
- (2) Ability to meet current county sewage disposal regulations.
- (3) Compliance with the provisions of chapter 16.48.

(Code 1973, § 17.38.070; Ord. No. 3-1995, § 8, 1995; Ord. No. 18-2000, § 21, 2000)

#### 17.52.080. - Outdoor storage and buffering.

All outdoor storage must be screened from view by landscaping or fences. Landscaping and/or buffering must also be provided between commercial and residential areas.

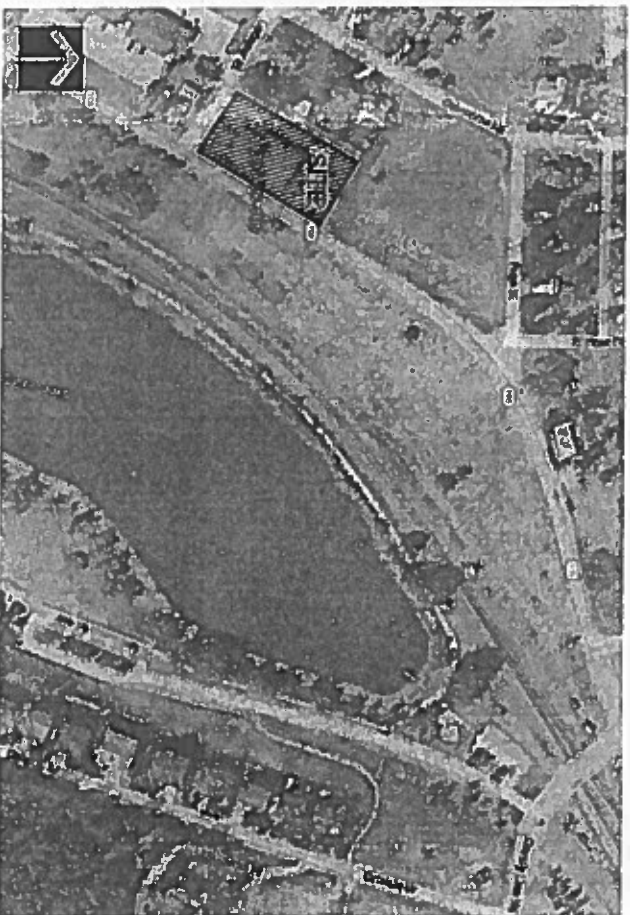
(Code 1973, § 17.38.080; Ord. No. 3-1995, § 9, 1995)



## PROJECT DATA

PROJECT ADDRESS:	304 HIGHWAY 104 PALMER LAKE, CO 80133
TAX PARCEL NO.:	710321021
LEGAL DESCRIPTION:	LOTS 1-10 BLK 23 TOWN OF PALMER LAKE PIKES PEAK REGIONAL BLDG. DEPT.
JURISDICTION:	CC (CONVENIENCE COMMERCIAL)
ZONING:	CONDITIONAL USE PERMIT
PROJECT DESCRIPTION:	
SITE AREA:	25,486 S.F. .65 ACRES
BUILDING SETBACKS:	NOT REQUIRED PER CHAPTER 17.20.020

VICINITY MAP



THE  
MOVEMENT  
CHURCH

# SITE PLAN

Date: 10/10/2013  
Drawn by: CH  
Checked by:  
Scale: AS NOTED  
Job No.:  
Sheet No.:

## SITE PLAN

AO

**TRI-LAKES CENTER FOR THE ARTS**

**CORPORATE RESOLUTION  
OF  
TRI-LAKES CENTER FOR THE ARTS  
November 29, 2023**

The Directors of Tri-Lakes Center for the Arts, organized and existing under the laws of Colorado, and having its principal place of business at P.O. Box 1154, Palmer Lake, Colorado 80133 (the "Corporation"), hereby certify that the following is a true and correct account of a resolution duly adopted by the Directors of the Corporation on November 21, 2023, by e-mail and text messages and is now in full force and effect:

Therefore, it is resolved that Dr. Michael Maddox, as TLCA's Executive Director, is not only authorized to rent the venue to The Movement Church but also to obtain from the Town of Palmer Lake the Conditional Use Permit to allow the church use of the facility for Sunday morning services. Dr. Maddox is also allowed to delegate to Jeffrey Rudder, The Movement Church board secretary, the responsibility of presenting this request to the Palmer Lake Board of Trustees.

**DIRECTORS**

Jesse Maddox, President

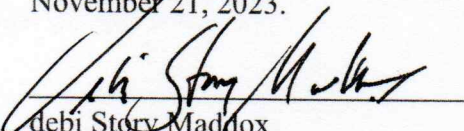
Dr. Michael Maddox, Vice President

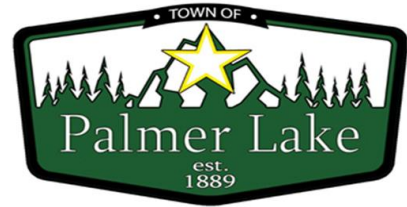
Maggie Williamson

Linda King

Tony Pignatiello

The Secretary of the Corporation, also a board member, hereby certifies that she is the duly elected and qualified Secretary of Tri-Lakes Center for the Arts and certifies that the above is a true and correct record of the resolution that was duly adopted by the Directors of the Corporation on November 21, 2023.

  
Debi Story Maddox  
Secretary/Treasurer



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Grant a Conditional Use for Religious Institution, Hwy 105
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

A request for a conditional use permit in a CC zone was made by The Movement Church at the TLCA location on Hwy 105 for religious institution. The completed application for conditional use was heard and passed by a 3-2 vote at the Planning Commission meeting on 11/15 (with two members excused) with the following condition –

Consider Conditional Use in CC Zone - Religious Institution (304 Hwy 105). Commission member Susan Miner stated her concerns about the legal review of the work previously done in the building and actual capacity. She reiterated the original intent of the gift to the community for community use and concern of a long-range plan to become a church. Amy Hutson spoke about the master plan intending the space for arts. Mark Bruce stated the corridor is already limited to add commercial property. Tim Caves stated his concern about unpermitted work previously done being inspected by Fire and PPRBD for safety. MOTION (Miner, Caves) to recommend approval of the conditional use for religious institution including a condition to complete inspection by Fire and PPRBD and any violation corrected. Roll call vote taken – aye 3; nay 2 (Hutson, Bruce). Motion passed.

Enclosed is a copy of the draft minutes from the 11/15 Planning Commission meeting.

**Recommended Action**

Consider the recommendation from Planning Commission to grant the conditional use with the condition noted.



## PLANNING COMMISSION

**Wednesday, November 15, 2023 at 5:00 PM**

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

### MINUTES

**Call to Order.** Commission member Mark Bruce called the meeting to order at 5 pm.

**Roll Call.** Present: Mark Bruce, Amy Hutson, Susan Miner, Tim Caves, Lindsey Zapalac. Excused: Charlie Ihlenfeld, Bill Fisher.

#### Approval of Minutes.

- Minutes from October 18, 2023. MOTION (Hutson, Caves) to approve the minutes as presented. Motion passed 5-0.

#### Public Hearing

- Application for Conditional Use in CC Zone - Religious Institution (304 Hwy 105). Mr. Jeff Rudder introduced himself, representing The Movement church, established as a 501c3, to use the open space of the TLCA at 304 Hwy 105 for Sunday morning service. He explained there will be about 80-100 people attending and a lease agreement is established for the space. Mr. Roger Moseley challenged the application applicant name and title of Mr. Maddox and provided comments about Mr. Maddox's background. Ms Genevieve Vatt provided background about Mr. Maddox filing bankruptcy. Mr. Walt Moore stated his opposition to the use because of the original intent of the structure. Mr. Tim Eckert stated the original intent should be considered. Ms Dusty Severn questioned this use in the past. Collins stated that PPRBD stopped the former remodel for residential but allowed ongoing use as TLCA. She also stated the church is recently formed and is working to be compliant with code requiring a conditional use. Commission member Bruce closed the hearing.

#### Business Items

- Consider Conditional Use in CC Zone - Religious Institution (304 Hwy 105). Commission member Susan Miner stated her concerns about the legal review of the work previously done in the building and actual capacity. She reiterated the original intent of the gift to the community for community use and concern of a long-range plan to become a church. Amy Hutson spoke about the master plan intending the space for arts. Mark Bruce stated the corridor is already limited to add commercial property. Tim Caves stated his concern about unpermitted work previously done being inspected by Fire and PPRBD for safety. MOTION (Miner, Caves) to recommend approval of the conditional use for religious institution including a condition to complete inspection by Fire and PPRBD and any violation corrected. Roll call vote taken – aye 3; nay 2 (Hutson, Bruce). Motion passed.

Mr. Roger Mosely stated that Collins was correct that PPRBD allowed the original use of TLCA to continue. Mr. Tim Eckert offered to inspect the building with Fire.

4. Review Downtown Design and Consider Incorporating into the Community Master Plan. Commission member Susan Miner reviewed the downtown design to be incorporated into the Master Plan. MOTION (Hutson, Zapalac) to amend the Community Master Plan to include the downtown design. Motion passed 5-0.

5. Review and Consideration of Revised Sign Code. Members reviewed the revised sign code. Collins will forward the modifications to legal.

**Public Comment.** Mr. Jeremy Feranti, landowner at Illumination Point, requested the Commission demand a stop work of his two neighbors occupying land – Tanglewood Trailers and Greater Grounds. He reviewed at length the lack of permits and plans for any change to the property. He provided Commission members his background and expertise and stated what his neighbors needed to develop. Collins explained that all property owners of Illumination Point need to collaborate for the benefit of the entire site.

#### **Next Meeting (December 20) and Future Items**

**Adjourn.** MOTION (Hutson, Miner) to adjourn at 6:48 pm. Motion passed.

*Minutes by: Dawn Collins, Town Clerk*



# TOWN OF PALMER LAKE, COLORADO

## RESOLUTION NO. 77-2023

### A RESOLUTION TO APPROVE A CONDITIONAL USE PERMIT TO ALLOW A RELIGIOUS INSTITUTION IN A PROPERTY ZONED CONVENIENCE COMMERCIAL (CC) LOCATED AT 304 HWY 105 (“PROPERTY”)

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, Section 17.52.020 of the Palmer Lake Municipal Code provides that a religious institution is determined a conditional use in the Convenience Commercial (CC) Zone District; and

**WHEREAS**, the Planning Commission makes recommendations of approval or denial of conditional uses to the Board of Trustees, which has the final authority to grant or deny such applications; and

**WHEREAS**, on November 15, 2023, the Palmer Lake Planning Commission recommended approval of the conditional use for religious institution for The Movement Church with conditions by a 3-2 vote.

### NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:

1. The application for a conditional use permit is approved for religious institution in a CC zone at 304 Hwy 105 with the following conditions:
  - a) Completed inspection by Fire Department and Pikes Peak Regional Building
  - b) Any/all violations corrected
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

### INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.

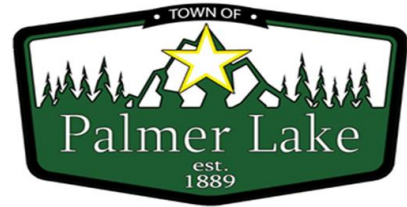
ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor





**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Application for Public Display – Mural at 84 Hwy 105 (Yaks)
<b>Presented by:</b>  Town Administrator /Clerk		

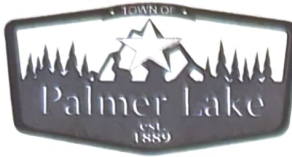
**Background**

An application for a public display is presented by Yak’s Motorcycle for their opening in March at 84 Hwy 105. The request is for a mural to be completed by local artists.

Mr. Creighton Smith will be present to make the request.

**Recommended Action**

Consider the public display for Yak’s.



42 Valley Crescent  
PO Box 208  
Palmer Lake, CO 80133  
Phone: (719) 481-2953  
Fax: (719) 488-9305  
www.townofpalmerlake.com

## TOWN OFFICE USE ONLY

Date Received: \_\_\_\_\_ By: \_\_\_\_\_  
☐ Approved ☐ Denied Date: \_\_\_\_\_  
 Expires: \_\_\_\_\_ By: \_\_\_\_\_

## TOWN OF PALMER LAKE PUBLIC DISPLAY PERMIT

The following application is pursuant to Ordinance No. 02-2020 and must be completed for any Public Display placed upon public property within the Town of Palmer Lake. This includes Sponsorship projects, Public Art, and Advertising Displays. A separate application must be completed for each display. There is no fee for this application. The following must be submitted for this application to be considered:

- ☐ Completed Public Display Permit Application
- ☐ Picture or sketch of the display, including the nature, size, color, and location of the proposed display

Submission of application does not guarantee approval.

*Note: A minimum of 30 days is required to process this application.*

### APPLICANT INFORMATION

Name: Creighton Smith Phone: 719 357 8867  
 Email: creighton@yaksmmx.com  
 Mailing Address: 84 Hwy 105 unit 5  
 City: Palmer Lake State: CO Zip: 80133

What type of display are you applying for? ☐ Advertising Display ☒ Public Art ☐ Sponsorship ☐ Other

If other, describe: \_\_\_\_\_

Will your display be permanent or temporary? ☒ Permanent ☐ Temporary

If temporary, approximate dates your display will remain: \_\_\_\_\_

*Note: Temporary displays may not exceed a period of 6 months.*

Please describe the purpose and nature of the display (attach additional sheets if needed):

Garage Door on side of Wilsons Corner which is the  
front of our Yaks Motorcycle Shop

### APPLICANT ACKNOWLEDGEMENT

THIS APPLICATION HAS BEEN EXAMINED AND COMPLETED BY ME. ALL OF THE INFORMATION COMPLETED IN THIS APPLICATION AND ALL ATTACHMENTS ARE TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I AM AWARE OF AND FULLY UNDERSTAND THE TOWN OF PALMER LAKE REGULATIONS. BY SIGNING BELOW, I HEREBY CERTIFY THAT I AM THE PERSON WHOSE NAME APPEARS ON THIS APPLICATION AS THE APPLICANT.

Applicant Signature

Creighton Smith  
Printed Name

4 Dec 23  
Date

**Dawn Collins**

---

**From:** Creighton Smith <creighton@yaksmmx.com>  
**Sent:** Wednesday, December 6, 2023 3:34 PM  
**To:** Dawn Collins  
**Subject:** Further details on mural project.  
**Attachments:** palmerlake.jpg; 4732654583911-0.jpg; file-oct-22-10-55-33-am.jpeg; OIP.jpg; WmJClinton-mural-Palmer-4-1000x750.jpg

-----WARNING: This email originated from outside the Town of Palmer Lake. DO NOT CLICK on any attachments or links from unknown senders or unexpected emails. Always check the sender's display name and email address are correct before you communicate.-----

Hey Dawn,

These attached images are representative of, but not limited to, the artwork style I have in mind for this mural project. Nothing shocking or controversial. The mural placement is the new garage blank white door of our shop that is 12' wide and 10' tall at 84 hwy. 105 Unit 5 in the Wilson's Corner building. We are looking for a Palmer Lake specific artist to commission for the work that we are hoping to unveil at the grand opening / ribbon cutting on Saturday March 23rd. We are looking for a subtle and beautiful mural that enhances our store front and the community of Palmer Lake by contributing to the artistic vibe and historic nature of the town. We will use this image on our Yak's T-Shirts for sale and curate it as a point of interest for all to enjoy. I have been speaking with Vicky Mynhier, the president of Palmer Lake Art Group and she has invited me to do a quick pitch to the group on Saturday 9 Dec at 11:00am during their luncheon at Bella Panini. I will solicit proposals and art samples as part of our search for the right artist. Of tantamount importance is that this mural be something that the whole town can enjoy and be proud of.

Thanks for all you do Dawn.

Creighton Smith  
GM Yak's MMX, LLC.  
719-357-8867









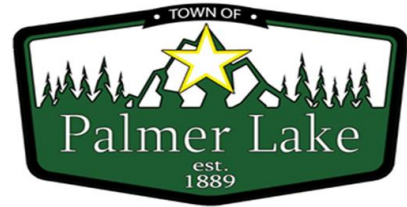












**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Proposal/Direction Relating to Trail and Bridge Work – Chair Reid Wiecks for Parks and Trails Commission
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

As directed by the Board of Trustees, Parks Chair Reid Wiecks will propose the planned bridge and trail activity from undeveloped Kent Street onto the elephant rock property.

**Recommended Action**

Following the presentation, the Board is requested to consider the proposed recommendation of the (4) glue laminated beams, by a 6-0 vote of the Parks Commission on 12/12, and provide direction to staff for a resolution to bring back to the Board in the new year.

# Palmer Lake Bridge Project

## GLUE-LAMINATED BEAM

Description: GLULAMs are large timber members made from layers of wood which are glued together. This is the primary member of this design. The handrail and decking will be wood.

### Pros:

- Cost estimate:
  - \$10,507 for the 2-member bridge
  - \$13,162 for the 4-member bridge
- Natural wood aesthetic
- 4-member bridge has easy construction
- Low maintenance

### Cons:

- Lower constructability for the 2-member bridge
- Shorter lifespan than steel, but still likely in the 60-year range

## STEEL WIDE FLANGE

Description: Steel Wide Flange shapes resemble an I-beam and could be used as the primary structural element for the bridge. The handrails and decking will be wood.

### Pros:

- Cost estimate:
  - \$11,165 for the 2-member bridge
  - \$12,377 for the 4-member bridge
- Greater expected lifespan than Glue laminated option ~ 100 years
- Low maintenance
- Maintain the wood aesthetic

### Cons:

- Decreased material workability
- Increased construction complexity

## OPEN WEB STEEL JOIST

Description: The main members look like a triangular truss system made of metal (similar to what you would see in a school gymnasium ceiling) with wood handrails and decking.

### Pros:

- Cost estimate: \$5,329
- Lightweight (best for span length)
- Easy installation

### Cons:

- Increased maintenance
- Little natural wood aesthetic
- Increased amount of soil evacuation



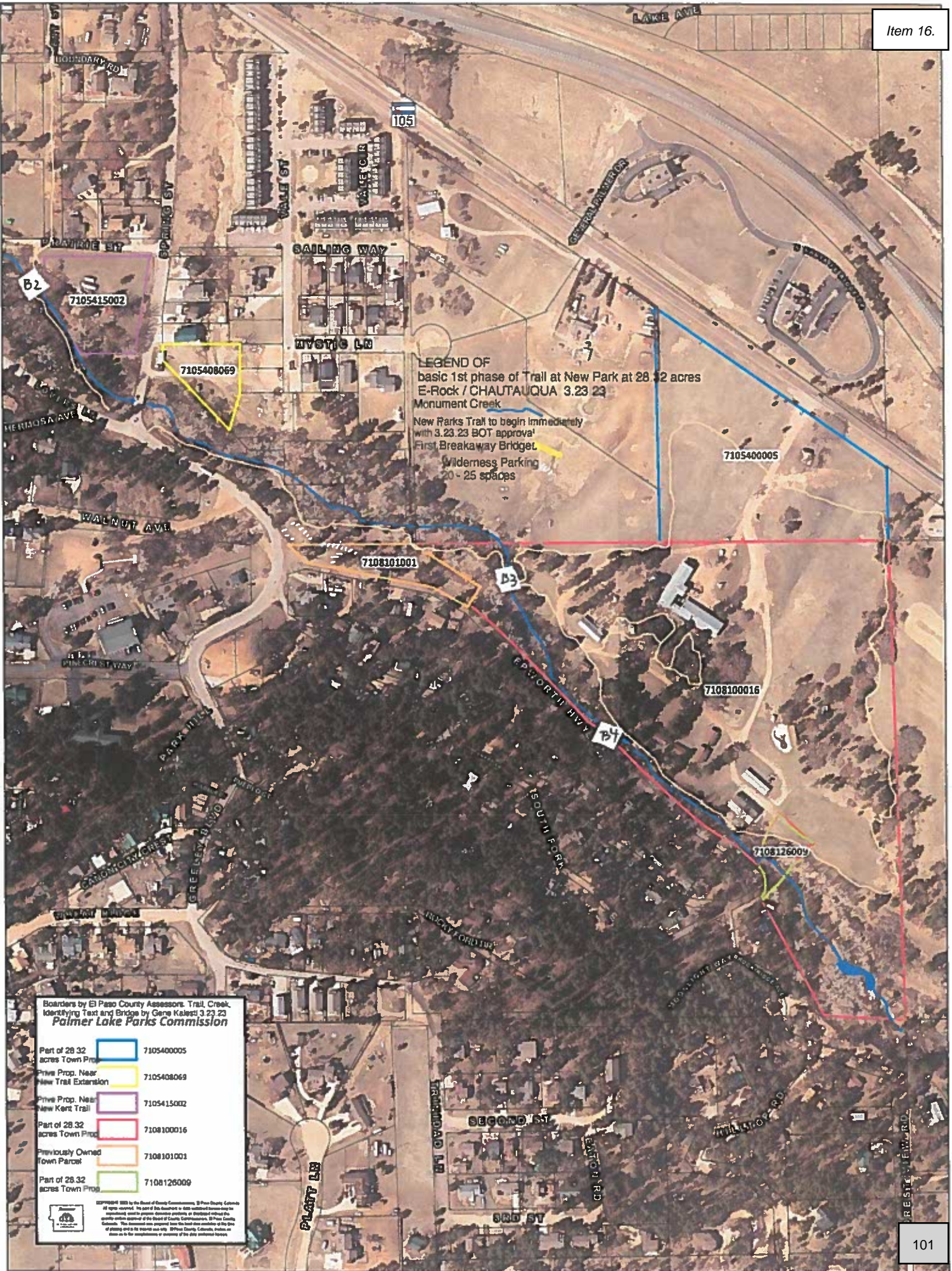
### OUR RECOMMENDATION:

4 glue laminated beams with posts harvested from the Palmer Lake area.

### OTHER INFORMATION:

- All handrail and decking for each option are pressure treated lumber and are the same design and cost.
- Pressure treated 4x6 inch posts could be used in lieu of locally harvested materials for the hand-rail posts.





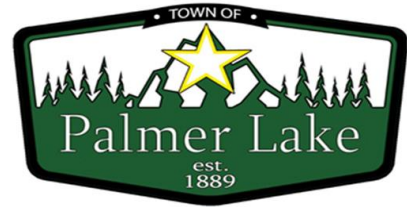


# RECOMMENDATION

## 4 Glue Laminated Beams

w/ pine wood posts sourced from Palmer Lake AND STEEL CABLE RUNNING HORIZONTALLY INSTEAD OF VERTICAL





**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Approve Revised MOU with APL for Pickleball Court Project
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

The draft MOU was approved by the Board in October and upon review by Awake Palmer Lake, the MOU was returned with a few suggested revisions, as enclosed.

The revised MOU requires Board consideration for approval.

**Recommended Action**

Approve the revised MOU with consideration of liability on the town, per Town Attorney.

**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 78 - 2023**

**A RESOLUTION TO AUTHORIZE A REVISED MEMORANDUM OF  
UNDERSTANDING BETWEEN AWAKE PALMER LAKE ORGANIZATION  
AND TOWN OF PALMER LAKE, PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town of Palmer Lake seeks collaboration with Awake Palmer Lake to install pickleball courts and a restroom on Town (public) property; and

**WHEREAS**, the enclosed Memorandum of Understanding (MOU) provides responsibilities and procedures for the installation of pickleball courts and a public restroom as required by the awarded grant to Awake Palmer Lake; and

**WHEREAS**, Awake Palmer Lake requested revisions to the MOU.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE  
TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes signature to the revised MOU as described in the attached exhibit.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF  
TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

## MEMORANDUM OF UNDERSTANDING FOR PICKLEBALL COURT GRANT

By and Between the TOWN OF PALMER LAKE and the PALMER LAKE RESTORATION PROJECT, INC., (dba AWAKE THE LAKE/AWAKE PALMER LAKE),  
a Colorado non-profit corporation

This Memorandum of Understanding (this "MOU" or this "Agreement") is entered into this day of \_\_\_\_\_, ~~2023~~ 2022 ("Effective Date") by and between the Town of Palmer Lake, Colorado ("Town") and the Palmer Lake Restoration Project, Inc., dba Awake the Lake, a Colorado non-profit corporation ("ATL") (collectively, the "Parties").

### RECITALS

WHEREAS, there are limited resources, including funding and personnel, available for projects throughout the Town, and as a result, the Town is interested in receiving support from a nonprofit entity to financially assist and coordinate projects with the Town for the benefit of all Town Citizens and Businesses; and

WHEREAS, the Parties seek to entered into public-private partnerships with nonprofit organizations to create, revitalize, and maintain parks and other public spaces on a project specific basis; and

WHEREAS, the ATL was formed as a Colorado nonprofit corporation known as the Palmer Lake Restoration Project, Inc., on September 12, 1995 to, among other things, (i) facilitate and aid the Town with respect to the preservation of the Lake and adjacent Parkland, (ii) raise a portion of the necessary funds to defray costs of the preservation, restoration, landscaping and other amenities, and (iii) assist the Town with developing a master plan for the Lake and Parkland to govern their future use and development of amenities; and

WHEREAS, ATL has applied for and obtained a grant to install pickleball courts and ~~a~~ restrooms within the Town and upon Town property as further depicted in the Grant Application ("Project"). said application being incorporated herein for definition purposes; and

WHEREAS, the Board of Trustees of the Town support the Project and the Parties seek to establish the Parties' roles and responsibilities with respect to the Project.

NOW, THEREFORE, in order to advance their mutual objectives with respect to the Project and to commence a collaborative process with each other, the Parties agree as follows:

## SECTION 1 – PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the roles and responsibilities of the Parties with respect to the Project.

## SECTION 2 – AWAKE THE LAKE

2.1 Responsibilities of ATL under this Agreement. The responsibilities of ATL shall include the following:

(a) Manage the Grant, including but not limited to complying with the reporting requirements to the Grant administration.

(b) Work in cooperation with the Town and subject to all rules, regulations, and laws, to assist in the Project and secure approval of the Town of all design, plans, construction and otherwise for the Project prior to commencement of each phase of the Project.

(c) Since there is a Town water line that will be under the pickleball courts, ATL will put deposit \$20,000 into a high yield savings account of the Town's choosing, and subject to the Town's exclusive control, for possible future repairs no later than the completion of the Project and close out of the Grant. ATL and Town may agree to deposit funds earlier or in a different manner. Such deposit by ATL shall relieve ATL of any and all future liability or responsibility associated with said Town water line, and the Town shall be solely responsible for the management and control of such funds.

## SECTION 3 – THE TOWN

3.1 Responsibilities of the Town under this Agreement. The responsibilities of the Town shall include the following:

(a) Work collaboratively with ATL to complete the Project. Nothing herein shall grant or create for ATL any ownership, authority, or control over any Town property. Control over all Town Property rests solely with the Board of Trustees.

(b) The Town will approve each phase of the project as well as any and all plans for construction of the Project and no construction will take place without the agreement and permission of the Town.

(c) In support of the Project, the Town will (i) waive the Water Tap Fee associated with the restrooms; (ii) provide approximately 1,000 yards of infill for the site and the staff and equipment to grade such fill as available; (iii) provide liability insurance under the Town's applicable insurance for the Project being constructed on Town Property and for the benefit of the Town's citizens; and, (iv) allow the use of Town Hall for project meetings as available.



## SECTION 4 – GENERAL CONDITIONS

4.1 Cooperation. The Parties agree to work together at all times in good faith, meet regularly as needed, and keep each other informed as to activities of the other, and maintain at all times a designated representative who shall serve as a point of contact for communications.

4.2 Costs. Each Party shall be responsible for all costs and expenses associated with the preparation and adoption of this MOU, and future actions related thereto. Any and all sums of money required by the Town will be subject to appropriation by the Town Board of Trustees. Failure to appropriate shall not constitute a violation, breach, or otherwise to this MOU.

4.3 Term. This MOU shall be perpetual in nature, subject to written modification signed by authorized representatives of each party, and further subject to termination by either party upon 30 days written notice to the other, or completion of the project, whichever occurs first.

4.4 Jurisdiction and Governing Law. This MOU shall be performed and enforced in Palmer Lake, Colorado, and shall be construed in accordance with the laws of the State of Colorado.

4.5 Severability. In the event any provision of this Agreement is found to be invalid or unenforceable, it may be severed from the Agreement by court order and the remaining provisions of the Agreement shall continue to be binding and effective, provided the central purposes of this Agreement continue to be served.

4.6 Notices. Any notice which a Party is required or may desire to give or deliver to the other Party shall be given in writing by (i) personal delivery; (ii) certified mail, return receipt requested, postage prepaid; (iii) a national overnight courier service that provides written evidence of delivery; or (iv) email transmission and addressed as follows:

With respect to the Town:

Town Administrator

Town of Palmer Lake  
42 Valley Crescent  
P.O. Box 208  
Palmer Lake, CO 80133  
Email: [dawn@palmer-lake.org](mailto:dawn@palmer-lake.org)

With copies to:

Town Attorney  
Matthew Z. Krob  
8400 E. Prentice Avenue,  
Penthouse Greenwood Village,  
CO 80111  
Email: [matt@kroblaw.com](mailto:matt@kroblaw.com)

With respect to ATL:

Project Manager Tim Caves  
Email: [tlccaves@yahoo.com](mailto:tlccaves@yahoo.com)

With copies to:

ATL President Jeff Hulsman  
Email: [punchyco@gmail.com](mailto:punchyco@gmail.com)

4.7 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, and the signature pages combined to constitute one document. Facsimile or electronically transmitted signatures will have the same force and effect as original signatures.

4.8 No Waiver Of Immunity. Nothing herein shall be construed as a waiver by the Town of any of the immunities, privileges and defenses available to it under the Colorado Governmental Immunity Act, as may be amended from time to time, or arising under common law.

4.9 No Creation of Ownership Interest. Nothing herein shall be construed to create an ownership interest of any kind in any Town owned property or any of the improvements upon Town owned property.

4.10 Operation and Future Use. Nothing herein shall be used to determine the way in which the Town will chose to operate, maintain, or use the Town Property as a result of the Project, including the improvements as a result of the Project.

Dated as of the Effective Date set forth above, which shall be the date the last Party signs this Agreement.

**ATL:**

**Palmer Lake Restoration Committee d/b/a/  
Awake the Lake, a Colorado nonprofit corporation**

By: \_\_\_\_\_

Authorized Representative of Awake the Lake

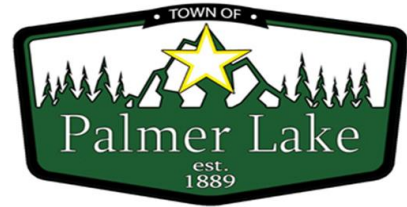
**Town of Palmer Lake:**

By: \_\_\_\_\_  
Mayor, Glant Havenar

Attest: \_\_\_\_\_  
Town Administrator/Clerk

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Authorize Lease Agreement with CORE for EV Charger at Palmer Lake
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

As previously presented in November, CORE has an EV charger available to install at Palmer Lake in two parking spaces as a service to the public. The lease agreement is unable to be shorter than five years and a copy is enclosed as an exhibit to the lease agreement.

**Recommended Action**

Approve the Resolution to authorize the lease agreement and installation of the charger and authorize staff to complete a letter of support for CORE to receive grant funds to continue this effort.

**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 79-2023**

**A RESOLUTION TO AUTHORIZE A LEASE AGREEMENT WITH CORE ELECTRIC COOPERATIVE FOR PLACEMENT OF EV CHARGER ON TOWN PROPERTY, PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town Board of Trustees has authority over Town property; and

**WHEREAS**, the Town Board and CORE Electric Cooperative (“CORE”) desire to enter into a Lease Agreement to allow the placement of EV Charger on town property, located in the parking area west of Palmer Lake, along Hwy 105; and

**WHEREAS**, the tenant will install and maintain the space and EV Charger per the Lease Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes signature to a Lease Agreement with CORE as attached herein.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

**GROUND LEASE FOR ELECTRIC VEHICLE CHARGER  
AT PALMER LAKE COLORADO**

**DATE:** December \_\_, 2023

**PARTIES:** **TOWN PALMER LAKE** a Colorado municipal corporation, 42 Valley Crescent, Palmer Lake, CO 80133 ("Landlord"); and

**CORE ELECTRIC COOPERATIVE**, a Colorado cooperative association, 5496 North US Highway 85, Sedalia, Colorado 80135 ("Tenant"), collectively the "Parties".

**RECITALS:**

**WHEREAS**, Landlord is the fee simple owner of certain real property more particularly described in the attached ***Exhibit A*** ("Property"); and

**WHEREAS**, Tenant is the recipient of a grant from Charge Ahead Colorado to build one (1) dual port electric vehicle charger ("EV Charger"); and

**WHEREAS**, Tenant wishes to enter into this Lease in order to install said EV Charger on the Property in a location more particularly described in the attached ***Exhibit B*** ("Premises"); and

**WHEREAS**, Landlord is willing to lease the Premises to Tenant and Tenant is willing to lease the Premises from Landlord upon the terms, covenants and conditions set forth in this Ground Lease ("Lease").

**NOW, THEREFORE**, in consideration of the lease of the Premises and the mutual covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

**Section 1. Definitions.** The following words shall have the meanings indicated:

*Premises* means the property described in ***Exhibit B*** and all related easements, licenses, privileges, rights and appurtenances. The term "Premises" does not include the "Improvements".

*Improvements* mean the EV Charger and any and all structures and improvements, including but not limited to conduit and an ADA curb ramp, erected/constructed on the Premises pursuant to this Lease, and all fixtures, machinery, equipment, all building equipment, and, without limitation, other property of every kind or nature situated on the Premises or used in connection therewith.

*Rent* means the "Base Rent" and any adjustment thereto, and any other charges or payments of money due from Tenant in connection with this Lease whether or not payable to Landlord.

**Section 2. Lease of the Premises.** Landlord hereby demises and leases unto Tenant, and Tenant hereby takes and hires from Landlord, the Premises, for and in consideration of the rents, covenants and agreements, and upon the terms and conditions set forth herein. The Lease of the Premises is subject to any and all encumbrances, conditions, covenants, easements, restrictions, rights-of-way, and all other matters of any nature affecting the Premises during the Term (in each case whether or not of record), such matters as may be disclosed by an inspection or survey, and all zoning, land use, subdivision, and all other laws, rules, regulations and judicial or administrative orders now or hereafter applicable to the Premises or any part thereof or any use or occupancy thereof (herein collectively called the "Restrictions").

**Section 3. Term.** The term of this Lease shall be five (5) years, beginning on the date of the execution of this Lease, as extended pursuant to this Section 3, and subject to earlier termination as herein set forth ("Term"). Upon Mutual agreement of the Parties, Tenant shall have two consecutive options to renew the Lease for an additional five (5) years upon Tenant's written notice to Landlord of Tenant's election to renew the Lease provided at least sixty (60) days prior to the expiration of the Term, and Landlord's written approval of such option to renew provided at least thirty (30) days prior to expiration of the Term.

- A. At the expiration of the Term, the Parties agree that Tenant shall offer to Landlord a transfer of ownership and control over the EV Charger, and Landlord may accept ownership and control over, subject to a separate agreement of sale or transfer, the EV Charger and all related Improvements; provided, however, that Landlord shall then be responsible for all electrical consumption costs resulting from the use of the EV Charger.
- B. Shall the Landlord not accept ownership and control of the EV Charger, Tenant shall remove the EV Charging equipment, disconnect, and abandon in place underground facilities between the service interconnection and the EV Charging Equipment.

**Section 4. Rent.** As rent for the Premises, Tenant shall pay the sums hereinafter set forth.

- A. **Base Rent.** Tenant shall pay to Landlord during the Term a minimum net annual rent of zero (\$00.00) dollars, in consideration for allowing the public to access and use the EV Charger free of charge for an initial period as outlined in Section 9. As additional consideration to this lease and subsequent extensions, Landlord also has the option to take ownership of the EV Charger at the expiration of the term of this lease and any subsequent extensions at no cost.

**Section 5. Use of Premises.**

- A. Tenant shall use the Premises for the purposes of constructing and operating thereon an EV Charger and related Improvements, as described in ***Exhibit C***, to be used for public electric charging stations, including maintenance and repair thereof; and for no other use without Landlord's prior written consent in each instance, which may be withheld if the proposed use will, in Landlord's sole discretion, be detrimental to the orderly development and operation of the Premises.

- B. Tenant shall comply with all federal, state, and municipal laws, regulations and ordinances affecting the Premises or any portion thereof and shall maintain in force during the Term all permits, authorizations and licenses that may be necessary for Tenant's use or operation of the Premises or any portion thereof pursuant to Section 5(A) above (including, without limitation, the making, placing, maintaining or altering of the Improvements of any portion thereof). Tenant shall not use the Premises or any portion thereof for any purpose or use which is in violation of any applicable certificate of occupancy, building permit, or any of the Restrictions.
- C. Tenant will not suffer any act to be done or condition to exist on the Premises, or any part thereof, or any article to be brought thereon which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private.
- D. Tenant shall not have the right to maintain or install any signs in or at the Premises visible from adjacent parcels or roads except as approved in writing by Landlord in each instance. This provision is not applicable to brands, logos, instructions, or other signage on the Improvements.
- E. Tenant shall have full responsibility for protecting the Premises and all Improvements located thereon from damage due to theft, robbery, and vandalism.

**Section 6. Temporary Construction Easement.** Landlord hereby grants to Tenant and its agents a temporary construction easement over and across the Property. The temporary construction easement shall be for Tenant's use during construction of the Improvements on, over and across the area more particularly described in the attached *Exhibit D*. Upon completion of construction of the Improvements, this temporary construction easement shall automatically terminate. Upon request of Landlord, Tenant agrees to execute, acknowledge, and deliver to Landlord an instrument in recordable form evidencing such termination.

**Section 7. Electrical Infrastructure.** Tenant shall have the right to connect to the existing electrical infrastructure on the Property.

**Section 8. Reports on EV Charger Usage.** Tenant shall share with Landlord, upon Landlord's reasonable request, regular reports on the public usage of the EV Charger.

**Section 9. Public Use of EV Charger.** In consideration for this Lease, the EV Charger initially shall be made available to the public for use without cost for a minimum period of one thirty (30) days from the date of installation of the EV Charger. Tenant will collect data on the EV Charger's use and may implement a service charge at any point during the Term, but not prior to the first 30 days. Tenant will notify Landlord of its proposed implementation of the service charge no less than thirty (30) days prior to the date it becomes effective. Service charges will be assessed and collected directly from the EV Charger users through a direct pay protocol provided through the EV Charger.

**Section 10. EV Charger Operating Costs.** Tenant shall be responsible for all electrical consumption costs resulting from the public's use of the EV Charger. The EV Charger shall be sub-metered in order to isolate any electrical consumption.

### **Section 11. Maintenance.**

- A. Tenant, at Tenant's cost, shall be responsible for the maintenance of the Improvements. Tenant shall keep the Improvements in an operable condition and shall make all repairs thereto, structural, and nonstructural, ordinary and extraordinary, foreseen and unforeseen, as necessary to permit the public's use of the EV Charger during the Term.
- B. Tenant will not commit, knowingly permit, or suffer any waste, damages, disfigurement or injury to or upon the Premises, or Improvements, or any part thereof.
- C. Landlord shall be responsible for snow plowing and other maintenance of the Property, including the parking spaces on the Premises.

**Section 12. Insurance.** Tenant agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to cover the obligations of Tenant imposed by this Lease and naming Landlord as an additional insured, as set forth in the Certificates of Insurance attached as ***Exhibit E*** (the "Certificates of Insurance"). Tenant shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to this Lease by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

- A. Tenant shall procure and maintain a policy or policies with the minimum insurance coverage set forth on the Certificates of Insurance. The form and insurer on the Certificates of Insurance is acceptable to the Landlord. All coverage shall be continuously maintained from the date of execution of this Lease. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain continuous coverage.
  - 1. Workers Compensation insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of Work under this Lease, and Employer's Liability insurance.
  - 2. Commercial General Liability insurance applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision.
  - 3. Comprehensive Automobile Liability Insurance with respect to each of Tenant's owned, hired and/or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interests provision.



- B. The policies required above, except Workers' Compensation insurance and Employers' Liability insurance shall be endorsed to include the Town, its officers and employees, as an additional insured. Every policy required above, except Workers' Compensation shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by Tenant. The additional insured endorsement for the Commercial General Liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Tenant shall be solely responsible for any deductible losses under each of the policies required above.
- C. The Certificates of Insurance shall be attached as ***Exhibit E*** as evidence that policies providing the required coverage, conditions and minimum limits are in full force and effect and shall be subject to review and approval by the Landlord. Each certificate shall identify the Lease and shall provide that coverage afforded under the policies shall not be cancelled, terminated, or materially changed until at least 30 days prior written notice has been given to the Landlord. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The Landlord reserves the right to request and receive a certified copy of any policy and any endorsement thereto. Tenant shall deliver annually to Landlord an updated Certificates of Insurance on or before May 1st, of each year.
- D. Failure on the part of Tenant to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of this Lease upon which at the Landlord's discretion, may procure or renew any such policy or any extended connection therewith, and all monies so paid by the Landlord shall be repaid by Tenant to the Landlord upon demand.

**Section 13. Construction.** All construction work shall be performed in a good and workmanlike manner in accordance with industry standards for the type of work in question. All construction work shall be done in compliance with all applicable laws, building codes, ordinances, and regulations. No construction or work shall commence until all necessary licenses, permits and authorizations required of any applicable government authority having jurisdiction are obtained. Tenant shall be responsible for acquiring and paying the costs for all required licenses and authorizations. Tenant and Landlord agree that Tenant shall be responsible for acquiring all necessary permits but shall not be responsible for the payment of any related fees as approved herein by Town Board.

**Section 14. Liens.** Tenant shall have no right, authority or power to bind Landlord or any interest of Landlord in the Premises for any claim for labor or material or for any other charge or expense incurred in constructing any Improvements or performing any alteration, renovation, repair, refurbishment or other work with regard thereto, nor to render Landlord's interest in the

Premises liable for any lien or right of lien for any labor, materials or other charge or expense incurred in connection therewith. Tenant shall not be considered the agent of Landlord in construction, erection, or operation of any such Improvements. If any liens or claims for labor or materials supplied or claimed to have been supplied to the Premises are filed, Tenant shall diligently pursue the release or discharge thereof.

**Section 15. Colorado Governmental Immunity Act.** The parties understand and agree that Landlord is relying on, and does not waive or intend to waive by any provision of this Lease, the monetary limitations (presently \$424,000.00 per person, \$1,195,000.00 for two or more persons, per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to Landlord, its officers, or its employees.

**Section 16. Hold Harmless.** Tenant shall so maintain the Improvements as to afford all reasonable protection against injury or damage to persons or property therefrom, and Tenant shall save and hold Landlord harmless from all liability or damage and all reasonable expenses necessarily accruing against Landlord arising out of the negligent exercise by Tenant of the rights and privileges hereby granted, provided that Tenant shall have had notice of the pendency of any action against Landlord arising out of such exercise by Tenant of said rights and privileges within ten (10) days thereof and be permitted at its own expense to appear and defend or assist in the defense of the same.

**Section 17. Entire Agreement.** This Lease represents the entire agreement between the parties and there are no oral or collateral agreements or understandings. This Lease may be amended only by an instrument in writing signed by the parties. If any other provision of this Lease is held invalid or unenforceable, no other provision shall be affected by such holding, and all the remaining provisions of this Lease shall continue in full force and effect.

**Section 18. Default and Remedies.** In the event either party should default in performance of its obligations under this Lease, and such default shall remain uncured for more than 10 days after notice of default is given to the defaulting party, the non-defaulting party shall be entitled to pursue any and all legal remedies and recover its reasonable attorney's fees and costs in such legal action; provided, however, that no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

**Section 19. Waiver.** A waiver by any party to this Lease of the breach of any term or provision of this Lease shall not operate or be construed as a waiver of any subsequent breach by either party.

**Section 20. Governing Law and Venue.** This Lease shall be governed by the laws of the State of Colorado in the El Paso County District Court.

**Section 21. No Third-Party Beneficiaries.** It is expressly understood and agreed that enforcement of the terms and conditions of this Lease, and all rights of action relating to such enforcement, shall be strictly reserved to Landlord and Tenant, and nothing contained in this Lease shall give or allow any such claim or right of action by any third party. It is the express intention of the parties that any person other than Landlord or Tenant receiving services or benefits under this Lease shall be deemed to be an incidental beneficiary only.

**Section 22. Assignment, Subletting, and Sale of Tenant's Interests.** Tenant shall not assign, sublet, or sell Tenant's interest in this Lease or the Improvements without prior written approval of the Landlord.

**Section 23. Counterparts.** This Lease may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Each of the Parties hereto shall be entitled to rely upon a counterpart of the instrument executed by the other Party and sent by electronic mail.

**Section 24. Authority.** The individuals executing this Lease represent that they are expressly authorized to enter into this Lease on behalf of Landlord and Tenant and bind their respective entities. This Lease is executed and made effective on the first date written above.

## **LANDLORD**

**ATTEST:**

**TOWN of PALMER LAKE**

\_\_\_\_\_  
Dawn A. Collins, CMC  
Town Administrator/Clerk

\_\_\_\_\_  
Glant Havenar, Mayor

**Approved as to Form:**

\_\_\_\_\_  
Matthew Z. Krob, Town Attorney

## **TENANT**

**CORE ELECTRIC COOPERATIVE**

By: \_\_\_\_\_  
Brooks Kaufman  
Lands and Rights of Way Manager

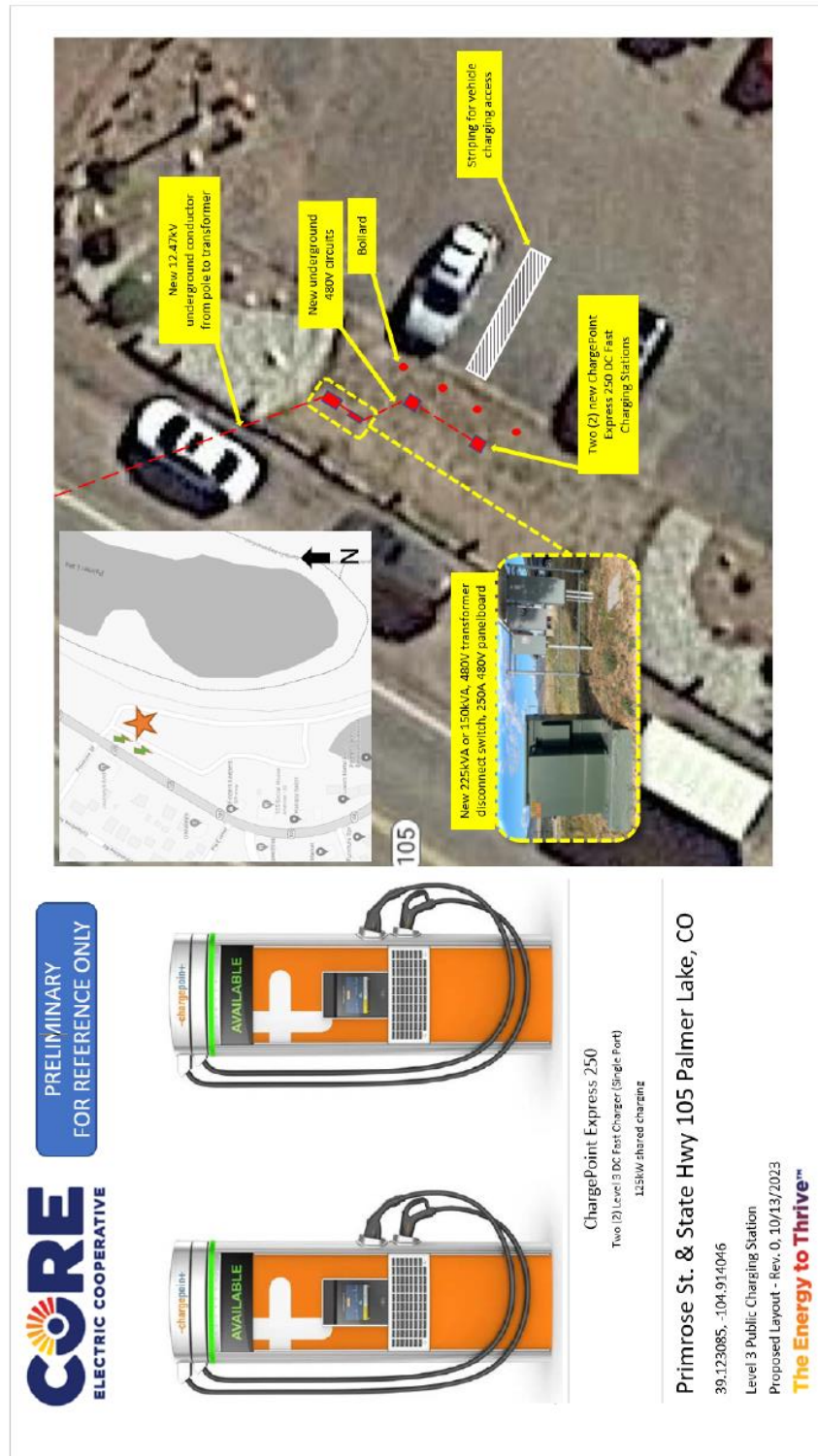
Exhibit A  
Description of the Property

**Owner:**  
**LAKE, PALMER OF**

**Legal Description:**  
**THAT PART OF W2NE4 AND NW4SE4 OF SEC 05-11-67 LY ELY OF AN ADJ TO EXTISTING**  
**HWY 105, WLY OF AND ADJ TO WLY R/W LN OF**

**Parcel Number:**  
**7105100004**

Exhibit B Description of the Premises



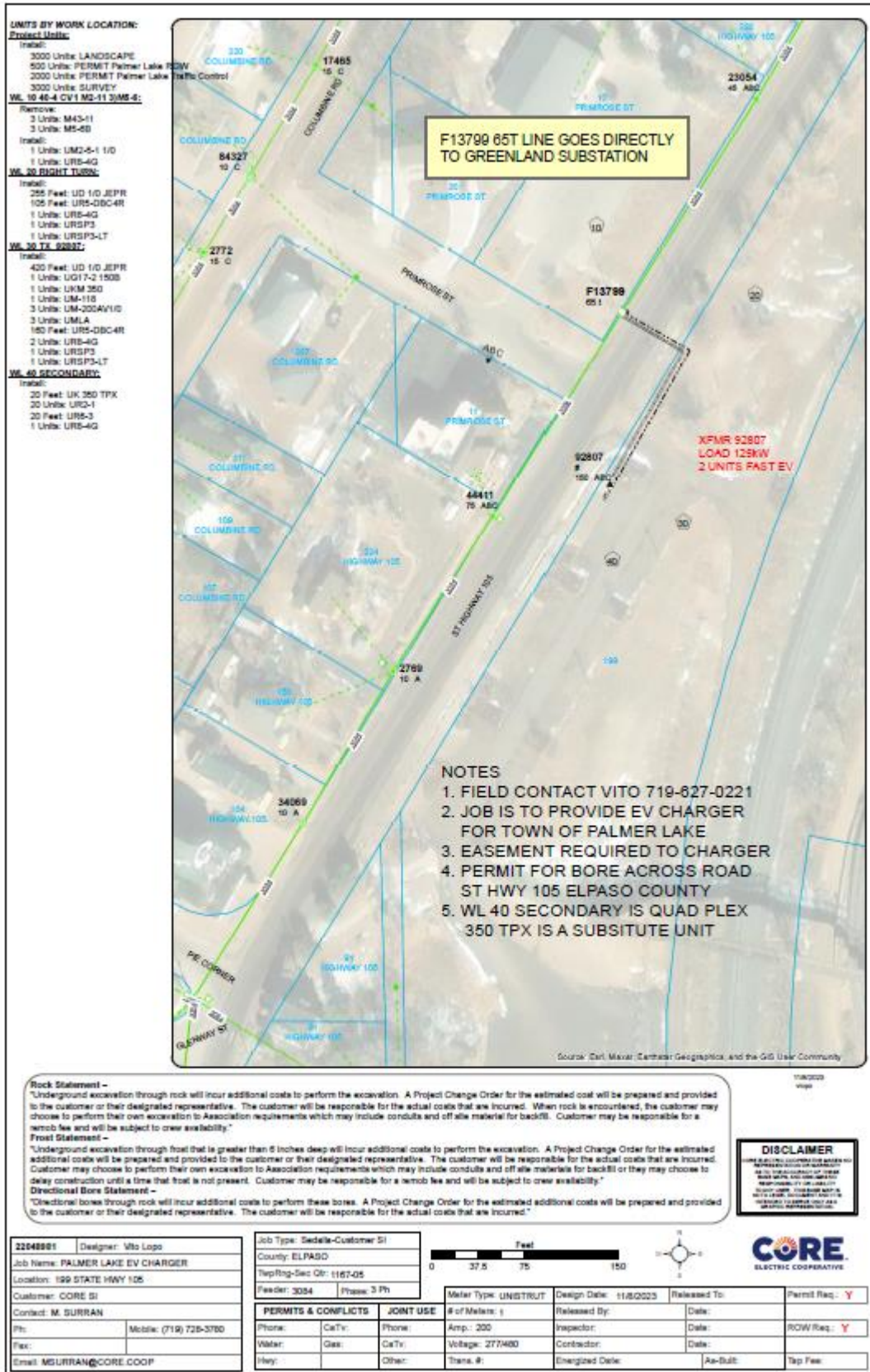
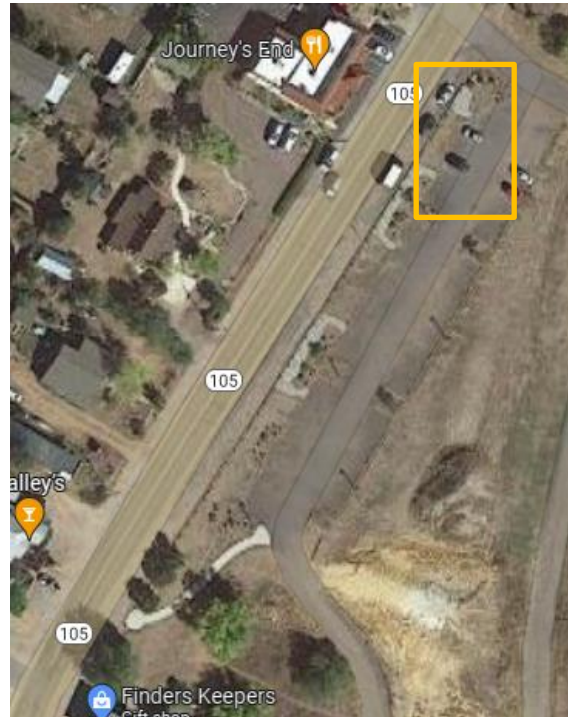




Exhibit C  
EV Charger and Related Improvements Location

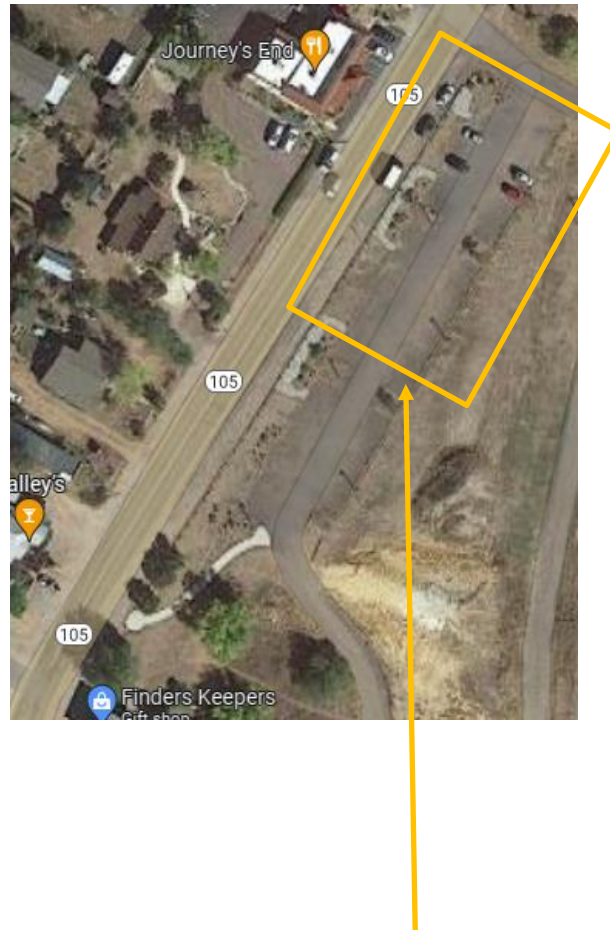


ChargePoint Express 250

Two (2) Level 3 DC Fast Charger (Single Port)

125kW shared charging

Exhibit D  
Description of Temporary Construction  
Easement



General Construction Easement Area: CORE Electric Cooperative will conduct construction activities in this general area. CORE will provide appropriate lane closure, traffic signage, safety barriers and coordinate with the Town PALMER LAKE staff to accommodate access during construction as needed. CORE will be responsible for construction area restoration and clean up. This General Construction Easement is subject to the terms of the **GROUND LEASE FOR ELECTRIC VEHICLE CHARGER AT PALMER LAKE**



Exhibit E  
Certificates of Insurance

# CERTIFICATE OF INSURANCE

10, Item 18.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

THIS IS TO CERTIFY THAT: **CORE Electric Cooperative**  
**P.O. Drawer A**  
**Sedalia, CO 80135**



**FEDERATED RURAL ELECTRIC**  
**INSURANCE EXCHANGE**

NAIC: 11118  
 P.O. Box 15147, Lenexa, KS 66285-5147  
 (913) 541-0150 fax (913) 541-9004  
 www.federatedrural.com

IS, AT THE ISSUE DATE OF THIS CERTIFICATE, INSURED BY THE COMPANY UNDER THE POLICY(IES) LISTED BELOW. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY DATES	LIMITS (\$)	
<b>GENERAL LIABILITY</b> COMMERCIAL GENERAL LIABILITY OCCURRENCE-BASIS COMPREHENSIVE FORM PREMISES / OPERATIONS UND / EXPLOSION & COLLAPSE PRODUCTS / COMP OPS CONTRACTUAL BROAD-FORM PROPERTY DAMAGE <b>NO GENERAL AGGREGATE</b>	05 ARB 045-23	3/31/2023 to 3/31/2025	EACH OCCURRENCE	\$2,000,000
			DAMAGE TO RENTED PREMISES	\$2,000,000
			MED EXP (PER PERSON)	\$5,000
			PERSONAL & ADV INJURY	\$2,000,000
			GENERAL AGGREGATE LIMIT	UNLIMITED
<b>AUTOMOBILE</b> ANY AUTO HIRED & NON-OWNED AUTO GARAGE LIABILITY (ANY AUTO)	05 ARB 045-23	3/31/2023 to 3/31/2025	COMBINED SINGLE LIMIT (EACH ACCIDENT)	\$2,000,000
			COMP DEDUCTIBLE	\$500
			COLLISION DEDUCTIBLE	\$500
<b>ALL-RISK BLANKET PROPERTY</b>	05 ARB 045-23	3/31/2023 to 3/31/2025	PROPERTY LIMIT	\$394,146,814
			PROPERTY DEDUCTIBLE	\$50,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EQUIPMENT / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**

It is agreed that where required by mortgage, lease, or other legal agreement, the interests of mortgagees, lessees, and loss payees are insured as their interests may appear as additional insured's and/or loss payees. Blanket Additional Insured and Waiver of Subrogation are included under General Liability and Automobile Liability insurance if required by written contract or agreement.

**CERTIFICATE HOLDER:**

**TOWN OF PALMER LAKE**  
**42 VALLEY CRESCENT**  
**PALMER LAKE, CO 80133**

**CANCELLATION:**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**AUTHORIZED REPRESENTATIVE:**

*Jennifer L. Hays Willey*

**Blanket Additional Insured & Waiver of Subrogation Endorsement**

05 ARB 045-23

CORE Electric Cooperative

Section II, General Liability and Automobile Liability Insurance, Item F. Persons Insured, is amended to include any person or organization for whom the policyholder is performing operations when the policyholder and the person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured or insureds to this policy. Such person or organization is an additional insured only with respect to liability caused, in whole or in part, by the policyholder's acts or omissions, or by the acts or omissions of others acting on the policyholder's behalf, provided:

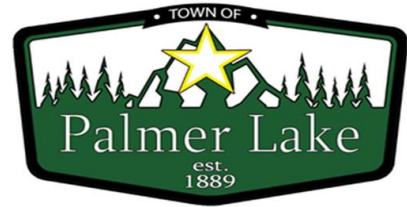
1. The insurance afforded to such additional insured or insureds only applies to the extent permitted by law; and
2. If such coverage is required by written contract or agreement, the insurance afforded will not be broader than that required by the contract or agreement to be provided to the additional insured or insureds; and
3. If such coverage is required by written contract or agreement, the insurance afforded shall not exceed the limit of insurance required by the contract or agreement, or the applicable Limit of Liability stated in the Declarations, whichever is less.
4. If required by written contract or agreement, the Company waives any rights of recovery against the additional insureds shown above because of payments made under Section II, General Liability. Such waiver applies only to the extent that the policyholder has waived its rights of recovery against such person(s) or organization(s) prior to loss.
5. The following amends General Condition H. Other Insurance, and supersedes any provision to the contrary:  
This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under this policy provided that:
  - (1) The additional insured is a Named Insured under such other insurance; and
  - (2) It is required by written contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

With respect to the insurance afforded to these additional insureds, no coverage shall apply to Personal Injury or Property Damage arising out of or caused directly or indirectly by providing or failing to provide any professional service. This exclusion shall not apply to the rendering of emergency first aid or incidental medical service.  
A professional service can mean, but is not limited to Personal Injury or Property Damage arising out of the rendering of, or the failure to render, any architectural, engineering or surveying services, including:

- a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

This endorsement shall not, in any event, increase the Limit of Liability stated in the Declarations.

All other policy provisions apply.



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Accept Final Water Rate Study Report
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

As a final version, enclosed is the completed water rate study report previously discussed to modify the water usage tiers and rates to support capital plans for the water fund.

**Recommended Action**

Approve the Resolution to accept the final report as presented.

**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 73 - 2023**

**RESOLUTION TO ACCEPT THE FINAL WATER RATE STUDY REPORT FOR THE  
DRINKING WATER RATE STUDY FOR THE ENTERPRISE FUND, TOWN OF  
PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town of Palmer Lake, Colorado, Board of Trustees initiated a study of water rates and future capital improvement plan; and

**WHEREAS**, the Town Board received multiple draft versions in 2023 and modified the water usage tier structure and water rates effective the 9/15—10/15/2023 billing for the Town of Palmer Lake; and

**WHEREAS**, the report is finalized based on the discussions with the Board of Trustees.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF  
THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Board of Trustees for the Town of Palmer Lake hereby accept the final drinking water rate study report for the Town of Palmer Lake water enterprise fund, attached here as Exhibit A.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE  
BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF  
DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

# Drinking Water Rate Study Town of Palmer Lake, Colorado

At the request of the Town Board of Trustees



*Prepared by: Chris Brandewie P.E., C.W.P.*

Water Rates by Brandewie LLC

**September 2023**

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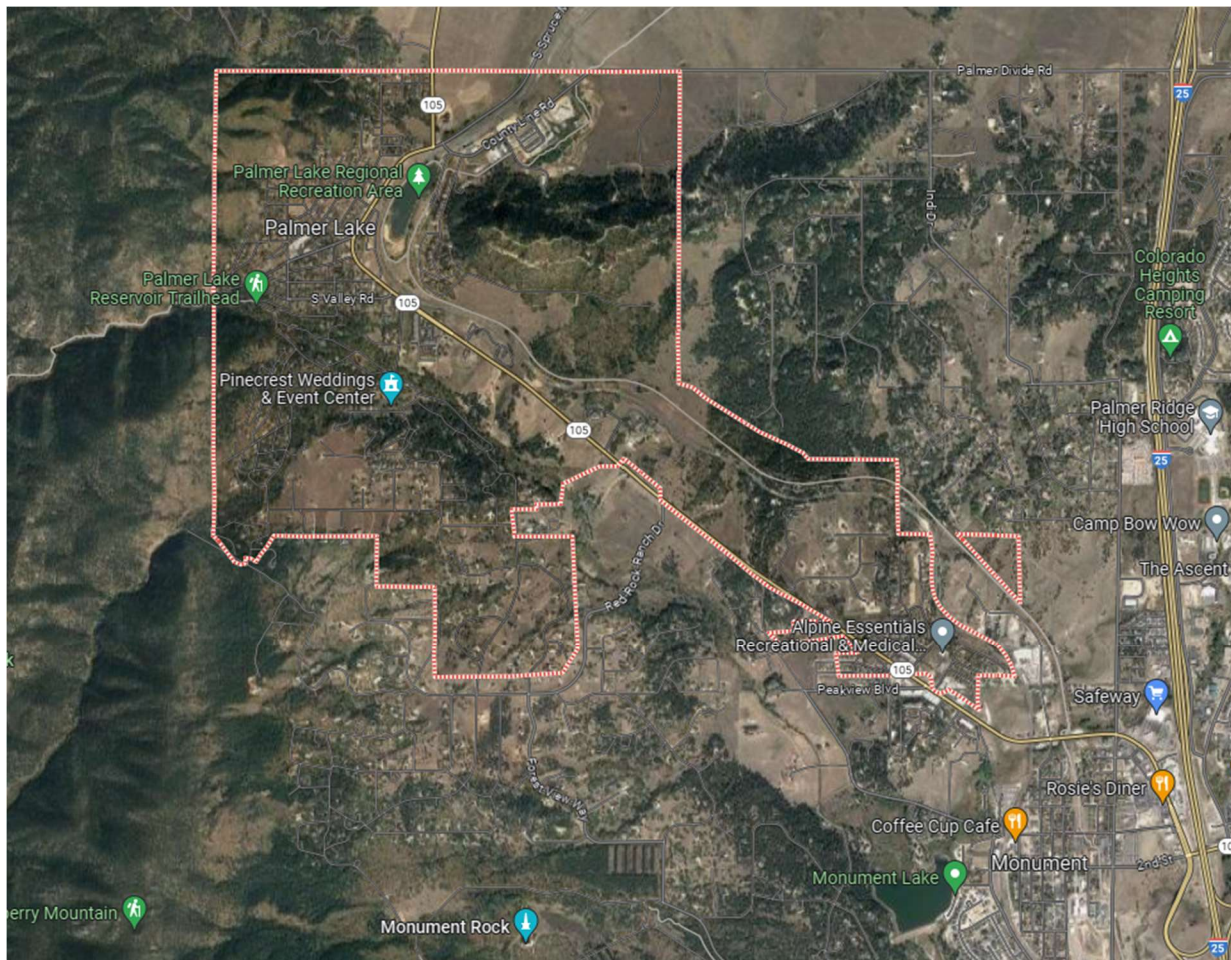
## 1. Town of Palmer Lake

### Community

The Town of Palmer Lake is located in El Paso County, in central Colorado along highway 105, between Larkspur and Monument. The Town was incorporated in 1889, however the original water system is said to have been built around 1867 which correlates to the water rights.

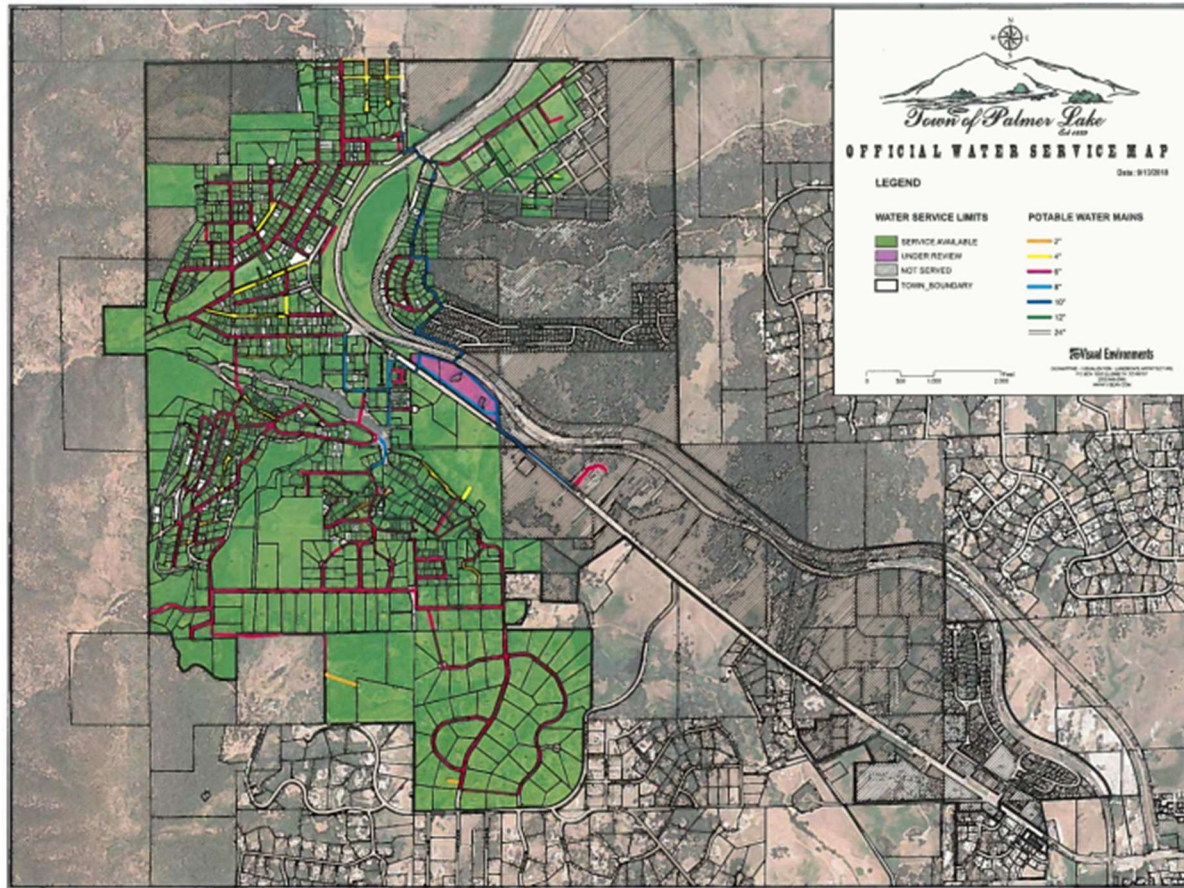
There are 1011 customers and approximately 2,636 residents. The majority of the customers are single family homes. There are a dozen restaurants among the 32 commercial accounts, one school and several condominiums.





The current water system service area does not cover the entire town of Palmer Lake. Based on limited resources to extend the distribution system to the southeast quadrant there are 141 private wells on individual properties for potable water supply. The official Median Household Income (MHI) is estimated to be \$92,333.

The Town recently had a comprehensive community master plan prepared to provide the Town with a roadmap into the future for growth and development. This makes it an opportune time to conduct a rate study to financially plan for the improvements.



### Local Government

The Town of Palmer Lake is a statutory town and governed by an elected seven-member Board, all volunteers, including the Town Mayor and six Trustees. The mayor has a two-year term and Trustees serve for four years. Members are elected in coordination with the El Paso County November General Election, in even-numbered years.

Palmer Lake was incorporated in 1889, the original water system to the town goes back to 1867. The Town manages the water enterprise, but not the sewer collection or treatment. The Palmer Lake Sanitation District is a separate entity and receives the sewage and treats it.





Left to Right: Shana Ball, Nick Ehrhardt, Sam Padgett, Kevin Dreher, Jess Farr, Dennis Stern, Glant Havenar)

The Town manages finance, billing and capital reserves for the enterprises.

### Customers

The Town staff provided customer billing data which shows the community has 1011 drinking water customers. The customers are currently only in customer classes based on meter size and billed accordingly. The Town Ordinance 8-85 allowed for property owners to drill private wells since the Town facilities are not able to provide water supply, to the southeastern quadrant. There are 141 private wells within the Town but outside the service boundary. Within the boundary there is little growth expected not to exceed 1.4% annually. In the mid to long term the Town will look at the feasibility of adding infrastructure required to extend water service beyond its current customers.

The current rate structure does not distinguish the four customers who are located outside the towns boundaries. The board accepted the recommendation to put those out-of-town customers in a new “Out of Town” customer class with a 50% surcharge. This is typical for customers located outside of the taxable town boundary and their bill will be 1.5 times the ¾-inch residential customer rate.

There is currently only one irrigation customer, however the board felt that this is a strain on the water supply and the system as a whole therefore decided to also put this one current and any future irrigation customer in a new category. The only irrigation customer has a 1-inch connection, and therefore the 50% surcharge is applied as 1.5 times the 1-inch customer rate.

### Current Processing Capacity

The Town has total water rights to 3,529 Acre-Feet per year, from two direct flow surface water rights decrees and an additional ground water right decree. The usage must include the metered water from the 141 private wells in some cases is augmented according to an augmentation plan. The groundwater rights far surpass the groundwater well capacities.

The A-2 well is 2,233 feet deep in the Arapahoe aquifer. The newly constructed D-2R is 1,630 feet into the Denver aquifer. Both wells pump to the Town’s ground water treatment plant (GW-WTP). With a

combined capacity of 500gpm the two wells produce 720,000gpd. The ground water treatment consists of iron oxidation and filtration.

The Surface Water Treatment Plant (SW-WTP) treats water piped from Glen Park Reservoir. The treatment includes, pre-chlorination, pre-straining and then pressure is reduced to be filtered by one of two Pall Aria AP-4 microfiltration units. Filtered water flows to a break tank then boosted by three 40-HP pumps. Chlorine dioxide gas is injected before the 24-inch pipe that provides disinfection contact time.

There are three treated water storage tanks, with a combined storage capacity of 1,000,000 gallons. High zone tank No. 1 is a buried concrete tank with 250,000 gallons storage from 1960. High zone tank No. 2 is also a buried 250,000-gallon concrete tank and built in 2019. Levels controls in these tanks signal the SW-WTP to turn on an off. The lower storage tank is made of welded steel, has 500,000 gallon capacity and is located at the GW-WTP. The Low Zone Tank booster pump station has the capacity to pump 120gpm to the distribution system or high zone tanks.

The distribution systems operate as a single pressure zone with gravity storage provide by the two 250,000 high zone storage tanks. In the center of Town, the pressure is at 125 psi and as high as 210 psi in other places. There is no pressure reducing valves in the system. There are 166 fire hydrants distributed approximately every 400 feet along the distribution system.

The majority of the distribution system is 6-inch PVC piping however some older segments are lead joint pipe and as small as 2-inches.

### **Funding Next Major Project**

The rate study process ran concurrently with the board deciding to proceed with the recommended priorities in the Water System Improvement PER in 2022 by GMS, Inc. Consulting. Addendum No. 1 to the PER in 2022 updated the costs of Priority One and Two and provided an estimate of the savings by proceeding with both priorities at the same time as opposed to phased separately.

The recommended improvements have been grouped into two priorities. The first priority includes the recommended new Arapahoe well, replacement of older segments of distribution system piping, and GW-WTP improvements. The estimated project cost for these improvements is \$4,691,700. The second priority of recommended improvements includes distribution system upgrades to loop and reinforce the distribution system. The estimated project cost for these improvements is \$1,436,300. With Priority One and Priority Two projects executed as a single project, the combined project cost estimate is \$5,952,600. This is a projected savings of \$175,400 due to administrative efficiencies.

### **Current Rates**

Customer classes are determined based on meter size connection. Customers are currently charged a monthly minimum base rate of \$68.23 for 3/4-inch meters. Customers with 1-inch meters are billed \$89.78 per month. Customers with 1.5-inch meters pay \$126.56 and 2-inch customers pay \$169.56.

	WATER RATES			
Tap Size	3/4"	1"	1 1/2"	2"
Monthly Base Rate	\$ 45.88	\$ 65.47	\$ 98.43	\$ 138.00
Capital Improvement Fee	\$ 4.59	\$ 6.55	\$ 9.84	\$ 13.80
Water Loan Payment	\$ 17.76	\$ 17.76	\$ 17.76	\$ 17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$ 68.23</b>	<b>\$ 89.78</b>	<b>\$ 126.03</b>	<b>\$ 169.56</b>

The “Total Minimum Bill” is the term used in Palmer Lake to describe the set monthly payment before usage charges. It includes what the Town calls the “Monthly Base Rate”, the Capital Improvements Fee and the Water Loan Payment in this set monthly charge. Within this study the Monthly Base Rate is all three of these line items in one. There is not an option for a customer to pay less than the Total Minimum Bill or part of it. The continued operations and financial health of the enterprise depends on paying all its expenses with this consistent revenue.

There are only three tiers in the usage charges, and start from the first gallon consumed at \$0.84/100 gallons or as commonly described in the water industry as \$8.40/1000 gallons. The table below shows the tier breaks and the tier charges per gallon and 100 gallons.

WATER USAGE RATES			
min. gallons	max. gallons	\$ per gallon	\$ per 100 gal
1	4999	\$ 0.00840	\$ 0.840
5000	9999	\$ 0.01008	\$ 1.008
10000	99999	\$ 0.01210	\$ 1.210

### Disclaimer

The recommendations contained in this study are based on financial information provided to Water Rates by Brandewie LLC by the Town of Palmer Lake Staff and the Engineer’s Conceptual Opinion of Probable Costs presented in the PER and Addendum by GMS, Inc. Consulting Engineers completed in 2022 and 2023, respectively. Although every effort was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein.

For accounting advice, a CPA should be consulted. For legal advice, the County should seek the advice of their attorney.

## 2. Guiding Principles of this Rate Study

### Sustainability

Rates and fees are considered and established annually through the Town's budget process and in accordance with the Town of Palmer Lake Rules and Regulations, and applicable state statutes. Rates should cover the costs of the system to allow it to provide services now, and in the foreseeable future. The staff and board should stay aware of changes to existing laws, community growth, emerging contaminants, and water supply concerns to help keep their capital replacement plan up to date.

### Fair

Rates should be fair for all customers. No single rate payer or group of rate payers should be singled out for different rates without logic and justification. Current rates and proposed rates do not make any distinction between domestic, commercial, industrial users. Only for the proposed irrigation and out-of-town users are there distinctions. The proposed rates do address customers out of the town boundary according to normal surcharges. Since the Town's water system does is challenged to continually provide sufficient water the board decided to invoke a surcharge to the irrigation customers. The one irrigation customer consumes a lot of water which the town wants to conserve.

The enterprise should not charge more for the water service than the cost to provide that service. However, the costs should include operations, repairs, interest, loan principal, and all other costs related source development, treatment, storage of water and to the collection; now and into the foreseeable future.

Unreasonably low rates for current customers could require unreasonably high rates for future customers, which should be avoided. To keep revenue up with inflation, all scenarios considered in this study included an annual increase to the base rate year over year. This annual increase, referred to by the Town as the escalation, was previously 3%. This was paused during the Covid Pandemic of 2020 and the board decided to set the new annual increase at 5% to match closer to actual inflation being experienced.

### Justifiable

Water rates must be based on the needs of the system and the Community. System finances are managed through an enterprise fund meaning that revenue generated from water rates can't be used to pay anything other than the sourcing, treating, storage or distribution of the drinking water. For the enterprise the reserves set aside for future capital investments are also significant and are considered in the proposed rates.

### Purpose of this study

The purposes of this study are:

- Ensure the financial health of the water system into the future,
- Examine financial options for funding upgrades and repairs,
- Provide preliminary step to funding infrastructure improvements,
- Expose the need to set reserves aside for future replacement of failing components,

- Encourage the conservation of water

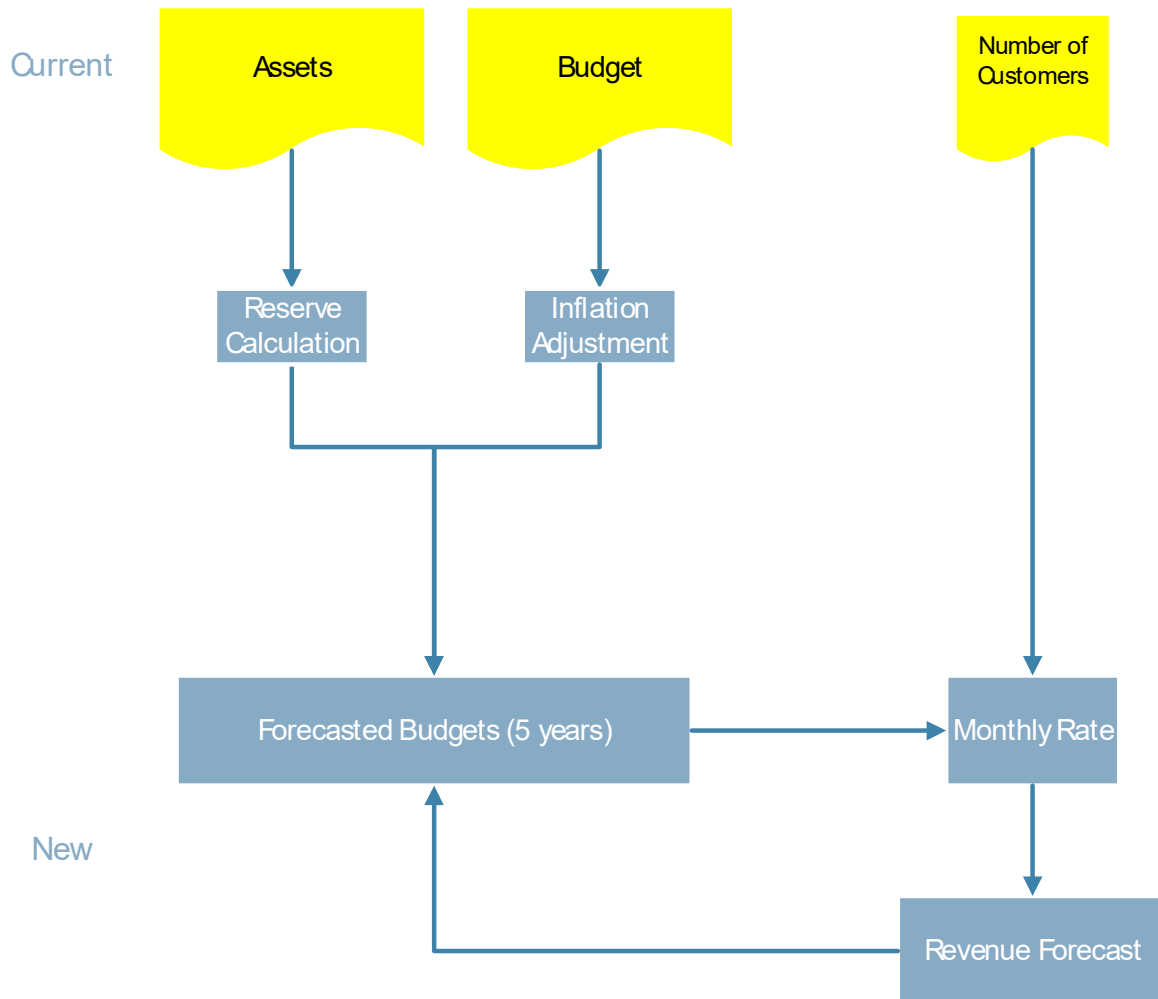
### Board Decision

This report documents financial options presented to and discussed with the Board of Trustees. The board has a fiduciary responsibility to set the rates at such a level that the enterprise will be able to continue to operate in the future, including providing funds to replace all parts of the system as they wear out, and keep rates affordable.

### 3. Rate Study Process

The figure<sup>1</sup> below explains the process of setting rates. The study employed a metered rate model, where the customers connection or meter size dictates the distinct customer classes. The out-of-town and irrigation customers are based on their meter size in addition to other factors.

The rate setting process begins with the list of all capitalized assets, the current budget and the current number of customers, as provided by the Town staff.



From the list of assets, the required reserves are calculated (Section 4 of this report) and fed into a 5-year Budget projection (Section 5.) The directive from Board, was to limit the annual Capital Improvements Plan (CIP) to items only as far into the future as 30 years.

The Budget expenses are adjusted for 5.0% inflation year over year for the five-year forecast.

<sup>1</sup> In this report all yellow cells contain data obtained outside the model. All blue cells are calculated.



This report assumes that the number of customers in Palmer Lake will grow at 1.4% each year for the next five years. The study considers an initial conservation of water as a response to the adjustment at 5% the first year after rates increase and to slowly return to existing usage patterns. This ensures that a potential reduction in usage does not mean reduction in overall revenue.

The table below combines the conservation and community growth adjustment employed by the model.

**Growth of Consumption over Base year**

Conservation Factor

Community Growth Factor

Total Consumption Adjustment  
(accumulative year to year)

Year 1	Year 2	Year 3	Year 4	Year 5
-5.0%	-4.0%	-3.0%	-2.0%	-1.0%
1.4%	2.8%	3.2%	4.6%	6.0%
-3.6%	-1.2%	0.2%	2.6%	5.0%

The expenses, including the reserve requirements are allocated among all the customers. The model calculates the shortfall in the budget and resulting shortfall in the ability to replace the failing components of the water system.

To lessen the impact on Palmer Lake water customers, rate increases were intended to be spread over five years.

### Source of the Data

The data in the Capital Improvements Program (CIP) comes from the data supplied by the towns two operators and clerks. The CIP is shown on the first sheet of the Excel model as Exhibit 1 DW.

The list of the components, their installation date and their original costs or reasonable replacement or repair estimations were all supplied by the operators, the engineer and AWWA standards.

The Normal Estimated Life is based on AWWA standards and adjusted for actual conditions. The Estimated Remaining Life is based on the best judgement of the Operator in Responsible Charge, the Engineer and Water Rates By Brandewie LLC.

### Sources of Funding

Funding of the replacement of components can only come from cash saved by the enterprises, a grant or a loan.

The possibility of receiving substantial grants or loan forgiveness for the Town is 0 – 10% considering the Medium Household Income is \$92,333 per year. This is significantly higher than the Colorado state average of \$80,184 per year.

The current affordability index for water services is at 1.27% which is below the range (1.5%-4% Medium Household Income/MHI) where funding agencies typically provide grants. In other words, the current rates are not considered a financial burden and do not make a favorable case for grant funding or loan forgiveness.

Affordability rating is calculated as the annual average cost of the utility as a percent of the MHI. This is a major factor considered by funding agencies when determining grant allocations. With the rate increases determined by this study this percentage raises to 1.89% in the 5<sup>th</sup> year.

This study assumes that small items will be funded with cash and larger replacement projects will be funded with the following schedules:

#### Default Funding of Drinking Water Asset Investments

Replacement Value	From	To	Cash	Grant	Loan
\$0		\$100,000	100%	0%	0%
\$100,001		\$500,000	20%	0%	80%
\$500,001		\$1,000,000	10%	0%	90%
\$1,000,001		\$99,999,999	2%	0%	98%

#### Description

The CIP provides a detail of the reserves needed or acceptable targets to replace the capital assets. The 'Total' line of the CIP table (Exhibit 1 DW, \$313,616) represents the amount the enterprise will put aside in 2024 to start reserves to fund the replacement of equipment for the systems. This reserve target will decrease when Priority One and Two projects are complete, however the debt expense will increase.



#### Alternative

If the Board decides not to fund the annual capital reserve requirement sufficiently, the systems will have to find funding from other sources, or from steeper rate increases in future years.

It will require a substantial effort by Town staff to obtain any percentage grant and low interest loans. The amount of grants obtained/forecasted for future projects has a large impact on the rates. Therefore, this study recommends a new rate study when new loans or grants are obtained.

## Exhibit 1 DW CIP

Capital Replacement/Improvement Program		AWWA Cash-Needs Approach								Exhibit 1	
Palmer Lake										Date:	9/18/23
										System Number:	0
										Service Connections:	1,011
Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (H, C, F)	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>											
<b>REAL ESTATE</b>											
1	Maintenance Building	1983	601,000	C	20	398,658	20%	0%	100%	0	0
1	Maintenance Building - Contents	2000	57,770	C	7	20,322	100%	0%	0%	2,514	2,501
<b>VEHICLES</b>											
1	Ford Truck F-250 2005 DFZ901	2005	40,000	C	5	51,051	100%	0%	0%	6,962	8,716
1	Dodge Ram 1500 2019 BSH031	2019	50,000	C	3	57,881	100%	0%	0%	8,703	16,297
1	Dodge Ram 2015 779SWQ	2015	50,000	C	2	55,125	100%	0%	0%	8,703	23,142
1	Chevey 1/2 Ton 2008 681RS	2014	45,000	C	1	47,250	100%	0%	0%	7,832	39,418
1	Chevey 1/2 Ton 2005 219CLV	2005	40,000	C	1	42,000	100%	0%	0%	6,962	35,038
1	John Deer Loader	2008	200,000	C	10	16,289	100%	0%	0%	1,741	1,419
1	Road Grader JD	2006	300,000	C	8	22,162	100%	0%	0%	2,611	2,396
1	Backhoe 310SJD	2008	100,000	C	12	8,979	100%	0%	0%	870	655
1	Water Truck 3500 Gal Tank Freightliner	2005	60,000	C	6	4,020	100%	0%	0%	522	Not Cap.
1	Dump Truck mini International	2001	60,000	C	4	3,647	100%	0%	0%	522	Not Cap.
<b>SOURCE and TREATMENT</b>											
1	Spruce Mountain Pump Station D2 Well Station - 195 Spruce	1989	799,600	C	26	710,779	10%	0%	90%	3,479	2,433
1	High Cap Pump (1200gpm) Fire Pump Would Replace with	2007	500,000	C	24	1,612,550	2%	0%	98%	1,741	1,196
1	Service Pumps (300 gpm) Summit Submersible A2 Well	2018	400,000	H	2	562,840	10%	0%	90%	8,071	24,036
1	Well D2 Original Redrilled 1630 feet	2023	635,779	C	30	2,747,800	2%	0%	98%	2,213	1,629
1	Chlorinator Pump Hypo Chlorite Injection (2)	2021	3,000	H	1	3,473	100%	0%	0%	554	Not Cap.
2	Rapid Filter (500 gpm filters) Media replenished (2)	2022	13,554	H	4	34,597	100%	0%	0%	4,860	7,370
1	Well A2 2233 feet deep	2002	993,900	C	10	1,618,958	2%	0%	98%	3,460	2,820
<b>Surface Water Treatment</b>											
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	C	15	72,762	100%	0%	0%	6,092	4,277
3	40-HP distribution pumps one Replaced recently (3)	2011	6,000	C	6	24,122	100%	0%	0%	3,133	3,448
1	Membrane Filter Pall skid 350 gpm Replaced 1 Module 2020	2011	1,208,527	H	18	5,223,184	2%	0%	98%	5,998	5,228
44	22 Modules per skid Replaced Recently (44)	2020	9,229	H	7	661,455	10%	0%	90%	7,723	8,205
1	Electrical Controls Auto Pall Controls Lightning strike	2020	29,800	H		2,980	100%	0%	0%	567	0
1	SWTP Lab Equipment	2018	20,000	C	2	22,050	100%	0%	0%	3,481	9,257
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	C	4	9,724	100%	0%	0%	1,392	2,065
6	Turbidity Analyzer Obsolete No Parts (6)	2011	6,000	C	4	43,758	100%	0%	0%	6,266	9,291
2	Chlorine Gas System, Regulators, injectors Measurement (2)	2011	300,000	C	28	2,352,077	2%	0%	98%	2,089	1,495
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	C	25	135,454	20%	0%	80%	1,392	964
1	Scada at A2 and D2 Done recently	2022	58,654	H	19	155,627	20%	0%	80%	2,103	1,455
<b>STORAGE</b>											
1	High Zone Water Storage Tank (250,000 Gal) Concrete Burr	1985	591,500	C	22	1,730,292	2%	0%	98%	2,059	1,398
1	Low Zone Water Storage Tanks (500,000 Gal) Welded Steel	1955	751,100	C	7	1,056,873	2%	0%	98%	2,615	2,601
1	Low Zone Water Storage Tank Booster Station	1994	377,700	C	31	1,714,018	2%	0%	98%	1,315	983
<b>DISTRIBUTION system maps from GMS</b>											
8	8" Gate Valves (8)	2013	2,540	C	30	87,822	100%	0%	0%	3,537	2,603
156	6" Gate Valves (156)	2013	2,090	C	30	1,409,126	2%	0%	98%	1,135	835
5	4" Gate Valves (5)	2013	1,800	C	30	38,897	100%	0%	0%	1,566	1,153
<b>Fire Hydrants 166 6" Hydrants</b>											
8	6" Hydrants 8	1950	9,050	C	7	101,874	20%	0%	80%	2,520	2,507
<b>Subtotal Replacement of Existing Capital Assets</b>										132,532	230,369

Quantity	Asset	Year Acquired	Unit Cost (Current or Future)	st Type (C,)	ated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Funded Project Assets</b>											
1	ARPA FUNDING 2023 Project TBD Dis System Replacement	2023	259,238	C	61	5,084,473	2%	0%	98%	259,238	0
1	ARPA Funding 2024 Project Dis System Replacement	2024	77,938	C	62	1,605,040	2%	0%	98%	77,938	0
<b>Subtotal Replacement of Funded Project Assets</b>										<b>337,176</b>	<b>0</b>
Enter Existing Reserves for Replacement of Funded Project Assets 											
Quantity	Asset	Year to be Purchased	Unit Cost (Current or Future)	st Type (C,)		Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Reserves for Additional Capital Assets</b>											
1	<b>New Araphahoe Well &amp; Dist Sys Loop Reinforce Priority</b>	<b>2025</b>	<b>5,952,600</b>	<b>C</b>		<b>6,562,742</b>	<b>2%</b>	<b>0%</b>	<b>98%</b>	<b>0</b>	<b>65,464</b>
	Groundwater Treatment Plant Improvements (included above)	2025		C			100%	0%	0%	0	
	Distribution System Replacement (Included above in line item)	2025		C			100%	0%	0%	0	
							0%	0%	0%	0	
1	Distribution System Extension to Serve Properties on Private	2035	4,067,188	C		7,304,085	2%	0%	98%	0	11,842
1	Back Up Generator for Tank Pump	2030	30,000	C		42,213	100%	0%	0%	0	5,941
<b>Subtotal Reserves for Additional Capital Assets</b>											<b>83,247</b>
Enter Existing Reserves for Additional Capital Assets 											
<b>Total Capital Reserves</b>											<b>313,616</b>

## 4. Budget

### Source

All expenses shown in Exhibit 2 DW (5-Year Budget sheet) are based on Palmer Lakes 2023 proposed budgets and projections. Further review of each line-item cost was analyzed by staff, the project engineer, and Water Rates by Brandewie LLC to assure accuracy in the expense projection into the future.

The Cash Revenue required is a calculated number based on:

- Rates entered on the rates sheet
- 2023 & 2024 forecasted number of customers
- Future debt service, financing future expense above \$100,000
- Saving to pay in cash for replacement items under \$100,000
- An annual inflation factor of 5%

### Reserve Funding

There are four types of reserves the Systems must consider:

1. **Debt Reserve:** financial compliance assurances required by the SRF funding require one full year's debt service. This is allowed to be built up over a 10-year period. The CWRPDA Loan for SWTP Upgrades has achieved the required Debt Reserve of \$200,956. Regardless of the funding vehicle, it is wise to establish a debt reserve and may result in better loan terms for future financing.
2. **Operating Reserve:** Operating reserves are established to provide the enterprise with the ability to withstand short-term cash-flow fluctuations. A 45-day operating reserve is a frequently used industry norm, this equates to \$103,486. Since there is currently \$236,018 in operating reserves the excess is shifted to Emergency and CIP Reserves.
3. **Emergency Reserve:** Emergency reserves are intended to help utilities deal with short-term emergencies, such as main breaks or pump failures. An emergency is intended to fund the immediate replacement or reconstruction of the system's single most critical asset. It was estimated that \$200,000 would be sufficient for emergency reserves. There was \$181,393 allocated to emergency reserves and by contributing \$6,202 annually to the budget, this reserve target will be achieved in 3 years.
4. **Capital Replacement/Improvement Reserve:** This reserve is strictly to be used to fund the replacement of capital assets that wear out and infrastructure improvement. The annual reserve requirement of the Capital Improvement Program was presented in the previous section of this report. However, it is worth noting here that there was limited allocation prior to this study and after reorganizing reserves, there is \$132,532 available for Capital Reserves.

	2022	2023	% Belonging to Water	2024	2025	2026	2027	2028
<b>EXPENSES AND SOURCES OF FUNDS</b>								
<b>OPERATIONS &amp; MAINTENANCE EXPENSES</b>								
5007 Salaries/Wages on Call	19,110	15,308	100%	16,073	16,877	17,721	18,607	19,537
5026 Overtime, Civilian Unsched	1,470	1,482	100%	1,556	1,634	1,716	1,801	1,891
5210 General Services	1,000	27,870	100%	29,264	30,727	32,263	33,876	35,570
5211 General Services - Treatment	13,000	22,000	100%	23,100	24,255	25,468	26,741	28,078
5212 General Services - Distribution	13,000	22,000	100%	23,100	24,255	25,468	26,741	28,078
5202 General Supplies - Treatment	44,000	49,000	100%	51,450	54,023	56,724	59,560	62,538
5205 General Supplies - Distribution	36,000	45,000	100%	47,250	49,613	52,093	54,698	57,433
5310 Building Maintenance	2,000	2,000	100%	2,100	2,205	2,315	2,431	2,553
5330 Repair/Maint Supplies	65,000		100%	0	0	0	0	0
5331 Repair/Maint Supplies Distribution	214,030		100%	0	0	0	0	0
5220 Water Meters/Parts Replace	5,000	2,000	100%	2,100	2,205	2,315	2,431	2,553
5222 Water Meters / Repairs	5,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
5300 Utilities - Electric	120,750	83,000	100%	87,150	91,508	96,083	100,887	105,931
5301 Utilities - Gas		18,400	100%	19,320	20,286	21,300	22,365	23,484
5302 Utilities - Water		12,500	100%	13,125	13,781	14,470	15,194	15,954
5303 Utilities - Sanitation		16,400	100%	17,220	18,081	18,985	19,934	20,931
5510 Vehicle Repair / Maint	6,000	8,000	100%	8,400	8,820	9,261	9,724	10,210
5520 Fuel/Lubricants	10,000	10,000	100%	10,500	11,025	11,576	12,155	12,763
5850 Vehicle Loan Principal	2,976	0	100%	0	0	0	0	0
5851 Vehicle Loan Interest	945	0	100%	0	0	0	0	0
5650 Water Line Repair			100%	0	0	0	0	0
5320 Equipment Maintenance	23,000	19,539	100%	20,516	21,542	22,619	23,750	24,937
5660 Reservoir/Dam Maintenance	13,000	13,000	100%	13,650	14,333	15,049	15,802	16,592
5610 Water Quality Testing	27,949	23,732	100%	24,919	26,165	27,473	28,846	30,289
			100%	0	0	0	0	0
			100%	0	0	0	0	0
<b>Total Operation and Maintenance Expenses:</b>	<b>623,230</b>	<b>394,231</b>		<b>413,943</b>	<b>434,640</b>	<b>456,372</b>	<b>479,190</b>	<b>503,150</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>								
Operating Reserve Funding				0	0	0	0	0
Emergency Reserve Funding				6,202	6,202	6,202	0	0
Debt Reserve Funding				0	0	0	0	0
Replacement of Existing Capital Assets				230,369	164,007	125,534	117,506	108,964
Replacement of Funded Project Assets				0	0	0	0	0
Reserves for Additional Capital Assets				83,247	83,247	17,783	17,783	17,783
Debt Service	183,229	183,229		284,784	284,784	611,832	611,832	611,832
5002 Salaries/Wages, Full-time	400,788	423,291	100%	444,456	466,678	490,012	514,513	540,238
5030 Social Security ER	27,358	27,285	100%	28,649	30,082	31,586	33,165	34,823
5032 Medicare ER	6,398	6,381	100%	6,700	7,035	7,387	7,756	8,144
5036 FUTA	281	239	100%	251	263	277	291	305
5006 Salaries/Wages, PT Sick	642	0	100%	0	0	0	0	0
5050 Retirement ER Match	16,855	17,603	100%	18,483	19,407	20,378	21,397	22,466
5060 Health Ins ER-pd	40,508	40,900	100%	42,945	45,092	47,347	49,714	52,200
5070 Life Ins ER-pd	1,233	1,245	100%	1,307	1,373	1,441	1,513	1,589
5038 Workers Comp Ins	28,487	29,172	100%	30,631	32,162	33,770	35,459	37,232
5103 Professional Svcs Legal	20,000	20,000	100%	21,000	22,050	23,153	24,310	25,526
5101 Professional Svcs Acctg	9,500	45,225	100%	47,486	49,861	52,354	54,971	57,720
5102 Professional Svcs IT/Water Billing	58,000	78,000	100%	81,900	85,995	90,295	94,809	99,550
5040 Employee Clothing	500	1,000	100%	1,050	1,103	1,158	1,216	1,276
5041 Employee Training	2,000	4,500	100%	4,725	4,961	5,209	5,470	5,743
5042 Employee Travel	5,000	6,000	100%	6,300	6,615	6,946	7,293	7,658
5043 Employee Per Diem		3,000	100%	3,150	3,308	3,473	3,647	3,829
5137 Memberships/Registration	10,000	10,000	100%	10,500	11,025	11,576	12,155	12,763
5121 Bank Fees / Services	400	100	100%	105	110	116	122	128
5140 Postage	0	0	100%	0	0	0	0	0
5133 Insurance	12,000	13,400	100%	14,070	14,774	15,512	16,288	17,102
5135 Legal Notices/Recordings	500	500	100%	525	551	579	608	638
5122 Communication	0	3,100	100%	3,255	3,418	3,589	3,768	3,956
5199 Misc Expense	800	800	100%	840	882	926	972	1,021
5201 General Supplies	2,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
5500 Vehicle License / Fee			100%	0	0	0	0	0
6000 Cap Imp		133,254						
5109 Professional Svcs Other engineering	20,432	40,000						
6100 Capital Equipment	63,000	33,984						
6100 Capital Equipment IT	26,400	92,000						
Water Meter Lease Program????					50,000	50,000	50,000	50,000
	936,311	1,217,208		1,376,080	1,398,292	1,661,906	1,690,203	1,726,315
<b>TOTAL EXPENSES</b>	<b>1,559,541</b>	<b>1,611,439</b>		<b>1,790,023</b>	<b>1,832,931</b>	<b>2,118,278</b>	<b>2,169,394</b>	<b>2,229,465</b>
<b>SOURCE OF FUNDS / REVENUES RECEIVED</b>								
20-19-4410 - 4430 Sales Revenue (Base + Usur)	1,203,373	1,211,000		1,466,054	1,559,336	1,649,579	1,754,274	1,865,423
20-19-4440 Water Tap Fees	84,521	100,000	100%	105,000	110,250	115,763	121,551	127,628
20-19-4450 Water Meter Sales	2,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
Uncollectable Receivables				0	0	0	0	0
20-19-4499 Service/Late Fees	16,644	14,000	100%	14,700	15,435	16,207	17,017	17,868
20-19-2322 Water Revenue Interest	4,000	7,000	100%	7,350	7,718	8,103	8,509	8,934
Misc	525	200	100%	210	221	232	243	255
20-19-2360 Water Dep. Misc.Revenue/TANK	0	0	100%	0	0	0	0	0
20-19-2350 ARP Funds	248,000	259,238						
20-19-2314 Water Reserve Interest	4,000	7,000		7,000	100	100	100	100
<b>TOTAL REVENUE</b>	<b>1,563,063</b>	<b>1,601,438</b>		<b>1,603,464</b>	<b>1,696,366</b>	<b>1,793,456</b>	<b>1,905,340</b>	<b>2,024,038</b>
<b>NET LOSS OR GAIN:</b>	<b>3,522</b>	<b>-10,001</b>		<b>-186,559</b>	<b>-136,565</b>	<b>-324,822</b>	<b>-264,054</b>	<b>-205,427</b>
<b>NET CASH FLOW (Contribution to Reserves)</b>	<b>3,522</b>	<b>-10,001</b>		<b>133,259</b>	<b>116,890</b>	<b>-175,302</b>	<b>-128,765</b>	<b>-78,681</b>
Affordability assuming MHI of \$92333 for residential meters.								
				1.49%	1.58%	1.67%	1.78%	1.89%
Does the Budget Balance?								
				No	No	No	No	No
Positive Annual Cash Flow?								
				Yes	Yes	No	No	No

Existing Reserves	Amount
Debt Reserve	\$200,956
Operating Reserve	\$236,018
Emergency Reserve	\$181,393
Capital Reserve	\$0
Total	\$618,367

Reserve Targets	Amount
Debt Reserve	\$200,956
Operating Reserve	\$103,486
Emergency Reserve	\$200,000
Available for Capital Reserve	\$132,532

### Alternatives

If the Board does not fund its budget by setting appropriate rates, it does not mean the enterprise can't pay its bills. It simply means that they are not providing for future replacement of the capital assets and will not be able to guarantee the continued operation of the utility service. The Board has a fiduciary responsibility to set rates to a level where the enterprise can continue to operate and provide services for the foreseeable future, per System Rules and Regulations.

### Investment changes

The current investment strategy may keep most funds in savings accounts at a very low interest rate. By identifying timing and need, certain funds can be invested for a longer term and at higher interest rates.

1. The Capital Reserve Accounts can be invested in a series of CDs with staggered maturities according to the future needs of the respective systems:
  - a. Recommend to split between 1- and 5-year CDs.
  - b. 1-year insured CD rates are up to 5% and 5-year rates are about 4%.
  - c. If the board feel comfortable with higher paying insured instruments, they have the option to do so.
2. The "Debt Reserve" account, previously known as "FMHA Tax Free Investments", should not be invested in tax free investments as the enterprises do not pay taxes. The enterprises may achieve higher rates of return when it invests in "taxable" investments, on which they do not pay taxes anyway because it is a non-profit government entity.
3. All other funds can be kept in savings accounts for liquidity.

Periodically, any excess funds above the target set should be transferred to the respective Capital Reserve Accounts.

## 6. Scenarios

The baseline scenario, or Scenario 0 was reviewed by the Town's staff to assure accuracy off all inputs prior to presenting to the Board on April 25th. The first scenarios presentation in April included an explanation of the model and a brief lecture on water rates. Information was provided by the staff and at the board meeting several questions were answered to eliminate variable to the model.

Important decisions made through this first round of scenarios were: The Capital Improvement Plan, built as far into the future as possible should only be funded for items needing replacement 30 years into the future. The recommendation for customers outside of the town boundary to establish a 50% surcharge was discussed and accepted. Therefore, these directions settled they were both included in all scenarios moving forward.

The following rounds of scenarios presented in May and June to the board provoked discussions regarding establishing a customer category for restaurants and irrigation customers, 3% to 10% annual increases (rate escalations) and increasing the number of tiers along with the tier prices. It was determined to follow 5% annual increase to both the Total Minimum Monthly Fee and Usage. One major variable was what part of the Preliminary Engineering Report from 2022 to build into the model. It was determined to include funding Priorities one and 2 but not 3 be included in the CIP. Priority One includes: a new Arapahoe Well, improvements to the groundwater treatment plant, and the remaining distribution system replacements required for fire hydrants. Priority Two will create loops in the distribution system to provide better water quality and reinforce the reliability of water delivery. Priority Three which would extend the distribution system to serve residents on private well to the south of town was not elected.

With many variables eliminated by board decisions allowed for the development of a final and accurate scenarios comparison. One of these final scenarios was directly prescribed by a board member, and the overall decision came down to the balancing the tiers and their prices. The final scenario recommendation in July 2023 was achieve by the board, staff and Water Rates by Brandewie LLC working as a team.

All scenarios document in their original form are presented in the appendix at the end of this report.



## 7. Conclusions

The process of conducting a rate study contributed to the board making the decision to formally pursue the capital improvement Priorities One and Two as outlined in the Preliminary Engineering Report by GMS, Inc. The costs presented in the report titled “Water Systems Improvement -2022” was updated in July of 2023 and integral to establishing the correct parameters of the financial model. The board decided to pursue funding for the New Arapahoe Well, Upgrades to the Groundwater Treatment Plant, and various beneficial improvements to the distribution system. Capital Reserves will save money for improvements, replacements and major repairs 30 years into the future, and these contributions are included in the annual budget.

The “Minimum Total Bill” includes a monthly base rate, a Capital Improvements Fee and Water Loan Payment. For the residential customer this was at \$68.23 and increased to \$85.00, which is an increase of 24.58%. The Usage fees were tiered and priced at 0-5,000 gallons \$0.84/100 gallons, 5,001-10,000 \$1.008/100 gallons and 10,001 and above \$1.21/100 gallons. Tiers were added and the prices per tier were increased. The first tier is now 0-1,000 gallons for \$0.84/100 gallons and instead of 3 tiers now there are 7 tiers. From 1,001-3,000 \$1.20/100 gallons, from 3,001-6,000 \$1.45/100 gallons, from 6,001-9,000 \$1.65/100 gallons, from 9,001-12,000 \$1.90/100 gallons, from 12,001-19,000 \$2.1/100 gallons and above 20,000 gallons and above the price is set at \$2.30/100 gallons.

The annual “Minimum Total Bill” in 2023 had it not changed would have brought in \$833,214. This number is from 12 months of predictable monthly revenue at \$69,434.51. The usage brought in \$444,760 in revenue for the whole year. The monthly usage revenue was estimated with 2022 usage data. The usage makes up 34.8% of the total revenue, \$1,277,974, if the rates would have remained unchanged for the entire year.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
\$29,996	\$26,887	\$24,558	\$40,401	\$34,494	\$43,841	\$52,067	\$46,555	\$48,439	\$40,246	\$30,492	\$26,785

For 2024 the “Minimum Total Bill” brings in \$835,390 (from \$86,726.29 per month) and the usage is estimated to bring in \$630,663 annually. The usage charges are estimated to bring in 43.0% of the total revenue, 1,671,381. With new usage tiers and prices the increase will affect the higher volume user more than those customers that stay below the average consumption of 3,174 gallons per month.

In 2024 the new rates are estimated to generate \$1,466,054 in revenue from monthly bills (\$91,062.81 monthly) and the usage is estimated to bring in \$682,175.75 annually.

A 5% annual increase to both “Minimum Total Bill” as well as usage, is set from 2025 through 2028. In the 5<sup>th</sup> year, 2028 the forecasted revenue is estimated to be \$2,115,000 in total. This is from \$105,426 monthly arriving at \$1264,999 annually from Total Minimum Base fees and \$850,001 in usage fees.

The affordability index for the residential customer with average usage was at 1.27% and in 2024 will be 1.49% and continues to increase to 1.89% at the end of the 5-year forecast. This range of affordability indices shows that the rates are affordable with respect to the median household income of Palmer Lake.

## 8. Appendix

### Prior Rate Resolutions and Memorandums

#### REMINDER – WATER BILLING IN 2023

##### NEW 2023 WATER RATES

In accordance with Resolution 4 of 2019, Water Base Rates are subject to an annual adjustment each year by a 3% inflationary factor. Capital Improvement Fee equals 10% of Base Rate.

Per Resolution 13 of 2023, Water Usage Rates shall be increased 7% to rates shown below:

	WATER RATES			
Tap Size	3/4"	1"	1 1/2"	2"
Monthly Base Rate	\$ 45.88	\$ 65.47	\$ 98.43	\$ 138.00
Capital Improvement Fee	\$ 4.59	\$ 6.55	\$ 9.84	\$ 13.80
Water Loan Payment	\$ 17.76	\$ 17.76	\$ 17.76	\$ 17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$ 68.23</b>	<b>\$ 89.78</b>	<b>\$ 126.03</b>	<b>\$ 169.56</b>
	WATER USAGE RATES			
	min. gallons	max. gallons	\$ per gallon	\$ per 100 gal
	1	4999	\$ 0.00840	\$ 0.840
	5000	9999	\$ 0.01008	\$ 1.008
	10000	99999	\$ 0.01210	\$ 1.210

**NEW 2023 WATER TAPS FEE**

Per Resolution 13 of 2023, Water Tap Fees shall be increased 7% to rates shown below:

<b>3/4" Tap Fee:</b>	\$ 22,703.26
<b>1" Tap Fee:</b>	\$ 41,587.83
<b>1 1/2" Tap Fee:</b>	\$ 73,061.36
<b>2" Tap Fee:</b>	\$ 110,828.23

**ALWAYS CONFIRM YOUR ACCOUNT INFORMATION!**

Be sure to verify your water billing account information is current with a correct **phone number, email, and mailing address**. Go to [www.amcobi.com](http://www.amcobi.com) and log-in or create a new account to view your water account information online. Your account number is on the billing statement. Otherwise, send updated information in an email at [clientcare@amcobi.com](mailto:clientcare@amcobi.com) or to the Town at [info@palmer-lake.org](mailto:info@palmer-lake.org) and include your property address or account number in the subject line. Or feel free to call AMCOBI at 877-410-0167 x2 or the Town office at 719-481-2953.

**AVOID LATE FEES WITH TIMELY PAYMENTS DUE BY THE 20<sup>TH</sup>!**

Monthly statements are available online after the 1st of every month. Verify electronic or automatic payments are going directly to AMCOBI. Please allow up to 10 business days if you or your financial institution mail your payment. Mail delivery continues to lengthen and none of us have control or influence of the Post Office delivery time. Please note the following AMCOBI process for mailed payments –

- AMCOBI picks up mail daily from the Post Office at approximately noon
- Payments are posted on the same day received from Post Office or the next day, depending on mail volume - Monday's mail/posting includes payments delivered on Saturday
- Payments received after the 20th will incur a \$15 late fee

Consider other payment options: set up eBill or ePay through [www.amcobi.com](http://www.amcobi.com), view/print online bills, initiate check payment early. Immediately call AMCOBI if your billing statement has not arrived by the first week of the month.

# **PALMER LAKE, COLORADO**

## **RESOLUTION NO. 13 - 2023**

### **A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO, SETTING A DIFFERENT INCREASE TO THE WATER TAP FEE AND THE WATER USAGE RATE FOR THE TOWN**

WHEREAS pursuant to § 31-35-402(1)(f), C.R.S., the Town of Palmer Lake possesses the authority to prescribe, revise and collect fees for providing water service; and

WHEREAS, by Ordinance 5 of 2018, as codified in Section 13.02.020 of the Town of Palmer Lake Municipal Code, the Town has provided that the water base rates, tap fees, and usage fees may be set by resolution of the Board of Trustees ("Board"); and

WHEREAS, the Board engaged a third-party consultant to review the Town's water utility rate structure and to make recommendations to the Board to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

WHEREAS, respective resolutions were passed in 2019 to increase these respective rates annually; and

WHEREAS, the increases did not appropriately take place; and

WHEREAS, it is recommended to increase the Water Tap Fee and Water Usage Rate by 7% in 2023 to bring those rates to the intended level.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO:**

**Section 1. Water Tap Fees.** In accordance with Section 13.08.020(a) of the Municipal Code, all water tap and service connections to the Town's water system shall pay one time tap fees (for new taps only) as follows, and, commencing with the next billing cycle following approval of this resolution, all customers shall pay monthly base rates dependent on tap size and meter type as follows:

Tap Size	Tap Fee
0.75"	\$ 22,703.26
1"	\$ 41,587.83
1.5"	\$ 73,061.36
2"	\$ 110,828.23

The fees set forth above shall be adjusted at this rate for 2023 only and subsequently continue the intended 3% increase, unless directed otherwise by Resolution by the Board of Trustees.



**Section 2. Water Usage Rates.** In accordance with Section 13.08.020(b) of the Municipal Code, all water sold by the Town shall be sold at the following per gallon usage rate:

2023 Usage Tiers		
Min	Max	\$ per gallon
1-	4999	0.00840
5000-	9999	0.01008
10000-	99999	0.01210

The rates set forth above shall be adjusted at this rate for 2023 only and subsequently continue the intended 3% increase, unless directed otherwise by Resolution by the Board of Trustees.

2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 12TH DAY OF JANUARY, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

  
 Dawn A. Collins  
 Town Administrator/Clerk

BY:   
 Grant Havenar  
 Mayor

## New Rate Resolution

### PALMER LAKE, COLORADO

#### RESOLUTION NO. 54 – 2023

#### **A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO, TO RESTRUCTURE TIERS AND SET A DIFFERENT INCREASE TO THE WATER TAP, BASE, AND USAGE RATES FOR THE TOWN**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, pursuant to 31-35-402(1)(F), C.R.S., the Town of Palmer Lake possesses the authority to prescribe and collect fees for providing water services; and

**WHEREAS**, by ordinance 5 of 2018, the Town has provided that the water tap, base, and usage fees may be set by resolution of the Board of Trustees (“Board”); and

**WHEREAS**, a resolution was passed in 2019 to increase the respective water rates annually; and

**WHEREAS**, the Board adopted a Preliminary Engineering Report for the Town Water System Improvements advising of current and future capital projects; and

**WHEREAS**, the Board engaged a third-party consultant to review the Town’s water utility rate structure and to make recommendations to the Board of a five-year plan to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

**WHEREAS**, it is recommended to prioritize capital projects to improve the water system; and

**WHEREAS**, the Board has determined that the water tap fees, water base rate, and water usage tiers and rates for the Town be modified as needed to meet the financial demands of the operating system, existing debt and future improvement projects; and

**WHEREAS**, the Board finds that an immediate increase of fees and revised tier structure will bring rates to the intended level and promote a financially sound water fund and will thereby promote the healthy, safety and general welfare of the community.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO.**

**Section 1. Water Tap Fees.** In accordance with Section 13.08.020(a) of the Municipal Code, all water taps and service connections to the Town’s water system shall pay a one-time tap fees (for new taps only) and shall be adjusted annually beginning in January 2024 at a 5% increase unless directed otherwise by Resolution by the Board of Trustees.

**Section 2. Water Usage Rates.** In accordance with Section 13.08.020(b) of the Municipal Code, all water sold by the Town shall be restructured to sell at the following tiers by per hundred gallon usage rate:

WATER USAGE RATES (\$/100 gal)						
Min	Max	2024	2025	2026	2027	2028
1	999	\$0.840	\$0.88	\$0.93	\$0.97	\$1.02
1,000	2,999	\$1.20	\$1.26	\$1.32	\$1.39	\$1.46
3,000	5,999	\$1.45	\$1.52	\$1.60	\$1.68	\$1.76
6,000	8,999	\$1.65	\$1.73	\$1.82	\$1.91	\$2.01
9,000	11,999	\$1.90	\$2.00	\$2.10	\$2.20	\$2.31
12,000	19,999	\$2.10	\$2.22	\$2.32	\$2.43	\$2.55
20,000	20,000+	\$2.30	\$2.42	\$2.54	\$2.66	\$2.80

The usage rates set forth above shall be adjusted to the 2024 rate effective the September 2023 billing, and subsequently increase 5% annually beginning in January 2025, unless directed otherwise by Resolution by the Board of Trustees.

**Section 3. Water Base Fee.** In accordance with Section 13.08.020(b) of the Municipal Code, all customers connected to the water system, whether or not usage occurs, are required to pay the monthly Total Base Fee. This total Base Fee includes all operational and administrative expenses, includes contributions to Capital Improvement as well as debt service for the Water Loan that the system currently holds or will incur. The Total Base Fee for the Out-of-Town accounts and Irrigation accounts will be surcharged 1.5X their corresponding meter size fee.

#### RESOLUTION 54-2023

Customer Type	2024	2025	2026	2027	2028
Residential/Com 3/4"	\$85.00	\$89.25	\$93.71	\$98.40	\$103.32
Commercial/Res 1"	\$111.85	\$117.44	\$123.31	\$129.48	\$135.95
Commercial 1.5"	\$157.01	\$164.86	\$173.10	\$181.76	\$190.85
Commercial 2"	\$211.24	\$221.80	\$232.89	\$244.54	\$256.76
Out of Town 3/4"	\$127.50	\$133.88	\$140.57	\$147.60	\$154.98
Irrigation Acct 1"	\$167.78	\$176.17	\$184.98	\$194.23	\$203.94
2.5"	\$277.04	\$290.89	\$305.43	\$320.71	\$336.74
4"	\$489.94	\$514.44	\$540.16	\$567.17	\$595.53

The total Base Fee set forth above shall be adjusted to this rate effective with the September 2023 billing, and subsequently continue a 5% increase annually beginning in January 2025, with subsequent automatic increases ending December 31, 2028, unless directed otherwise by Resolution by Resolution the Board of Trustees.

**Section 4. Severability.** If any article, section, paragraph, sentence, clause, or phrase of this Resolution is held to be unconstitutional or invalid for any reason such decision shall not affect the validity of constitutionality of the remaining portions of this Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

**Section 5. Repeal.** Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED AND PASSED AT THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 27<sup>TH</sup> DAY OF JULY, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

  
Dawn A. Collins  
Town Administrator/Clerk

BY:   
Grant Havenar  
Mayor



**PALMER LAKE, COLORADO**

**RESOLUTION NO. 4 OF 2019**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO, SETTING AND INCREASING THE WATER TAP FEES, WATER BASE RATES AND WATER USAGE RATES FOR THE TOWN**

WHEREAS, pursuant to § 31-35-402(1)(f), C.R.S., the Town of Palmer Lake possesses the authority to prescribe, revise and collect fees for providing water service; and

WHEREAS, by Ordinance 5 of 2018, as codified in Section 13.02.020 of the Town of Palmer Lake Municipal Code, the Town has provided that the water base rates, tap fees and usage fees may be set by resolution of the Board of Trustees ("Board"); and

WHEREAS, the Board engaged a third-party consultant to review the Town's water utility rate structure and to make recommendations to the Board to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

WHEREAS, based on recommendations presented to the Board at its February 28, 2018 meeting, the Board has determined that the water tap fees, water base and water usage rates for the Town should be modified and increased as needed to meet the financial demands of operating the system and servicing existing debt related to the system's capital improvements and to provide for adequate reserves for future capital needs; and

WHEREAS, the Board finds that the immediate revision of water tap fees, water base and usage rates will promote a financially sound water system, promote conservation of supplies, and promote the provision of adequate water to the Palmer Lake community, and will thereby promote the health, safety and general welfare of the Palmer Lake community.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO:**

**Section 1. Water Tap Fees and Monthly Base Rate.** In accordance with Section 13.02.020(A) of the Municipal Code, all water tap and service connections to the Town's water system shall pay one time tap fees (for new taps only) as follows, and, commencing with the next billing cycle following approval of this resolution, all customers shall pay monthly base rates dependent on tap size and meter type as follows:

<i>Tap Size in inches</i>	<i>Meter Type</i>	<i>Tap Fee (System Development Charge)</i>	<i>Monthly Base Rate (minimum monthly charge)</i>
.625	Displacement	\$ 10,000.00	\$62.41
.750	Displacement	\$10,000.00	\$62.41
1	Displacement	\$18,318.00	\$81.74
1.5	Displacement	\$32,181.00	\$113.96
2.0	Displacement	\$48,816.00	\$152.63
2.5	Displacement	\$73,768.00	\$210.63
3.0	Singlet	\$93,176.00	\$255.73
3.0	Compound, Class 1	\$93,176.00	\$255.73
3.0	Turbine, Class 1	\$101,494.00	\$275.07
4.0	Singlet	\$143,082.00	\$371.73
4.0	Compound, Class 1	\$143,082.00	\$371.73
4.0	Turbine, Class 1	\$176,352.00	\$449.06

The fees and rates set forth above shall be subject to annual adjustment in January of each ensuing year (commencing y January 2020) by a 3% inflationary factor.

**Section 2. Water Usage Rates.** In accordance with Section 13.02.020(B) of the Municipal Code, all water sold by the Town shall be sold at the following monthly 1000 gallon usage rate:

Monthly Water Usage Rate:

Volume Range	Unit Charge/1,000 gallons
0-4,999 gallons	\$ 7.40/1,000 gallons
5,000-9,999 gallons	\$8.88/1,000 gallons
10,000 and above gallons	\$10.66/1,000 gallons

The rates set forth above shall be subject to annual adjustment in January of each ensuing year (commencing y January 2020) by a 3% inflationary factor.

**Section 3. Severability.** It is hereby declared to be the intention of the Board of Trustees of the Town of Palmer Lake, Colorado that the sentences, clauses and phrases of this resolution are severable, and if any sentence, clause or phrase of this resolution be declared unconstitutional or invalid by the valid judgment or decree of Court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining sentences, clauses or phrases of this resolution

since the same would have been enacted by the Board of Trustees without the incorporation of any unconstitutional or invalid sentence, clause or phrase.

INTRODUCED, READ, AND ADOPTED AT A DULY NOTICED REGULAR MEETING OF THE TOWN BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE by a vote of 6 in favor and 0 against, this 11<sup>th</sup> day of April, 2019.



\_\_\_\_\_  
JOHN CRESSMAN, MAYOR

ATTEST:

\_\_\_\_\_  
VERLA BRUNER, TOWN CLERK

**PALMER LAKE, COLORADO**

**RESOLUTION NO. 11 OF 2019**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF  
PALMER LAKE, COLORADO, SETTING AND INCREASING THE  
WATER TAP FEES FOR THE TOWN**

WHEREAS, pursuant to § 31-35-402(1)(f), C.R.S., the Town of Palmer Lake possesses the authority to prescribe, revise and collect fees for providing water services; and

WHEREAS, by Ordinance 5 of 2018, as codified in Section 13.02.020 of the Town of Palmer Lake Municipal Code, the Town has provided that the water base rates, tap fees and usage fees may be set by resolution of the Board of Trustees ("Board"); and

WHEREAS, the Board engaged a third-party consultant to review the Town's water utility rate structure and to make recommendations to the Board to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

WHEREAS, based on recommendations presented to the Board at its February 28, 2018 meeting, the Board determined that the water tap fees, water base and water usage rates for the Town should be modified and increased as needed to meet the financial demands of operating the system and servicing existing debt related to the system's capital improvements and to provide for adequate reserves for future capital needs; and

WHEREAS, as set forth in Resolution 4 of 2019, the Board determined that the current water tap fees do not cover the costs of connection to its water system and its outstanding debt service requirements related to water system improvements; and

WHEREAS, on further study, the Board has determined that the water tap fees as adopted by Resolution 4 of 2019 should be further increased to promote a financially sound water system and promote the provision of adequate water to the Palmer Lake community, and thereby promote the health, safety and general welfare of the Palmer Lake community; and

WHEREAS, the tap fees as set forth herein bear a reasonable relationship to the cost to connect to the Town's water system.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE  
TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO:**

**Section 1. Adoption of recitals.** The Board of Trustees adopts the recitals set forth herein.



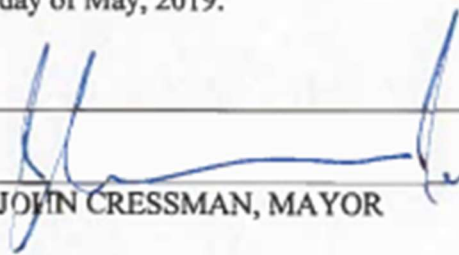
**Section 2. Water Tap Rates.** In accordance with Section 13.02.020(A) of the Municipal Code, all new tap and service connections to the Town's water system shall pay the following fees as shown in the column entitled "New Tap Fee":

<i>Tap Size in inches</i>	<i>Meter Type</i>	<i>Current Tap Fee (System Development Charge)</i>	<i>New Tap Fee</i>
.625	Displacement	\$ 10,000.00	\$20,000.00
.750	Displacement	\$10,000.00	\$20,000.00
1	Displacement	\$18,318.00	\$36,636.00
1.5	Displacement	\$32,181.00	\$64,362.00
2.0	Displacement	\$48,816.00	\$97,632.00
2.5	Displacement	\$73,768.00	\$147,536.00
3.0	Singlet	\$93,176.00	\$186,352.00
3.0	Compound, Class 1	\$93,176.00	\$186,352.00
3.0	Turbine, Class 1	\$101,494.00	\$202,988.00
4.0	Singlet	\$143,082.00	\$286,164.00
4.0	Compound, Class 1	\$143,082.00	\$286,164.00
4.0	Turbine, Class 1	\$176,352.00	\$352,704.00

The fees and rates set forth above shall be subject to annual adjustment in January of each ensuing year (commencing y January 2020) by a 3% inflationary factor.

**Section 3. Severability.** It is hereby declared to be the intention of the Board of Trustees of the Town of Palmer Lake, Colorado that the sentences, clauses and phrases of this resolution are severable, and if any sentence, clause or phrase of this resolution be declared unconstitutional or invalid by the valid judgment or decree of Court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining sentences, clauses or phrases of this resolution since the same would have been enacted by the Board of Trustees without the incorporation of any unconstitutional or invalid sentence, clause or phrase.

INTRODUCED, READ, AND ADOPTED AT A DULY NOTICED REGULAR MEETING OF  
THE TOWN BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE by a vote of  
7 in favor and 0 against, this 23rd day of May, 2019.

  
JOHN CRESSMAN, MAYOR

ATTEST:

  
VERLA BRUNER, TOWN CLERK

<i>Tap Size in inches</i>	<i>Meter Type</i>	<i>monthly charge</i>
5/8"		\$43.24
3/4"		\$45.88
1		\$65.47
1.5		\$98.43
2		\$138.00
2.5		\$186.02
3	Singlet	\$229.51
3	Compound, Class 1	\$229.51
3	Turbine, Class 1	\$248.17
4	Singlet	\$341.38
4	Compound, Class 1	\$341.38
4	Turbine, Class 1	\$415.97

### New Rates Year by Year with 5% Annual Increases

New 2023 water rates in accordance with Resolution 54 of 2023, Water Base Rates are subject to an annual adjustment each year by a 5% inflationary factor, for both base fee and tier usage charges.

Capital Improvement Fee equals 10% of Base Rate.

Per Resolution 54 of 2023, Water Usage Rates shall be increased as shown below for 2024 and then 5% annually. To sunset in 2029 if the board does not otherwise make adjustments.

	<b>WATER RATES 2024 (\$284,784 Debt Service)</b>					
Tap Size	¾"	1"	1 ½"	2"	¾" Out of Town	1" Irrigation
Monthly Base Rate	\$61.13	\$85.54	\$126.59	\$175.89	\$99.76	\$136.38
Capital Improvement Fee	\$6.11	\$8.55	\$12.66	\$17.59	\$9.98	\$13.64
Water Loan(s) Payment	\$17.76	\$17.76	\$17.76	\$17.76	\$17.76	\$17.76
<b>TOTAL MINIMUM BILL</b>	\$85.00	\$111.85	\$157.01	\$211.24	\$127.50	\$167.78

	<b>WATER RATES 2025 (\$284,784 Debt Service)</b>					
Tap Size	¾"	1"	1 ½"	2"	¾" Out of Town	1" Irrigation
Monthly Base Rate	\$64.99	\$90.62	\$133.73	\$185.49	\$105.56	\$144.01
Capital Improvement Fee	\$6.50	\$9.06	\$13.37	\$18.55	\$10.56	\$14.40
Water Loan(s) Payment	\$17.76	\$17.76	\$17.76	\$17.76	\$17.76	\$17.76
<b>TOTAL MINIMUM BILL</b>	\$89.25	\$117.44	\$164.86	\$221.80	\$133.88	\$176.17

	<b>WATER RATES 2026 (\$611,832 Debt Service)</b>					
Tap Size	¾"	1"	1 ½"	2"	¾" Out of Town	1" Irrigation
Monthly Base Rate	\$50.50	\$77.41	\$122.67	\$177.03	\$93.10	\$133.47
Capital Improvement Fee	\$5.05	\$7.74	\$12.27	\$17.70	\$9.31	\$13.35
Water Loan(s) Payment	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	\$93.71	\$123.31	\$173.10	\$232.89	\$140.57	\$184.98

	<b>WATER RATES 2027 (\$611,832 Debt Service)</b>					
Tap Size	¾"	1"	1 ½"	2"	¾" Out of Town	1" Irrigation
Monthly Base Rate	\$54.76	\$83.02	\$130.54	\$187.62	\$99.49	\$141.88
Capital Improvement Fee	\$5.48	\$8.30	\$13.05	\$18.76	\$9.95	\$14.19
Water Loan(s) Payment	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	\$98.40	\$129.48	\$181.76	\$244.54	\$147.60	\$194.23

<b>WATER RATES 2028 (\$611,832 Debt Service)</b>						
Tap Size	¾"	1"	1 ½"	2"	¾" Out of Town	1" Irrigation
Monthly Base Rate	\$59.24	\$88.90	\$138.81	\$198.73	\$106.20	\$150.71
Capital Improvement Fee	\$5.92	\$8.89	\$13.88	\$19.87	\$10.62	\$15.07
Water Loan(s) Payment	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	<b>\$103.32</b>	<b>\$135.95</b>	<b>\$190.85</b>	<b>\$256.76</b>	<b>\$154.98</b>	<b>\$203.94</b>

<b>WATER USAGE RATES (\$/100 gal)</b>						
Min	Max	2024	2025	2026	2027	2028
1	999	\$0.840	\$0.88	\$0.93	\$0.97	\$1.02
1,000	2,999	\$1.20	\$1.26	\$1.32	\$1.39	\$1.46
3,000	5,999	\$1.45	\$1.52	\$1.60	\$1.68	\$1.76
6,000	8,999	\$1.65	\$1.73	\$1.82	\$1.91	\$2.01
9,000	11,999	\$1.90	\$2.00	\$2.10	\$2.20	\$2.31
12,000	19,999	\$2.10	\$2.22	\$2.32	\$2.43	\$2.55
20,000	20,000+	\$2.30	\$2.42	\$2.54	\$2.66	\$2.80

### Additional Tap Size Rates

Although there are currently no customers with 2.5-inch or 4-inch connections this herein defines the rates in the event the Town adds new customers with these meter sizes. Arriving at the 2023 bill for these non-existent customers, took some research and then matching the inflation from that historical price set in the past. Below is the breakdown for the rates:

<b>WATER RATES 2023 (\$284,784 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$186.02	\$250.47
Capital Improvement Fee	\$18.60	\$25.05
Water Loan(s) Payment	\$17.76	\$17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$222.38</b>	<b>\$293.28</b>

They increase by the same percentage

<b>WATER RATES 2024 (\$284,784 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$235.71	\$429.25
Capital Improvement Fee	\$23.57	\$42.93
Water Loan(s) Payment	\$17.76	\$17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$277.04</b>	<b>\$489.94</b>



<b>WATER RATES 2025 (\$284,784 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$248.30	\$451.53
Capital Improvement Fee	\$24.83	\$45.15
Water Loan(s) Payment	\$17.76	\$17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$290.89</b>	<b>\$514.44</b>

<b>WATER RATES 2026 (\$611,832 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$242.97	\$456.36
Capital Improvement Fee	\$24.30	\$45.64
Water Loan(s) Payment	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	<b>\$305.43</b>	<b>\$540.16</b>

<b>WATER RATES 2027 (\$611,832 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$256.86	\$480.92
Capital Improvement Fee	\$25.69	\$48.09
Water Loan(s) Payment	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	<b>\$320.71</b>	<b>\$567.17</b>

<b>WATER RATES 2028 (\$611,832 Debt Service)</b>		
Tap Size	2.5"	4"
Monthly Base Rate	\$271.44	\$506.70
Capital Improvement Fee	\$27.14	\$50.67
Water Loan(s) Payment	\$38.16	\$38.16
<b>TOTAL MINIMUM BILL</b>	<b>\$336.74</b>	<b>\$595.53</b>

### Tap Fees for New Connections to the System

In the process of adjusting rates the board reaffirms that the tap fees for new connections are clearly presented.

The last time the whole list of customer meter sizes, including potential meter size connections that the town currently does not have was in 2019. Do to the Covid pandemic of 2020 those rates did not increase annually and held steady until April of 2021 when Tap Fees increased at 3% annually. The rates increased at 3% in 2022 and then in 2023 they increased by 7%. Starting in 2024 they increase by 5% annually.

% inc	TAP FEES								
	Year	3/4"	1"	1 1/2"	2"	3/4" out of town	1" irrigation	2 1/2"	4"
5	2024	\$ 23,838.42	\$ 43,667.22	\$ 76,714.43	\$ 116,369.65	\$ 35,757.63	\$ 65,500.83	\$ 164,346.99	\$318,770.96
5	2025	\$ 25,030.34	\$ 45,850.58	\$ 80,550.15	\$ 122,188.13	\$ 37,545.51	\$ 68,775.87	\$ 172,564.34	\$334,709.51
5	2026	\$ 26,281.86	\$ 48,143.11	\$ 84,577.66	\$ 128,297.54	\$ 39,422.79	\$ 72,214.67	\$ 181,192.56	\$351,444.99
5	2027	\$ 27,595.95	\$ 50,550.27	\$ 88,806.54	\$ 134,712.42	\$ 41,393.93	\$ 75,825.41	\$ 190,252.19	\$369,017.24
5	2028	\$ 28,975.75	\$ 53,077.78	\$ 93,246.87	\$ 141,448.04	\$ 43,463.63	\$ 79,616.67	\$ 199,764.80	\$387,468.10

## Scenario for Board Decision

### Recommendations:

Out of Town Customers and Irrigation customers shall be billed 1.5X their corresponding meter size base Rate. This establishes new customer classes.

The town uses “Total Minimum Bill” to describe the base fee plus Capital Investment Fee plus the loan payment. All of this should be considered the Base Rate.

A list of all assets, best estimation of cost and remaining life span was developed and replacement of assets where replacement costs are limited to 30 years into the future and follow:

Default Funding of Asset Replacements		Cash	Grant	Loan
Replacement Value From	To			
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%

The model is built with a 5-year budget forecast. With current rates and including new engineering projects, asset replacement detailed in the CIP results in over \$2M in deficit over the next 5 years.

The average residential usage from actual historical data from Palmer Lake is **3,714 gallons** per month. This varies month to month. Monthly residential averages are shown below.

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3205	2943	2653	4015	3443	4398	4904	4466	4572	3854	3225	2891

Meter Size	Base Rate	Tier	Volume Limit	Tier Price/1000 gal
0.750	\$85.00	1	1,000	\$8.40
1.000	\$111.85	2	3,000	\$12.00
1.500	\$157.01	3	6,000	\$14.50
2.000	\$8.79	4	9,000	\$16.50
		5	12,000	\$19.00
		6	20,000	\$21.00
		7	99,999,999	\$23.00

Results of the new rates	2024	2025	2026	2027	2028	5 Years
TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091
TOTAL REVENUE	\$1,808,791	\$1,911,960	\$2,019,830	\$2,143,032	\$2,273,614	\$10,157,227
NET LOSS OR GAIN: (Short/Over to Reserves)	\$18,769	\$79,029	-\$98,448	-\$26,362	\$44,149	\$17,137
NET CASH FLOW (Contribution to Reserves)	\$338,587	\$332,484	\$51,071	\$108,927	\$170,896	\$1,001,966
Affordability assuming MHI of \$92333 for residential meters.	1.70%	1.81%	1.91%	2.03%	2.15%	

Previously the escalation of rates or annual increase was set at 3%, it is recommended to increase this to 5% annually. This balances the budget and keeps revenue up with raising costs. This is shown below.

	2023	2024	2025	2026	2027	2028
Base Rate	\$68.23	\$85.00	\$89.25	\$93.71	\$98.39	\$103.32
Ave Resident Bill w Usage	\$102.41	\$132.72	\$140.88	\$148.86	\$157.99	\$167.68

## WORKING SCENARIOS

The following section includes the rate scenarios documents to provide a record of the study. This also shows the process of the study, the interim reports reviewed by the board and the efforts to come to the final decision.

The final scenarios document was presented to the board in July 2023 and shown first. Then the historical document from April, May and finally June are below in that order.

## Recommended Scenarios

### PALMER LAKE WATER RATE STUDY - MAY 2023

#### Model Inputs, Explanations, and Scenarios based on Boards Direction

Water Rates by Brandewie LLC

July 12, 2023

This Document is meant to show the inputs to the model starting with the financial and model parameters, followed by the Capital Improvements Program (CIP), then budget at current rates and the projected revenue. From there scenarios will be investigated based on the directives of the board and staff.

#### Parameters

<b>Parameters</b>	Enterprise	Water			
	System Name:	Palmer Lake			
	System Number				
	First year of rate increases	2024			
<b>Financial Constants</b>					
	Return on Invested Funds	0.50	%		
	Past Inflation	3.00	%		
	Future Inflation	5.00	%		
	Future Loan Interest Rate	3.25	%		
	Future Loan fees, legal, costs	0.00	%		(Included in loan)

<b>Existing Debt</b>					
	Annual		Reserve	Reserve	Make Up
Description	Payment	Maturity	Required	Allocated	Period
CWRPDA - SWTP Upgrades	\$ 183,140	2030	\$ 200,956	\$ 200,956	
PL General Fund Loan (Avg '24-'39)	\$ 33,476	2039	\$0	\$0	
CWRPDA - Redrill D-2R	\$ 68,168	2038	\$0	\$0	
Total	\$ 284,784		\$ 200,956	\$ 200,956	
<b>Existing Reserves</b>	Amount				
Debt Reserve	\$200,956	As per lending agreement(s)			
Operating Reserve	\$236,018	Often in Checking Account			Expenses paid
Emergency Reserve	\$181,393	Often in Savings Account			
Capital Reserve	\$0	Mostly in CDs or other investments			
Total	\$618,367				

There are \$200,956 reserved for debt service. There is no obligation as researched by the staff to hold that debt reserve amount or any amount, however it is advisable to keep these funds here and

restricted. This will show potential lenders that Palmer Lake is fiscally responsible and will pay back the loans it takes out.

After some research it is understood that the CWRPDA loans require 3 months of Operating Reserves. The operational expenses are \$413,943 for 2024, but there is \$236,018 in operational reserves, which is closer to 6-months of operating expenses. The model calculates 3 months of operating expenses (\$413,943 annually op ex) which means there is already \$236,018 in that account and this will be rebalanced to the CIP account.

Reserve Targets	Amount	Make Up Period	First Year Reserve Addition	Excess funds to be transfer to CIP	Goal
Debt Reserve	\$200,956	See F20:F25	\$0	\$0	As per lending agreemen
Operating Reserve	\$103,486		\$0	\$132,532	3 months Operating Expe
Emergency Reserve	\$200,000	3	\$6,202	\$0	Critical equipment replac
Available for Capital Reserve	\$132,532	This is the total amount currently available for CIP. Transferred to CIP. It is the sum of what you already have in CIP and any excess funds i			

After the model rebalances these existing reserves with the reserve target, there is \$132,532 remaining unrestricted for Capital Improvements.

Note that the PL GF loan is the calculated average over the life of the loan.

Median Household Income	\$ 92,333	MHI Source	<a href="https://datausa.io/profile/geo/palmer-lake-co">https://datausa.io/profile/geo/palmer-lake-co</a>				
Growth of Consumption over Base year		Year 1	Year 2	Year 3	Year 4	Year 5	
Conservation Factor		-5.0%	-4.0%	-3.0%	-2.0%	-1.0%	
Community Growth Factor		1.4%	2.8%	3.2%	4.6%	6.0%	Accumulative
Total Consumption Adjustment		-3.6%	-1.2%	0.2%	2.6%	5.0%	
Receiveable write off (% of Billing)		0.00%	0.00%	0.00%	0.00%	0.00%	
Unit of Service	1000 Gallons						The total individual per EQR
Billing Cycles	Currently	Proposed					
Billing Cycle	M	M					
Billings per year	12	12					

The -5% in red above reflects a noticeable reduction in customer usage based on increased usage charges. The scenarios will likely look at reducing the quantity in the tiers and adding more tiers for usage which can reasonably have a behavior change in customers to reduce their usage. Usually, the reduced use tapers off over the years and customers return to a normal water use pattern.

### Capital Improvements Plan

The default funding of asset replacement should be considered a significant variable. Costs under the capitalization threshold are currently set at \$5,000 which means if something costs less than \$5,000 it is

paid for in the operation budget and not on the list to save annually for it. This threshold should reflect how Palmer Lake spends. At the higher end of capital assets, it is more practical to save for a down payment for a loan or matching funds to secure a grant. GMS suggest that Palmer Lake would NOT likely qualify for significant grants and suggested 10 to 15% grant would be the maximum. The rest of the costs will assume to be funded by loans. The scenarios researched further along in this document will show several scenarios and each of those scenarios will show the effects of no grant along with 10% grant.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	0%	90%
\$1,000,001	\$9,999,999	5%	0%	98%
\$10,000,000	\$9,999,999	5%	0%	98%
<b>Capitalization Threshold</b>		Any asset purchased below this value is not		
	\$ 5,000			

Funding CIP according to the table above results in an annual reserve target of \$7.2M if we include the cost to replace the upper and lower reservoirs and future all known/anticipated costs. After speaking with the operators, they are keeping up with the reservoirs, it's in the operating budget, however the opinion of the operators is that the reservoirs will not get rebuild if something happens to them, that likely mode of failure will be filling in with silt displacing reservoir volume. The operations are relying more and more on ground water.

Take out the reservoir replacement costs we removing nearly \$6M annually to upkeep the reservoirs the reserve. After a public board meeting and discussion, it was decided to only consider CIP line items that project only 30 years into the future. With these determinations, the contributions are reduced to \$457,987 annually. Which is approximately a 35% increase.

If the reserve targets are reduced down from 5% down to 2% for the replacement costs over \$1M the resulting reserve calculation for annual contributions would be \$313,616. This is approximately a 25% increase to the required revenue for CIP contributions only.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%
\$10,000,000	\$9,999,999	2%	30%	68%

On the next page you can see the details of the infrastructure in the CIP that is on the 30-year horizon and not any further.



Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (H, C, F)	% Belonging to Water	Normal Estimated Life	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>													
<b>REAL ESTATE</b>													
					100%				0%	0%	100%	0	0
1	Maintenance Building	1983	601,000	C	25%	60	20	398,658	20%	0%	80%	5,230	3,539
1	Maintenance Building - Contents	2000	57,770	C	25%	30	7	20,322	100%	0%	0%	2,514	2,501
<b>VEHICLES</b>													
					100%				0%	0%	100%	0	0
1	Ford Truck F-250 2005 DFZ901	2005	40,000	C	100%	23	5	51,051	100%	0%	0%	6,962	8,716
1	Dodge Ram 1500 2019 BSH031	2019	50,000	C	100%	7	3	57,881	100%	0%	0%	8,703	16,297
1	Dodge Ram 2015 779SWQ	2015	50,000	C	100%	10	2	55,125	100%	0%	0%	8,703	23,142
1	Chevy 1/2 Ton 2008 681RS	2014	45,000	C	100%	10	1	47,250	100%	0%	0%	7,832	39,418
1	Chevy 1/2 Ton 2005 219CLV	2005	40,000	C	100%	19	1	42,000	100%	0%	0%	6,962	35,038
1	John Deer Loader	2008	200,000	C	5%	25	10	16,289	100%	0%	0%	1,741	1,419
1	Road Grader JD	2006	300,000	C	5%	25	8	22,162	100%	0%	0%	2,611	2,396
1	Backhoe 310SJD	2008	100,000	C	5%	27	12	8,979	100%	0%	0%	870	655
1	Water Truck 3500 Gal Tank Freightliner	2005	60,000	C	5%	24	6	4,020	100%	0%	0%	522	Not Cap.
1	Dump Truck mini International	2001	60,000	C	5%	26	4	3,647	100%	0%	0%	522	Not Cap.
<b>SOURCE and TREATMENT</b>													
					100%				0%	0%	100%	0	0
1	Spruce Mountain Pump Station D2 Well Station - 195 Spru	1989	799,600	C	25%	60	26	710,779	10%	10%	80%	3,479	2,433
1	High Cap Pump (1200gpm) Fire Pump Would Replace with	2007	500,000	C	100%	40	24	1,612,550	2%	10%	88%	1,741	1,196
1	Service Pumps (300 gpm) Summit Submersible A2 Well	2018	400,000	H	100%	7	2	562,840	10%	10%	80%	8,071	24,036
1	Well D2 Original Redrilled 1630 feet	2023	635,779	C	100%	30	30	2,747,800	2%	10%	88%	2,213	1,629
1	Chlorinator Pump Hypo Chlorite Injection (2)	2021	3,000	H	100%	3	1	3,473	100%	0%	0%	554	Not Cap.
2	Rapid Filter (500 gpm filters) Media replenished (2)	2022	13,554	H	100%	5	4	34,597	100%	0%	0%	4,860	7,370
1	Well A2 2233 feet deep	2002	993,900	C	100%	30	10	1,618,958	2%	10%	88%	3,460	2,820
<b>Surface Water Treatment</b>													
					100%				0%	0%	100%	0	0
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	C	100%	20	15	72,762	100%	0%	0%	6,092	4,277
3	40-HP distribution pumps one Replaced recently (3)	2011	6,000	C	100%	12	6	24,122	100%	0%	0%	3,133	3,448
					100%				0%	0%	100%	0	0
1	Membrane Filter Pall skid 350 gpm Replaced 1 Module 202	2011	1,208,527	H	100%	30	18	5,223,184	2%	10%	88%	5,998	5,228
44	22 Modules per skid Replaced Recently (44)	2020	9,229	H	100%	10	7	661,455	10%	10%	80%	7,723	8,205
1	Electrical Controls Auto Pall Controls Lightening strike	2020	29,800	H	10%			2,980	100%	0%	0%	567	0
					100%				0%	0%	100%	0	0
1	SWTP Lab Equipment	2018	20,000	C	100%	5	2	22,050	100%	0%	0%	3,481	9,257
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	C	100%	25	4	9,724	100%	0%	0%	1,392	2,065
6	Turbidity Analyzer Obsolete No Parts (6)	2011	6,000	C	100%	16	4	43,758	100%	0%	0%	6,266	9,291
2	Chlorine Gas System, Regulators, injectors Measurement	2011	300,000	C	100%	40	28	2,352,077	2%	10%	88%	2,089	1,495
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	C	100%	25	25	135,454	20%	0%	80%	1,392	964
1	Scada at A2 and D2 Done recently	2022	58,654	H	100%	20	19	155,627	20%	0%	80%	2,103	1,455
<b>STORAGE</b>													
					100%				0%	0%	100%	0	0
1	High Zone Water Storage Tank (250,000 Gal) Concrete Bur	1985	591,500	C	100%	60	22	1,730,292	2%	10%	88%	2,059	1,398
1	Low Zone Water Storage Tanks (500,000 Gal) Welded Stee	1955	751,100	C	100%	75	7	1,056,873	2%	10%	88%	2,615	2,601
1	Low Zone Water Storage Tank Booster Station	1994	377,700	C	100%	60	31	1,714,018	2%	10%	88%	1,315	983
<b>DISTRIBUTION system maps from GMS</b>													
					100%				0%	0%	100%	0	0
8	8" Gate Valves (8)	2013	2,540	C	100%	40	30	87,822	100%	0%	0%	3,537	2,603
156	6" Gate Valves (156)	2013	2,090	C	100%	40	30	1,409,126	2%	10%	88%	1,135	835
5	4" Gate Valves (5)	2013	1,800	C	100%	40	30	38,897	100%	0%	0%	1,566	1,153
<b>Fire Hydrants 166 6" Hydrants</b>													
					100%				0%	0%	100%	0	0
8	6" Hydrants 8	1950	9,050	C	100%	80	7	101,874	20%	0%	80%	2,520	2,507
<b>Subtotal Replacement of Existing Capital Assets</b>													
												132,532	230,369

Quantity	Asset	Year Acquired	Unit Cost (Current or Future)	st Type (C)	Belonging to Water	mal Estimated	ated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Funded Project Assets</b>													
1	ARPA FUNDING 2023 Project TBD Dis System Replacement	2023	259,238	C	100%	60	61	5,084,473	2%	0%	98%	259,238	0
1	ARPA Funding 2024 Project Dis System Replacement	2024	77,938	C	100%	60	62	1,605,040	2%	0%	98%	77,938	0
<b>Subtotal Replacement of Funded Project Assets</b>												<b>337,176</b>	<b>0</b>
Enter Existing Reserves for Replacement of Funded Project Assets													
Quantity	Asset	Year to be Purchased	Unit Cost (Current or Future)	st Type (C)	Belonging to Water	mal Estimated		Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Reserves for Additional Capital Assets</b>													
1	New Arapahoe Well & Dist Sys Loop Reinforce Priority	2025	5,952,600	C	100%	60		6,562,742	2%	0%	98%	0	65,464
	Groundwater Treatment Plant Improvements (Included above)	2025		C	100%	60			100%	0%	0%	0	0
	Distribution System Replacement (Included above in line item)	2025		C	100%	60			100%	0%	0%	0	0
					100%	80			0%	0%	0%	0	0
1	Distribution System Extension to Serve Properties on Private	2035	4,067,188	C	100%	80		7,304,085	2%	0%	98%	0	11,842
1	Back Up Generator for Tank Pump	2030	30,000	C	100%	40		42,213	100%	0%	0%	0	5,941
<b>Subtotal Reserves for Additional Capital Assets</b>													<b>83,247</b>
Enter Existing Reserves for Additional Capital Assets													
<b>Total Capital Reserves</b>													<b>313,616</b>

Before developing detailed scenarios, the reserve funding was selected to reduce variables. At the meeting with the board on April 27<sup>th</sup>, the mayor asked how far into the future should CIP items be considered? For example, PVC pipe is expected to last up to 100 years, and the board requested to see what the effects are for considering replacement items 90, 60, and 30 years out. The version of the CIP above is considering all known and expected costs 30 years into the future.

### CIP Items 30 Years Out

To limit the burden on current rate payers, replacement costs are limited to 30 years into the future, this eliminates the replacement of 111K feet of PVC pipe that is expected to last into the year 2100 in addition to 163 fire hydrants, the Spruce Mountain Pump Station Structure, SWTP – Structure, and the (2) Standby Generators, a filter bed, the newer high zone storage tank, and Town Hall Maintenance.

2024	2025	2026	2027	2028
\$313,616	\$247,253	\$143,317	\$135,289	\$126,747

Note that the reserve contributions decrease, however this is due to items on the CIP, being purchased with a large percentage loan and so debt service will be going up.

The current customers are categorized by meter size. This is related to the potential volume of water the connection can consume and base rates are based on this meter or connection size.

Current Rate Structure						
Current Customer Classes	Name of Class	Rate Structure			Schedule	
	1	Residential/Com- 3/4"	Tiered Block		A	Go to row 13
	2	Commercial/Res 1"	Tiered Block		B	Go to row 13
	3	Commercial 1.5"	Tiered Block		C	Go to row 13
	4	Commercial 2"	Tiered Block		D	Go to row 13
	5	Out of Town - 3/4"	Tiered Block		E	Go to row 13
			Rate Schedules			
Tiered Block	Meter Size	A	B	C	D	E
Base	0.625					
	0.750	\$68.23				\$68.23
	1.000		\$89.78			
	1.500			\$126.03		
	2.000				\$169.56	
Tier Break	1	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Total Revenue under Existing Rates		\$1,277,974.73	This number should closely approximate the sales nu			

The rate structure does not state that the "Out of Town" customer are billed any differently from customers within town limits, for this reason the \$68.23 is highlighted in red font. Usually a 25-50% surcharge is applied to customer outside of the town's limits. It is recommended to create a new customer class that is charged a minimum of 1.25x but recommended 1.5x their meter size base rate. Usage is left at the same rate as the rest of the customers. For all scenarios considered the handful of out of town customers are being charged 1.5x the base rate.

Total Revenue with existing rates is calculated at \$1,277,974. The monthly revenue from the base charges is \$69,434.51 which is \$833,214 annually. The usage revenue ranges from \$24,500 to \$52,000 monthly, the total usage revenue over the year is \$444,760.

The model, at current rates and tiers, calculated \$67,000 over the revenue reported in 2022 and from what the model is predicting with the same monthly and usage fees. This 5% discrepancy is due to the staff setting the budget for revenue conservatively.

### Budget – Without CIP

The board expressed interest to see what the raise in rates would need to be to cover year to year operational costs. The table below takes out all contribution to CIP reserves with 0% grants but still shows deficits year over year.

	2024	2025	2026	2027	2028
Total Annual Expenses (without CIP)	\$1,476,407	\$1,585,678	\$1,927,909	\$1,987,053	\$2,055,666
Revenue at \$68.23 Base & 5% increases	\$1,494,634	\$1,582,244	\$1,673,742	\$1,779,925	\$1,892,718
<b>Deficit</b>	\$18,227	<b>(\$3,434)</b>	<b>(\$254,167)</b>	<b>(\$207,128)</b>	<b>(\$162,948)</b>

Looking only at this difference in operating expenses vs revenue from user fees, the monthly base rate for residential 3/4" connections would have to go up to **\$88.25**. This increase is \$20.02 per month for residential customers.

To save 2% for the Engineering Projects Priorities 1 & 2 together in 2025, a new generator in 2030 and extension of the distribution system in 2035 the budget will need to include \$83,247 in 2024 and 2025. This amounts to \$65,464 for the Priority One & Two and then in 2026, this drops to \$17,783. Additionally, to save for capital replacement of existing items within 30 years the reserve requirements is \$230,369 in 2024. This will require the monthly base rate to be **\$102.55**, or an additional \$14.30 per month for a total increase of \$34.32.

## Scenario 0 – Existing Rates

In this scenario, the existing base rate is shown to be increasing at 5%, annually, starting with \$71.64 in 2024 (68.23x1.05) tiers will remain the same. Grants are assumed to be 0%.

Tiered Block	Meter Size	A	B	C	D	E	F	G
	0.750	\$71.64				\$107.46		\$71.64
	1.000		\$94.27				\$94.27	\$94.27
	1.500			\$132.33				
	2.000				\$178.03			
Tier Break	1	4,999	4,999	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this Tier Break table must contain data.)	2	9,999	9,999	9,999	9,999	9,999	9,999	9,999
	3	6,000	6,000	6,000	6,000	6,000	6,000	6,000
	4	9,000	9,000	9,000	9,000	9,000	9,000	9,000
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000
	6	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	7	20,000	20,000	20,000	20,000	20,000	20,000	20,000
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	4	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	5	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	6	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	7	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base		5.00%	5.00%	5.00%	5.00%		
	Usage		5.00%	5.00%	5.00%	5.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091	
TOTAL REVENUE		\$1,441,364	\$1,518,230	\$1,601,485	\$1,694,926	\$1,793,735	\$8,049,740	
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$348,658	-\$314,702	-\$516,793	-\$474,468	-\$435,730	-\$2,090,351	
NET CASH FLOW (Contribution to Reserves)		-\$28,840	-\$61,246	-\$367,274	-\$339,179	-\$308,983	-\$1,105,522	
Affordability assuming MHI of \$92333 for residential meters.		1.35%	1.43%	1.50%	1.59%	1.69%		
Are you putting enough money in reserves?	No	No	No	No	No	No		
Positive Annual Cash Flow?	No	No	No	No	No	No		

At 5% percentage annual increase, the ¾” residential base rates will increase according to the following table.

Annual Increase	2023	2024	2025	2026	2027	2028
5% Base	\$68.23	\$71.64	\$75.22	\$78.98	\$82.93	\$87.08
5% Average Res Bill w Usage	\$102.41	\$104.48	\$110.63	\$116.73	\$123.60	\$130.86

## Scenario 2

A typical avenue to explore in a rate study is increasing the number of tiers and tier prices. Currently the rate structure has the first tier 0-5,000 gallons at \$8.40/1000 gallons, the second 5,001-10,000 gallons at \$10.08 and \$12.10/1000 gallons after that. There are only 3 tiers, here in this scenario more tiers will be added to investigate the results. The average residential usage from actual historical data from Palmer Lake customers shows that the overall average throughout the year is **3,714 gallons** per month. This varies month to month. Monthly residential averages are shown below. According to the EPA National average for residential use is 300 gallons per day which is 9,125 gallons per month. According to the town of Castle Rock, 4,000 gallons is the average monthly residential consumption.

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3205	2943	2653	4015	3443	4398	4904	4466	4572	3854	3225	2891

The new rates should encourage conservation of water. There are many benefits to encouraging conservation from chemical use on a daily operational cost to the reduced need for infrastructure like a new tank, a new well or more treatment capacity. In this scenario the first tier selected is below the average which at 3,000 gallons. The first tier goes up to 3,000 gallons and then increases every 1,000 gallons and the price per tier raises 15% each tier, annual increases are set at 3%.

Tiered Block	Meter Size	Rate Schedules						
		A	B	C	D	E	F	G
	0.750	\$75.15				\$112.73		\$75.15
	1.000		\$98.89				\$98.89	\$98.89
	1.500			\$138.81				
	2.000				\$186.76			
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	2,999	2,999	2,999	2,999	2,999	2,999	2,999
	2	3,999	3,999	3,999	3,999	3,999	3,999	3,999
	3	4,999	4,999	4,999	4,999	4,999	4,999	4,999
	4	5,999	5,999	5,999	5,999	5,999	5,999	5,999
	5	6,999	6,999	6,999	6,999	6,999	6,999	6,999
	6	7,999	7,999	7,999	7,999	7,999	7,999	7,999
	7	8,999	8,999	8,999	8,999	8,999	8,999	8,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
	2	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23
	3	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21
	4	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49
	5	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11
	6	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13
	7	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	8	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base Usage		5.00%	5.00%	5.00%	5.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091	
TOTAL REVENUE		\$1,797,584	\$1,904,681	\$2,015,003	\$2,143,143	\$2,279,327	\$10,139,737	
NET LOSS OR GAIN: (Short/Over to Reserves)		\$7,561	\$71,750	-\$103,274	-\$26,251	\$49,862	-\$353	
NET CASH FLOW (Contribution to Reserves)		\$327,379	\$325,206	\$46,245	\$109,038	\$176,608	\$984,476	
Affordability assuming MHI of \$92333 for residential meters.		1.67%	1.77%	1.88%	2.00%	2.12%		
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes		
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes		

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Base Rate	\$75.15	\$78.90	\$82.85	\$86.99	\$91.34
Average Bill with Usage	\$130.45	\$138.82	\$146.90	\$156.31	\$166.32
Base Rate if 10% Grant on CIP	\$74.05	\$77.75	\$81.64	\$85.72	\$90.00
Average Bill with Usage if 10% Grant on CIP	\$129.36	\$137.67	\$145.69	\$155.04	\$164.98

For 2024 this scenario would generate \$906,076 in revenue from the base rates, and another \$740,649 from usage. There is a reduction in usage anticipated at 5% factored into the model for this year, however with such a steep increase according to usage the customers usage behavior may decrease more dramatically which could end up generating less revenue for the system overall.

### Scenario 3.1 – Kevin Dreher Suggested Scenario - 10% increase to Monthly Base Rate

Can you ask Chris to run the following scenario:

Base rates to be \$50.47 (increase of \$4.59) for a 3/4", \$72.02 (increase of \$6.55) for a 1", \$108.27 (Increase \$9.84) for a 1.5", and \$151.8 (increase \$13.80) for a two-inch line. This represents a 10% increase for each line.

For the tiers, increase rates for residential and commercial users to the following:

0-1000 gallon \$0 - included in base rate. This will protect our elderly

1001-2000 gallons - \$.00900 per gallon

2001-5000 gallons - \$.01200 per gallon

5001-8000 gallons - \$.01400 per gallon

8001-12,000 gallons - \$.0150 per gallon

12,001 - 24,000 gallons - \$.016 per gallon

24,000 + gallons - \$.017 per gallon

This is based on what TOPL calls the "Base Rate." In the rate study I call the entire \$68.23 the base fee because we also have a usage fee and as discussed in previous meeting there is no option to pay only part of the "Base Rate" portion of the "Total Minimum Bill" as broken down below. The term "Total Minimum Bill" is not the best descriptor since in addition to this total minimum there is also a usage charge.

Per Resolution 13 of 2023, Water Usage Rates shall be increased 7% to rates shown below:

Tap Size	WATER RATES			
	3/4"	1"	1 1/2"	2"
Monthly Base Rate	\$ 45.88	\$ 65.47	\$ 98.43	\$ 138.00
Capital Improvement Fee	\$ 4.59	\$ 6.55	\$ 9.84	\$ 13.80
Water Loan Payment	\$ 17.76	\$ 17.76	\$ 17.76	\$ 17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$ 68.23</b>	<b>\$ 89.78</b>	<b>\$ 126.03</b>	<b>\$ 169.56</b>
	WATER USAGE RATES			
	min. gallons	max. gallons	\$ per gallon	\$ per 100 gal
	1	4999	\$ 0.00840	\$ 0.840
	5000	9999	\$ 0.01008	\$ 1.008
	10000	99999	\$ 0.01210	\$ 1.210



Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$72.82				\$109.23		\$72.82
		1.000		\$96.33				\$96.33	\$96.33
		1.500			\$135.87				
	2.000				\$183.36				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	
	3	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	
	4	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
	5	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
	6	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	
	7	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
	8	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5				
	Base Usage	5.00%	5.00%	5.00%	5.00%				
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
	TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
	TOTAL REVENUE	\$1,475,465	\$1,558,344	\$1,646,300	\$1,746,806	\$1,853,302	\$8,280,217		
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$314,558	-\$274,588	-\$471,977	-\$422,587	-\$376,163	-\$1,859,874		
	NET CASH FLOW (Contribution to Reserves)	\$5,260	-\$21,132	-\$322,458	-\$287,298	-\$249,416	-\$875,045		
Affordability assuming MHI of \$92333 for residential meters.		1.37%	1.45%	1.53%	1.63%	1.73%			
Are you putting enough money in reserves?	No	No	No	No	No	No			
Positive Annual Cash Flow?	Yes	No	No	No	No	No			

This suggested scenarios increases the Monthly minimum bill (minus Cap Imp Fee, minus the Loan Payment) by 10% and this does not cover all the costs to operate the system, contribute to reserves and pay current and anticipated future debt.

	2024	2025	2026	2027	2028
Base Rate	\$72.82	\$76.46	\$80.28	\$84.30	\$88.51
Average Bill with Usage	\$106.39	\$112.96	\$119.38	\$126.74	\$134.55

### Scenario 3.2

Since the scenario suggested by Kevin Dreher leaves deficit above \$1.8M after five years, this scenario looks to find the  $\frac{3}{4}$ " base rate that balances the budget. The tier volumes and tier prices are the same as Scenario 3.1.

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$100.35				\$150.53		\$100.35
		1.000		\$132.04				\$132.04	\$132.04
		1.500			\$185.36				
	2.000				\$249.38				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	
	3	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	
	4	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
	5	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
	6	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	
	7	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
	8	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
Growth Factor of Rates	Base Usage	Year 2		Year 3	Year 4	Year 5			
		5.00%		5.00%	5.00%	5.00%			
		5.00%		5.00%	5.00%	5.00%			
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
TOTAL REVENUE		\$1,812,189	\$1,911,904	\$2,017,539	\$2,136,606	\$2,262,592	\$10,140,830		
NET LOSS OR GAIN: (Short/Over to Reserves)		\$22,166	\$78,972	-\$100,739	-\$32,787	\$33,127	\$739		
NET CASH FLOW (Contribution to Reserves)		\$341,984	\$332,428	\$48,780	\$102,502	\$159,874	\$985,568		
Affordability assuming MHI of \$92333 for residential meters.		1.72%	1.83%	1.93%	2.04%	2.16%			
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes			
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes			

This results in a  $\frac{3}{4}$ " base rate or what TOPL calls Total Minimum Bill of \$100.35/month. That is a 47% increase in the base rate. The table below shows the base rate increasing at 5% beyond this proposed adjustment and the average monthly bill when usage is included.

	2024	2025	2026	2027	2028
Base Rate	\$100.35	\$105.37	\$110.64	\$116.17	\$121.98
Average Bill with Usage	\$133.92	\$141.87	\$149.73	\$158.61	\$168.02

### Scenario 3.3

Since scenario 3.1 suggested by Kevin Dreher leaves deficit above \$1.8M after five years, and scenario 3.2 results in a 47% increase in the base rate or Total Minimum Fee, we look here at this variation (scenario 3.2) to keep the suggested tier volumes but adjust the tier prices.

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$90.00				\$135.00		\$90.00
		1.000		\$118.43				\$118.43	\$118.43
		1.500			\$166.24				
	2.000				\$223.66				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	
	3	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	
	4	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	
	5	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	
	6	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	
	7	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	
	8	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	
Growth Factor of Rates	Base Usage		Year 2	Year 3	Year 4	Year 5			
			5.00%	5.00%	5.00%	5.00%			
			5.00%	5.00%	5.00%	5.00%			
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
TOTAL REVENUE		\$1,805,356	\$1,908,869	\$2,016,899	\$2,140,544	\$2,271,595	\$10,143,262		
NET LOSS OR GAIN: (Short/Over to Reserves)		\$15,333	\$75,937	-\$101,379	-\$28,850	\$42,130	\$3,172		
NET CASH FLOW (Contribution to Reserves)		\$335,152	\$329,393	\$48,140	\$106,439	\$168,877	\$988,001		
Affordability assuming MHI of \$92333 for residential meters.		1.70%	1.80%	1.91%	2.02%	2.15%			
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes			
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes			

	2024	2025	2026	2027	2028
Base Rate	\$90.00	\$94.50	\$99.23	\$104.18	\$109.40
Average Bill with Usage	\$132.43	\$140.62	\$148.61	\$157.79	\$167.51

## Scenario 4

At the board meeting on 5-11-2023 the board did not come to a consensus about giving the restaurants a discount, but expressed interest in seeing what happens if the commercial customers are given a discount in the form of any rate increase only being 50% of  $\frac{3}{4}$ " residential increases. This is a starting point and for comparison with Scenario 3.3 the tiers and tier prices are the same as developed just above.

Proposed Customer Classes		Name of Class	Rate Structure	Schedule					
	1	Residential- 3/4"	Tiered Block	A	Go to row 69 and enter the Tiered Block Rates.				
	2	Commercial/Res-1"	Tiered Block	B	Go to row 69 and enter the Tiered Block Rates.				
	3	Commercial-1.5"	Tiered Block	C	Go to row 69 and enter the Tiered Block Rates.				
	4	Commercial-2"	Tiered Block	D	Go to row 69 and enter the Tiered Block Rates.				
	5	Out of Town - 3/4" 1.5x Res	Tiered Block	E	Go to row 69 and enter the Tiered Block Rates.				
	6	Irrigation Acct 1"	Tiered Block	F	Go to row 123 and enter the Tiered Block Rates.				
	7	Restraunts	Tiered Block	G	Go to row 123 and enter the Tiered Block Rates.				
	8	Commercial	Tiered Block	H	Go to row 123 and enter the Tiered Block Rates.				
Rate Schedules									
Tiered Block	Meter Size	A	B	C	D	E	F	G	H
	0.750	\$90.00				\$135.00		\$90.00	\$79.12
	1.000		\$118.43				\$118.43	\$118.43	\$93.33
	1.500			\$166.24					\$117.24
	2.000				\$223.66				\$145.95
(All yellow cells in this Tier Break table must contain data.)	Tier Break	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000
		2	2,000	2,000	2,000	2,000	2,000	2,000	2,000
		3	5,000	5,000	5,000	5,000	5,000	5,000	5,000
		4	8,000	8,000	8,000	8,000	8,000	8,000	8,000
		5	12,000	12,000	12,000	12,000	12,000	12,000	12,000
		6	24,000	24,000	24,000	24,000	24,000	24,000	24,000
		7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
		8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons		1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		2	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
		3	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50
		4	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50
		5	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
		6	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
		7	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
		8	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5				
	Base Usage	5.00%	5.00%	5.00%	5.00%				
Results of the new rates									
		2024	2025	2026	2027	2028	5 Years		
	TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
	TOTAL REVENUE	\$1,796,749	\$1,899,831	\$2,007,409	\$2,130,580	\$2,261,133	\$10,095,702		
	NET LOSS OR GAIN: (Short/Over to Reserves)	\$6,726	\$66,900	-\$110,869	-\$38,814	\$31,668	-\$44,389		
	NET CASH FLOW (Contribution to Reserves)	\$326,544	\$320,356	\$38,651	\$96,475	\$158,414	\$940,440		
	Affordability assuming MHI of \$92333 for residential meters.	1.70%	1.80%	1.91%	2.02%	2.15%			
Are you putting enough money in reserves?									
	Yes	Yes	No	No	Yes				
Positive Annual Cash Flow?									
	Yes	Yes	Yes	Yes	Yes				
The Town as rate schedule increase of 3%									

The Town as  
rate schedule  
increase of 3%

This scenario results in over \$40,000 less revenue compared with Scenario 3.3.

## April Scenarios

### PALMER LAKE WATER RATE STUDY 2023

#### Model Inputs, Explanations, Issues and Check for Accuracy

Water Rates by Brandewie LLC

April 1, 2023

This document is meant to show the inputs to the model Starting with the financial and model parameters, followed by the Capital Improvements program, then budget and then a summary of the customers.

#### Parameters

Existing Debt	Description	Amount	Interest Rate	Maturity Date
CWRPDA Loan				
PL General Fund				

Please review these numbers above for reserve required and allocated. Note that the PL GF loan is the calculated average over the life of the loan.

<b>Median Household Income</b>	\$ 92,333		MHI Source	<a href="https://datausa.io/profile/geo/palm">https://datausa.io/profile/geo/palm</a>		
<b>Growth of Consumption over Base year</b>		Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor		-10.0%	-8.0%	-6.0%	-4.0%	-2.0%
Community Growth Factor		0.0%	0.0%	0.0%	0.0%	0.0%
Total Consumption Adjustment		-10.0%	-8.0%	-6.0%	-4.0%	-2.0%
<b>Receivable write off (% of Billing)</b>		0.00%	0.00%	0.00%	0.00%	0.00%

The -10% in red above reflects a significant reduction in customer usage based on increased usage charges. This usually tapers off over the years and customers return to a normal water use pattern. Please indicate if the town anticipates a significant reduction in usage from the customers.

<b>Unit of Service</b>	1000	Gallons				
<b>Billing Cycles</b>	Currently	Proposed				
Billing Cycle	M	M				
Billings per year	12	12				
<b>Default Funding of Asset Replacements</b>						
Replacement Value From To		Cash	Grant	Loan		
\$0	\$20,000	100%	0%	0%		
\$20,001	\$100,000	25%	0%	75%		
\$100,001	\$500,000	10%	30%	60%		
\$500,001	\$9,999,999	5%	30%	65%		
\$10,000,000	\$9,999,999	2%	30%	68%		
<b>Capitalization Threshold</b>	\$ 5,000	Any asset purchased below this value is not included in the CIP. It as:				

The default funding of asset replacement should be considered a significant variable. Costs under the capitalization threshold are currently set at \$5,000 which means if something costs less than \$5,000 it is paid for in the operation budget and not on the list to save annually for it. This threshold should reflect how Palmer Lake spends. At the higher end of capital assets, it is more practical to save for a down payment for a loan or matching funds to secure a grant. If the town has a history of obtaining significant grants, that should be considered in the table above. The rest of the costs will assume to be funded by loans.

The current customers are categorized by meter size. This is related to the potential volume of water the connection can consume and base rates are based on this meter or connection size.

Current Rate Structure						
Current Customer Classes	Name of Class	Rate Structure			Schedule	
	1	Residential/Com- 3/4"	Tiered Block		A	Go to row 13
	2	Commercial/Res 1"	Tiered Block		B	Go to row 13
	3	Commercial 1.5"	Tiered Block		C	Go to row 13
	4	Commercial 2"	Tiered Block		D	Go to row 13
	5	Out of Town - 3/4"	Tiered Block		E	Go to row 13
		Rate Schedules				
Tiered Block	Meter Size	A	B	C	D	E
Base	0.625					
	0.750	\$68.23				\$68.23
	1.000		\$89.78			
	1.500			\$126.03		
	2.000				\$169.56	
Tier Break	1	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Total Revenue under Existing Rates		\$1,277,974.73	This number should closely approximate the sales nu			

The rate structure does not state that the "Out of Town" customer are bill any differently from customers within town limit. **Is this correct?** Usually a 25-50% surcharge are applied to customer outside of the towns tax district.

Total Revenue with existing rates are calculated at \$1,277,974. The monthly revenue from the base charges is \$69,434.51 which is \$833,214. The usage revenue ranges from \$24,500 to \$52,000 monthly, but over the year sampled is \$444,760.

The model calculates \$67,000 over the revenue reported in 2022 and from what the model is predicting with the same monthly and usage fees. This is a 5% discrepancy. The budget dose not detail information where the usage revenue is separated from the base fee. **What information is available on Usage Revenue versus Base Revenue for 2022?**



## Capital Improvements Plan

The next 3 images show the capital improvement plan in detail. There are some issues worth highlighting for discussion or clarification. The default funding table can also be adjusted to work with realistic funding options.

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Normal Estimated Life	Estimated Remaining Life	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>										
<b>REAL ESTATE</b>										
						0%	0%	100%	0	0
1	Town Office	2002	209,700	60	40	10%	30%	60%	1,443	800
1	Town Office - Contents	2002	34,662	60	40	25%	0%	75%	596	330
1	Town Hall	1930	487,900	60	40	5%	30%	65%	1,678	930
1	Town Hall -Contents	2000	23,108	60	40	25%	0%	75%	397	220
1	Maintenance Building	1983	601,000	60	20	10%	30%	60%	4,135	1,694
1	Maintenance Building - Contents	2000	57,770	30	7	25%	0%	75%	994	573
						0%	0%	100%	0	0
<b>VEHICLES</b>										
						0%	0%	100%	0	0
1	Ford Truck F-250 2005 DFZ901	2005	40,000	23	5	25%	0%	75%	2,752	1,977
1	Dodge Ram 1500 2019 BSH031	2019	50,000	7	3	25%	0%	75%	3,440	3,653
1	Dodge Ram 2015 779SWQ	2015	50,000	10	2	25%	0%	75%	3,440	5,153
1	Chevey 1/2 Ton 2008 681RS	2014	45,000	10	1	25%	0%	75%	3,096	8,717
1	Chevey 1/2 Ton 2005 219CLV	2005	40,000	19	1	25%	0%	75%	2,752	7,748
1	John Deer Loader	2008	200,000	25	10	100%	0%	0%	2,752	1,317
1	Road Grader JD	2006	300,000	25	8	25%	0%	75%	1,032	552
1	Backhoe 31OSJD	2008	100,000	27	12	100%	0%	0%	1,376	613
1	Water Truck 3500 Gal Tank Frieghtliner	2005	60,000	24	6	100%	0%	0%	826	Not Cap.
1	Dump Truck mini International	2001	60,000	26	4	100%	0%	0%	826	Not Cap.
						0%	0%	100%	0	0
						0%	0%	100%	0	0
						0%	0%	100%	0	0
<b>SOURCE and TREATMENT</b>										
						0%	0%	100%	0	0
1	Spruce Mountain Pump Station D2 Well Station - 195	1989	799,600	60	26	5%	30%	65%	2,751	1,178
1	High Cap Pump (1200gpm) Fire Pump Would Replace	2007	500,000	40	24	5%	30%	65%	6,880	2,884
1	Service Pumps (300 gpm) Summit Submersible A2 W	2018	400,000	7	2	5%	30%	65%	6,380	10,846
1	Well D2 Original Redrilled 1630 feet	2023	635,779	30	30	5%	30%	65%	8,748	3,965
2	Chlorinator Pump Hypo Chlorite Injection	2021	3,000	3	1	100%	0%	0%	1,752	5,194
2	Rapid Filter (500 gpm filters) Media replenished	2022	11,554	5	4	25%	0%	75%	1,637	1,420
1	Filter Bed	2002	26,226	60	39	10%	30%	60%	1,343	1,106
1	Well A2 2233 feet deep	2002	993,900	30	10	5%	30%	65%	13,676	6,547
1	Spuce Mountain Pump Station - 201 Spruce Ave STR	2013	1,456,400	80	70	2%	30%	68%	10,773	17,121

Note that the replacement costs for the Reservoirs below were taken out of the calculation. If the CIP included saving 2% of the \$30,000,000 estimated replacement costs, the CIP would recommend saving \$3M annually. This would mean multiplying the rates by 3X. The reservoir is well maintained by the operators and has a steady budget annually so by removing it from the CIP the annual reserve target drops to the range of \$600,000.

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Normal Estimated Life	Estimated Remaining Life	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>										
	<b>Surface Water Treatment</b>					0%	0%	100%	0	0
	Upper Reservoir Glen Park Concrete	1905	20,000,000	120	60	100%	0%	0%	0	Not Cap.
	Lower Reservoir	1965	10,000,000	100	60	100%	0%	0%	0	Not Cap.
1	Intake Structure at lower reservoir	1967	2,000,000	100	60	2%	30%	68%	57,373	74,435
2	Stanby Generator 6.8L 48V 51Hz ? 30K is a guess G	2011	20,000	60	48	10%	30%	60%	1,096	746
1	Surface Water Treatment Plant - Structure?	2011	2,967,600	60	50	2%	30%	68%	23,187	19,108
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	20	15	25%	0%	75%	2,398	1,011
3	40-HP distribution pumps one Replaced recently?	2011	6,000	12	6	25%	0%	75%	1,233	787
						0%	0%	100%	0	0
2	Membrane Filter Pall skid 350 gpm ????? Replaced M	2011	1,208,527	30	18	2%	30%	68%	18,885	10,072
44	22 Modules per skid Replaced Recently	2020	92,290	10	7	5%	30%	65%	60,792	37,858
1	Electrical Controls Auto Pall Controls ???? Lightening	2020	29,800			100%	0%	0%	892	0
						0%	0%	100%	0	0
1	SWTP Lab Equipment	2018	20,000	5	2	25%	0%	75%	1,370	2,064
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	25	4	100%	0%	0%	2,192	1,865
6	Turbidity Analyzer Obsolete No Parts	2011	6,000	16	4	25%	0%	75%	2,466	2,098
	Chlorine Dioxide Generator Leased					0%	0%	100%	0	0
2	Chlorine Gas System, Regulators, injectors Measurem	2011	300,000	40	28	5%	30%	65%	8,220	3,630
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	25	25	10%	30%	60%	1,096	466
1	Scada at A2 and D2 Done recently	2022	58,654	20	19	10%	30%	60%	1,655	696
						0%	0%	100%	0	0
	<b>STORAGE</b>					0%	0%	100%	0	0
1	High Zone Water Storage Tank (250,000 Gal) Concrete	1985	591,500	60	22	5%	30%	65%	8,104	3,362
1	High Zone Water Storage Tank (250,000 Gal) Concrete	2018	1,600,000	60	55	2%	30%	68%	10,165	9,284
1	Low Zone Water Storage Tanks (500,000 Gal) Welded	1955	751,100	75	7	5%	30%	65%	10,290	5,967
1	Low Zone Water Storage Tank Booster Station	1994	377,700	60	31	5%	30%	65%	5,175	2,396
						0%	0%	100%	0	0
739	24 Inch Contact Piping	2013	120	100	90	5%	30%	65%	1,215	3,146
1,478	12 Inch	2013	120	100	90	2%	30%	68%	972	2,516
						0%	0%	100%	0	0
7,286	Main Line (10 inches)	2013	112	100	90	2%	30%	68%	4,472	11,578
						0%	0%	100%	0	0
6,969	Main Line (8 inches)	2013	112	100	90	2%	30%	68%	4,277	11,074
						0%	0%	100%	0	0
86,064	Main Line (6 inches)	2013	105	100	90	2%	30%	68%	49,522	128,217
9,345	Main Line (6 inches)	2025	105	100	90	2%	30%	68%	5,377	13,922
						0%	0%	100%	0	0
5,913	Service Lines (4 inches) REPLACEMENT COVERED IN FUTURE PROJECTS					0%	0%	100%	0	0
3,432	Service Lines (2 inches) REPLACEMENT COVERED IN FUTURE PROJECTS					0%	0%	100%	0	0

There is a line item in the budget at \$2,000 to replace and \$3,000 to repair meters. The model does include \$50,000 for the meter lease program, so that needs to be determined or can be put into a scenario, and defined for other scenarios.

At the bottom of the next page is the future projects. The year 2025 is rapidly approaching and if these improvements can be pushed out a few years that is worth exploring. It will help the annual reserve recommendation down.

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Normal Estimated Life	Estimated Remaining Life	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>										
	<b>Valves</b>					0%	0%	100%	0	0
8	8" Gate Valves	2013	2,540	40	30	25%	0%	75%	1,398	634
156	6" Gate Valves	2013	2,090	40	30	5%	30%	65%	4,486	2,033
5	4" Gate Valves	2013	1,800	40	30	25%	0%	75%	619	281
	2" Ball Valves \$160.00					0%	0%	100%	0	0
	1" Valve \$35.00					0%	0%	100%	0	0
						0%	0%	100%	0	0
						0%	0%	100%	0	0
	<b>Fire Hydrants 166 6" Hydrants</b>					0%	0%	100%	0	0
8	6" Hydrants	1950	9,050	80	7	10%	30%	60%	1,992	1,149
158	6" Hydrants In reality these were installed/replaced	2013	9,050	80	70	2%	30%	68%	7,870	10,300
5	4" Hydrants	2013	6,040	80	70	5%	30%	65%	416	544
						0%	0%	100%	0	0
	<b>Residential Meters</b>					0%	0%	100%	0	0
	3/4" Meter (997)	1990	350			100%	0%	0%	0	0
	1" Meters (11)	1990	600			100%	0%	0%	0	0
	1.5" Meters (2)	1990	900			100%	0%	0%	0	0
	2" Meter (1)	1990	1,200			100%	0%	0%	0	0
						0%	0%	100%	0	0
	<b>Subtotal Replacement of Existing Capital Assets</b>					2%	30%	68%	384,238	445,009
Enter Existing Reserves for Replacement of Funded Project Assets										
	<b>Replacement of Funded Project Assets</b>					0%	0%	0%	0	0
						0%	0%	0%	0	0
						0%	0%	0%	0	0
	<b>Subtotal Replacement of Funded Project Assets</b>					0%	0%	0%		0
Enter Existing Reserves for Additional Capital Assets										
	<b>Reserves for Additional Capital Assets</b>									
1	New Araphahoe Formation Well	2025	2,787,837	30		5%	30%	65%	0	76,648
1	Groundwater Treatment Plant Improvements (Steve th	2025	588,250	40		5%	30%	65%	0	16,173
1	Distribution System Replacement	2025	1,399,353	80		5%	30%	65%	0	38,473
1	Distribution System Looping and Reinforcement	2030	1,258,932	80		5%	30%	65%	0	12,465
1	Distribution System Extension to Serve Properties on F	2035	4,067,188	80		5%	30%	65%	0	29,606
1	Back Up Generator for Tank Pump	2030	30,000	40		25%	0%	75%	0	1,485
	<b>Subtotal Reserves for Additional Capital Assets</b>					5%	30%	65%		174,850
Enter Existing Reserves for Additional Capital Assets										
	<b>Total Capital Reserves</b>					2%	30%	68%	384,238	619,859
	Including 2% for Reservoir Replacement		\$3,022,851							

As it can be seen above with the existing cash, grant, loan projections and annual reserves required add up to \$619,859 for 2024. Remember the default funding can be adjusted to justify a lower reserve.

Replacement Value From To	Cash	Grant	Loan
\$0 \$20,000	100%	0%	0%
\$20,001 \$100,000	25%	0%	75%
\$100,001 \$500,000	10%	30%	60%
\$500,001 \$9,999,999	5%	30%	65%
\$10,000,000 \$9,999,999	2%	30%	68%



## Budget

EXPENSES AND SOURCES OF FUNDS	2021	2022	2023	% Belonging to Water	2024	2025	2026	2027	2028
<b>OPERATIONS &amp; MAINTENANCE EXPENSES</b>									
5007 Salaries/Wages on Call		19,110	15,308	100%	16,073	16,877	17,721	18,607	19,537
5026 Overtime, Civilian Unshed		1,470	1,482	100%	1,556	1,634	1,716	1,801	1,891
5109 Professional Svcs Other engineering				100%	0	0	0	0	0
5210 General Services	20,042	1,000	27,870	100%	29,264	30,727	32,263	33,876	35,570
5211 General Services - Treatment		13,000	22,000	100%	23,100	24,255	25,468	26,741	28,078
5212 General Services - Distribution		13,000	22,000	100%	23,100	24,255	25,468	26,741	28,078
5202 General Supplies - Treatment	42,879	44,000	49,000	100%	51,450	54,023	56,724	59,560	62,538
5205 General Supplies - Distribution	15,156	36,000	45,000	100%	47,250	49,613	52,093	54,698	57,433
5310 Building Maintenance	2,941	2,000	2,000	100%	2,100	2,205	2,315	2,431	2,553
5330 Repair/Maint Supplies		85,000		100%	0	0	0	0	0
5331 Repair/Maint Supplies Distribution	2,059	214,036		100%	0	0	0	0	0
5220 Water Meters/Parts Replace	5,515	5,000	2,000	100%	2,100	2,205	2,315	2,431	2,553
5222 Water Meters / Repairs	2,708	5,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
5300 Utilities - Electric	121,042	120,750	83,000	100%	87,150	91,508	96,083	100,887	105,931
5301 Utilities - Gas			18,400	100%	19,320	20,286	21,300	22,365	23,484
5302 Utilities - Water			12,500	100%	13,125	13,781	14,470	15,194	15,954
5303 Utilities - Sanitation			16,400	100%	17,220	18,081	18,985	19,934	20,931
5510 Vehicle Repair / Maint	853	6,000	8,000	100%	8,400	8,820	9,261	9,724	10,210
5520 Fuel/Lubricants	6,124	10,000	10,000	100%	10,500	11,025	11,576	12,155	12,763
5850 Vehicle Loan Principal ???	3,373	2,976		100%	0	0	0	0	0
5851 Vehicle Loan Interest ???	940	945		100%	0	0	0	0	0
5650 Water Line Repair	21,234			100%	0	0	0	0	0
5320 Equipment Maintenance	34,612	23,000	19,539	100%	20,516	21,542	22,619	23,750	24,937
5660 Reservoir/Dam Maintenance	3,037	13,000	13,000	100%	13,650	14,333	15,049	15,802	16,592
5610 Water Quality Testing	22,573	27,949	23,732	100%	24,919	26,165	27,473	28,846	30,289
				100%	0	0	0	0	0
Capital Expenses				?					
5109 Professional Svcs Other engineering		40,000	40,000	?	?	?	?	?	?
<b>Total Operation and Maintenance Expenses:</b>	<b>305,088</b>	<b>663,230</b>	<b>434,231</b>		<b>413,943</b>	<b>434,640</b>	<b>456,372</b>	<b>479,190</b>	<b>503,150</b>

Engineering costs will accompany the pipeline replacement, improvement and extension projects. These estimated costs are included in those project costs. If there are other anticipated engineering costs they need to be discussed and added.

GENERAL & ADMINISTRATIVE EXPENSES	2021	2022	2023	Belonging	2024	2025	2026	2027	2028
Operating Reserve Funding					0	0	0	0	0
Emergency Reserve Funding					6,202	6,202	6,202	0	0
Debt Reserve Funding					17,531	17,531	0	0	0
Replacement of Existing Capital Assets					445,009	427,399	415,840	414,254	411,564
Replacement of Funded Project Assets					0	0	0	0	0
Reserves for Additional Capital Assets					174,850	174,850	43,556	43,556	43,556
Debt Service		183,229	183,229		284,784	291,137	511,686	518,654	526,096
5002 Salaries/Wages, Full-time	248,422	400,788	423,291	100%	444,456	466,678	490,012	514,513	540,238
5030 Social Security ER	14,351	27,358	27,285	100%	28,649	30,082	31,586	33,165	34,823
5032 Medicare ER	3,363	6,398	6,381	100%	6,700	7,035	7,387	7,756	8,144
5036 FUTA	164	281	239	100%	251	263	277	291	305
5006 Salaries/Wages, PT Sick	430	642	0	100%	0	0	0	0	0
5050 Retirement ER Match	2,659	16,855	17,603	100%	18,483	19,407	20,378	21,397	22,466
5060 Health Ins ER-pd		40,508	40,900	100%	42,945	45,092	47,347	49,714	52,200
5070 Life Ins ER-pd	312	1,233	1,245	100%	1,307	1,373	1,441	1,513	1,589
5038 Workers Comp Ins	14,960	28,487	29,172	100%	30,631	32,162	33,770	35,459	37,232
5103 Professional Svcs Legal	19,651	20,000	20,000	100%	21,000	22,050	23,153	24,310	25,526
5101 Professional Svcs Acctg	9,500	9,500	45,225	100%	47,486	49,861	52,354	54,971	57,720
5102 Professional Svcs IT/Water Billing	77,114	58,000	78,000	100%	81,900	85,995	90,295	94,809	99,550
5040 Employee Clothing	163	500	1,000	100%	1,050	1,103	1,158	1,216	1,276
5041 Employee Training	248	2,000	4,500	100%	4,725	4,961	5,209	5,470	5,743
5042 Employee Travel	661	5,000	6,000	100%	6,300	6,615	6,946	7,293	7,658
5043 Employee Per Diem			3,000	100%	3,150	3,308	3,473	3,647	3,829
5137 Memberships/Registration	9,156	10,000	10,000	100%	10,500	11,025	11,576	12,155	12,763
5121 Bank Fees / Services	18	400	100	100%	105	110	116	122	128
5140 Postage	611	0	0	100%	0	0	0	0	0
5133 Insurance	8,738	12,000	13,400	100%	14,070	14,774	15,512	16,288	17,102
5135 Legal Notices/Recordings	0	500	500	100%	525	551	579	608	638
5122 Communication	1,771	0	3,100	100%	3,255	3,418	3,589	3,768	3,956
5199 Misc Expense	0	800	800	100%	840	882	926	972	1,021
5201 General Supplies	0	2,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
5500 Vehicle License / Fee				100%	0	0	0	0	0
6000 Cap Imp			133,254						
6000 Cap Imp - Water			125,984						
6100 Capital Equipment		63,000							
6100 Capital Equipment IT		26,400							
Water Meter Lease Program????						50,000	50,000	50,000	50,000
	412,292	915,879	1,177,208		1,699,855	1,777,172	1,877,838	1,919,546	1,968,952
<b>TOTAL EXPENSES</b>	<b>717,380</b>	<b>1,579,109</b>	<b>1,611,439</b>		<b>2,113,797</b>	<b>2,211,812</b>	<b>2,334,210</b>	<b>2,398,736</b>	<b>2,472,102</b>

Salaries/wages, PT Sick and Postage are small costs, but being at \$0 this year locks in 0 for all 5 years into the projection.

Another item that may need to be removed based on the boards direction is the meter lease program anticipated for 2025. Starting in 2025 the budget shows an estimated \$50,000 lease costs for the meter lease program.

The current budget shows an addition of roughly \$200,000 in debt in 2026 after the anticipated distribution projects are funded at 5% cash reserves and 65% loan, which means that depends on a 30% grant.

SOURCE OF FUNDS / REVENUES RECEIVED										
20-19-4410 - 4430 Sales Revenue (Base + Usag	1,190,681	1,203,373	1,211,000		1,230,355	1,239,823	1,249,318	1,258,841	1,268,393	
20-19-4440 Water Tap Fees	188,250	84,521	100,000	100%	105,000	110,250	115,763	121,551	127,628	
20-19-4450 Water Meter Sales	2,163	2,000	3,000	100%	3,150	3,308	3,473	3,647	3,829	
Uncollectable Receivables					0	0	0	0	0	
20-19-4499 Service/Late Fees	12,272	16,644	14,000	100%	14,700	15,435	16,207	17,017	17,868	
20-19-2314 Water Reserve Interest				100%	0	0	0	0	0	
20-19-2322 Water Revenue Interest	95	4,000	7,000	100%	7,350	7,718	8,103	8,509	8,934	
Misc		525	200	100%	210	221	232	243	255	
20-19-2360 Water Dep. Misc.Revenue/TANK?	10,543	0	10,000	100%	10,500	11,025	11,576	12,155	12,763	
				100%	0	0	0	0	0	
20-19-2350 ARP Funds	167,114	248,000	259,238							
20-19-2314 Water Reserve Interest	85	4,000	7,000		7,000	100	100	100	100	
<b>TOTAL REVENUE</b>	<b>1,571,203</b>	<b>1,563,063</b>	<b>1,611,438</b>		<b>1,378,265</b>	<b>1,387,878</b>	<b>1,404,771</b>	<b>1,422,062</b>	<b>1,439,770</b>	
<b>NET LOSS OR GAIN:</b>	<b>853,823</b>	<b>-16,046</b>	<b>-1</b>		<b>-735,532</b>	<b>-823,934</b>	<b>-929,439</b>	<b>-976,674</b>	<b>-1,032,332</b>	
<b>NET CASH FLOW (Contribution to Reserves)</b>	<b>853,823</b>	<b>-16,046</b>	<b>-1</b>		<b>-91,940</b>	<b>-197,951</b>	<b>-463,841</b>	<b>-518,864</b>	<b>-577,212</b>	
Affordability assuming MHI of \$92333 for residential meters.										
					1.27%	1.28%	1.29%	1.30%	1.31%	
Does the Budget Balance?										
Positive Annual Cash Flow?										
					No	No	No	No	No	
					No	No	No	No	No	

For the next several years the CIP calculated large reserve targets in anticipation of the pipeline projects.

GENERAL & ADMINISTRATIVE EXPENSES	2024	2025	2026	2027	2028
Operating Reserve Funding	0	0	0	0	0
Emergency Reserve Funding	6,202	6,202	6,202	0	0
Debt Reserve Funding	17,531	17,531	0	0	0
Replacement of Existing Capital Assets	445,009	427,399	415,840	414,254	411,564
Replacement of Funded Project Assets	0	0	0	0	0
Reserves for Additional Capital Assets	174,850	174,850	43,556	43,556	43,556
Debt Service	284,784	291,137	511,686	518,654	526,096

619,859      602,250      459,395      457,810      455,119

So by removing the newly suggested reverses Palmer Lakes five-year forecast should look like this. **Does this look like what was expected?**

<b>TOTAL EXPENSES</b>	717,380	1,579,109	1,611,439		2,113,797	2,211,812	2,334,210	2,398,736	2,472,102
<b>SOURCE OF FUNDS / REVENUES RECEIVED</b>									
20-19-4410 - 4430 Sales Revenue (Base + Usage)	1,190,681	1,203,373	1,211,000		1,230,355	1,239,823	1,249,318	1,258,841	1,268,393
20-19-4440 Water Tap Fees	188,250	84,521	100,000	100%	105,000	110,250	115,763	121,551	127,628
20-19-4450 Water Meter Sales	2,163	2,000	3,000	100%	3,150	3,308	3,473	3,647	3,829
Uncollectable Receivables					0	0	0	0	0
20-19-4499 Service/Late Fees	12,272	16,644	14,000	100%	14,700	15,435	16,207	17,017	17,868
20-19-2314 Water Reserve Interest				100%	0	0	0	0	0
20-19-2322 Water Revenue Interest	95	4,000	7,000	100%	7,350	7,718	8,103	8,509	8,934
Misc		525	200	100%	210	221	232	243	255
20-19-2360 Water Dep. Misc.Revenue/TANK?	10,543	0	10,000	100%	10,500	11,025	11,576	12,155	12,763
				100%	0	0	0	0	0
20-19-2350 ARP Funds	167,114	248,000	259,238		619,859	602,250	459,395	457,810	455,119
20-19-2314 Water Reserve Interest	85	4,000	7,000		7,000	100	100	100	100
<b>TOTAL REVENUE</b>	1,571,203	1,563,063	1,611,438		1,998,124	1,990,128	1,864,166	1,879,872	1,894,889
<b>NET LOSS OR GAIN:</b>	853,823	-16,046	-1		-115,673	-221,684	-470,044	-518,864	-577,213
<b>NET CASH FLOW (Contribution to Reserves)</b>	853,823	-16,046	-1		527,919	404,299	-4,446	-61,054	-122,093
Affordability assuming MHI of \$92333 for residential meters.									
					1.27%	1.28%	1.29%	1.30%	1.31%
Does the Budget Balance?									
					No	No	No	No	No
Positive Annual Cash Flow?									
					Yes	Yes	No	No	No

## New Customer Categories

There are several municipal accounts as well as one school account. If the board or staff would like to see special rates for these accounts, it can easily be investigated.

Proposed Customer Classes	Name of Class	Rate Structure	Schedule
1	Residential/Com- 3/4"	Tiered Block	A
2	Commercial/Res 1"	Tiered Block	B
3	Commercial 1.5"	Tiered Block	C
4	Commercial 2"	Tiered Block	D
5	Out of Town - 3/4"	Tiered Block	E
6			
7	Municipal 3/4"	Tiered Block	G
8	Municipal 1"	Tiered Block	H
9	Municipal 2"	Tiered Block	I
10	School 1"	Tiered Block	J

Tiered Block	Meter Size	A	B	C	D	E
	0.750	\$68.23				\$68.23
	1.000		\$89.78			
	1.500			\$126.03		
	2.000				\$169.56	
Tier Break	1	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10

Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5	
Base		0.00%	0.00%	0.00%	0.00%	
Usage		0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2024	2025	2026	2027	2028
TOTAL EXPENSES		\$2,113,797	\$2,211,812	\$2,334,210	\$2,398,736	\$2,472,102
TOTAL REVENUE		\$1,378,265	\$1,387,878	\$1,404,771	\$1,422,062	\$1,439,770
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$735,532	-\$823,934	-\$929,439	-\$976,674	-\$1,032,332
NET CASH FLOW (Contribution to Reserves)		-\$91,940	-\$197,951	-\$463,841	-\$518,864	-\$577,212
Affordability assuming MHI of \$92333 for residential meters.		1.27%	1.28%	1.29%	1.30%	1.31%
Are you putting enough money in reserves?	No	No	No	No	No	No
Positive Annual Cash Flow?	No	No	No	No	No	No

This document is meant to show the building of the model, logic and some issues to be reviewed by the Palmer Lake staff. Once this is reviewed or a meeting is convened to address the issue, we can explore scenarios.

## PALMER LAKE WATER RATE STUDY 2023

### Model Inputs, Explanations, Issues and Check for Accuracy

Water Rates by Brandewie LLC

April 24, 2023

This Document is meant to show the inputs to the model Starting with the financial and model parameters, followed by the Capital Improvements program, then budget and then a summary of the



customers and suggested new customer classes. Some variable savings targets are presented to show the full potential need for funding Capital Improvements.

### Parameters

<b>Parameters</b>	Enterprise	Water		
	System Name:	Palmer Lake		
	System Number			
	First year of rate increases	2024		
<b>Financial Constants</b>				
	Return on Invested Funds	0.50	%	
	Past Inflation	3.00	%	
	Future Inflation	5.00	%	
	Future Loan Interest Rate	3.25	%	
	Future Loan fees, legal, costs	0.00	%	(Included in loan)

<b>Existing Debt</b>					
	Annual Payment	Maturity	Reserve Required	Reserve Allocated	Make Up Period
Description					
CWRPDA - SWTP Upgrades	\$ 183,140	2030	\$ 200,956	\$ 200,956	
PL General Fund Loan (Avg '24-'39)	\$ 33,476	2039	\$0	\$0	
CWRPDA - Redrill D-2R	\$ 68,168	2038	\$0	\$0	
Total	\$ 284,784		\$ 200,956	\$ 200,956	
<b>Existing Reserves</b>	Amount				
Debt Reserve	\$200,956	As per lending agreement(s)			
Operating Reserve	\$236,018	Often in Checking Account			Expenses paid
Emergency Reserve	\$181,393	Often in Savings Account			
Capital Reserve	\$0	Mostly in CDs or other investments			
Total	\$618,367				

There are \$200,956 reserved for debt service. There is no obligation as researched by the staff to hold that debt reserve amount or any amount, however it is advisable to keep these funds here and restricted.

After some research it is understood that the CWRPDA loans require 3 months of Operating Reserves. The operational expenses are \$413,943 for 2024, but there is \$236,018 in operational reserves, which is closer to 6-months of operating expenses. The model calculates 3 months of operating expenses (\$413,943 annually op ex) which means there is already \$236,018 in that account and this will be rebalanced to the CIP account.

Reserve Targets	Amount	Make Up Period	First Year Reserve Addition	Excess funds to be transfer to CIP	Goal
Debt Reserve	\$200,956	See F20:F25	\$0	\$0	As per lending agreement(
Operating Reserve	\$103,486		\$0	\$132,532	3 months Operating Expen
Emergency Reserve	\$200,000	3	\$6,202	\$0	Critical equipment replacer
Available for Capital Reserve	\$132,532	This is the total amount currently available for CIP. Transferred to CIP			
		It is the sum of what you already have in CIP and any excess funds in			

After the model rebalances these existing reserves with the reserve target, there is \$132,532 remaining unrestricted for Capital Improvements.

Note that the PL GF loan is the calculated average over the life of the loan.

Median Household Income	\$ 92,333	MHI Source	<a href="https://datausa.io/profile/geo/palmer-lake">https://datausa.io/profile/geo/palmer-lake</a>			
Growth of Consumption over Base year		Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor		-5.0%	-4.0%	-3.0%	-2.0%	-1.0%
Community Growth Factor		1.4%	1.4%	1.4%	1.4%	1.4%
Total Consumption Adjustment		-3.6%	-2.6%	-1.6%	-0.6%	0.4%
Receivable write off (% of Billing)		0.00%	0.00%	0.00%	0.00%	0.00%
Unit of Service	1000 Gallons					
Billing Cycles	Currently	Proposed				
Billing Cycle	M	M				
Billings per year	12	12				

The -5% in red above reflects a noticeable reduction in customer usage based on increased usage charges. The scenarios will likely look at reducing the quantity in the tiers and adding more tiers for usage which can reasonably have a behavior change in customers to reduce their usage. Usually, the reduced use tapers off over the years and customers return to a normal water use pattern.

## Capital Improvements Plan

The default funding of asset replacement should be considered a significant variable. Costs under the capitalization threshold are currently set at \$10,000 which means if something costs less than \$10,000 it is paid for in the operation budget and not on the list to save annually for it. This threshold should reflect how Palmer Lake spends. At the higher end of capital assets, it is more practical to save for a down payment for a loan or matching funds to secure a grant. If the town has a history of obtaining significant grants, that should be considered in the table below. The rest of the costs will assume to be funded by loans.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	10%	75%
\$1,000,001	\$9,999,999	2%	10%	83%
\$10,000,000	\$9,999,999	2%	10%	83%

Funding CIP according to the table above results in an annual reserve target of \$7.2M if we include the cost to replace the upper and lower reservoir. After speaking with the operators, they are keeping up with the reservoirs, it's in the operating budget, however the opinion of the operators is that the reservoirs will not get rebuild if something happens to them. The operations are relying more and more on ground water.

Take out the reservoir replacement costs we removing nearly \$6M annually to upkeep the reservoirs the reserve contributions are reduced to \$1,048,792 annually. This would require the revenue to nearly double and therefore the rates would need to nearly double as well.

If the reserve targets are reduced down from 5% down to 2% for the replacement costs over \$1M the resulting reserve calculation for annual contributions would be \$550,429.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%
\$10,000,000	\$9,999,999	2%	30%	68%

On the next page you can see the details of all the \$56M worth of infrastructure in the CIP.

		Year Acquir ed	Unit Cost (Historic, Current or Future)	C o st T	% Belon ging to Water	Normal Esti mat ed	Esti mated Remain ing Life							
Quantity	Asset							Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserve s	Annual Reserve Required	
Replacement of Existing Capital Assets														
REAL ESTATE														
					100%				0%	0%	100%	0	0	
1	Town Office	2002	209,700	C	25%	60	40	369,071	20%	0%	80%	1,071	1,645	
1	Town Office - Contents	2002	34,662	C	25%	60	40	61,005	100%	0%	0%	885	1,359	
1	Town Hall	1930	487,900	C	25%	60	40	858,703	10%	10%	80%	1,246	1,913	
1	Town Hall -Contents	2000	23,108	C	25%	60	40	40,670	100%	0%	0%	590	906	
1	Maintenance Building	1983	601,000	C	25%	60	20	398,658	20%	0%	80%	3,069	3,647	
1	Maintenance Building - Contents	2000	57,770	C	25%	30	7	20,322	100%	0%	0%	1,475	2,649	
VEHICLES														
					100%				0%	0%	100%	0	0	
1	Ford Truck F-250 2005 DFZ901	2005	40,000	C	100%	23	5	51,051	100%	0%	0%	4,085	9,292	
1	Dodge Ram 1500 2019 BSH031	2019	50,000	C	100%	7	3	57,881	100%	0%	0%	5,106	17,496	
1	Dodge Ram 2015 779SWQ	2015	50,000	C	100%	10	2	55,125	100%	0%	0%	5,106	24,941	
1	Chevey 1/2 Ton 2008 681RS	2014	45,000	C	100%	10	1	47,250	100%	0%	0%	4,596	42,654	
1	Chevey 1/2 Ton 2005 219CLV	2005	40,000	C	100%	19	1	42,000	100%	0%	0%	4,085	37,915	
1	John Deer Loader	2008	200,000	C	5%	25	10	16,289	100%	0%	0%	1,021	1,490	
1	Road Grader JD	2006	300,000	C	5%	25	8	22,162	100%	0%	0%	1,532	2,531	
1	Backhoe 310SJD	2008	100,000	C	5%	27	12	8,979	100%	0%	0%	511	Not Cap.	
1	Water Truck 3500 Gal Tank Frieghtliner	2005	60,000	C	5%	24	6	4,020	100%	0%	0%	306	Not Cap.	
1	Dump Truck mini International	2001	60,000	C	5%	26	4	3,647	100%	0%	0%	306	Not Cap.	
SOURCE and TREATMENT														
					100%				0%	0%	100%	0	0	
1	Spruce Mountain Pump Station D2 Well Station - 195 Spruce	1989	799,600	C	25%	60	26	710,779	10%	10%	80%	2,041	2,488	
1	High Cap Pump (1200gpm) Fire Pump Would Replace with	2007	500,000	C	100%	40	24	1,612,550	2%	10%	88%	1,021	1,226	
1	Service Pumps (300 gpm) Summit Submersible A2 Well	2018	400,000	H	100%	7	2	562,840	10%	10%	80%	4,736	25,704	
1	Well D2 Original Redrilled 1630 feet	2023	635,779	C	100%	30	30	2,747,800	2%	10%	88%	1,299	1,659	
2	Chlorinator Pump Hypo Chlorite Injection	2021	3,000	H	100%	3	1	6,946	100%	0%	0%	650	Not Cap.	
2	Rapid Filter (500 gpm filters) Media replenished	2022	11,554	H	100%	5	4	29,492	100%	0%	0%	2,431	6,710	
1	Filter Bed	2002	26,226	H	100%	60	39	489,880	20%	0%	80%	996	2,256	
1	Well A2 2233 feet deep	2002	993,900	C	100%	30	10	1,618,958	2%	10%	88%	2,030	2,963	
1	Spruce Mountain Pump Station - 201 Spruce Ave STRUCTURE	2013	1,456,400	H	100%	80	70	72,181,283	2%	10%	88%	3,998	17,218	
Surface Water Treatment														
					100%				0%	0%	100%	0	0	
	Upper Reservoir Glen Park Concrete \$20M	1905		H	100%	120	60	0	100%	0%	0%	0	Not Cap.	
	Lower Reservoir \$10M	1965		H	100%	100	60	0	100%	0%	0%	0	Not Cap.	
	Intake Structure at lower reservoir	1967	2,000,000	H	100%	100	60	0	100%	0%	0%	0	Not Cap.	
2	Stanby Generator 6.8L 48V 51Hz 30KW GENRAC	2011	20,000	C	100%	60	48	416,051	20%	0%	80%	817	1,521	
1	Sureface Water Treatment Plant - Structure	2011	2,967,600	H	100%	60	50	55,432,352	2%	10%	88%	8,642	19,399	
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	C	100%	20	15	72,762	100%	0%	0%	3,574	4,445	
3	40-HP distribution pumps one Replaced recently	2011	6,000	C	100%	12	6	24,122	100%	0%	0%	1,838	3,664	
					100%				0%	0%	100%	0	0	
2	Membrane Filter Pall skid 350 gpm Replaced 1 Module 2020	2011	1,208,527	H	100%	30	18	10,446,368	2%	10%	88%	7,039	10,731	
44	22 Modules per skid Replaced Recently	2020	92,290	H	100%	10	7	6,614,550	2%	10%	88%	9,063	17,322	
1	Electrical Controls Auto Pall Controls Lightening strike	2020	29,800	H	10%			2,980	100%	0%	0%	333	0	
					100%				0%	0%	100%	0	0	
1	SWTP Lab Equipment	2018	20,000	C	100%	5	2	22,050	100%	0%	0%	2,042	9,976	
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	C	100%	25	4	9,724	100%	0%	0%	817	Not Cap.	
6	Turbidity Analyzer Obsolete No Parts	2011	6,000	C	100%	16	4	43,758	100%	0%	0%	3,676	9,939	
	Chlorine Dioxide Generator Leased				100%				0%	0%	100%	0	0	
2	Chlorine Gas System, Regulators, injectors Measurement	2011	300,000	C	100%	40	28	2,352,077	2%	10%	88%	1,225	1,526	
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	C	100%	25	25	135,454	20%	0%	80%	817	987	
	Scada at A2 and D2 Done recently	2022	58,654	H	100%	20	19	0	100%	0%	0%	0	Not Cap.	
STORAGE														
					100%				0%	0%	100%	0	0	
1	High Zone Water Storage Tank (250,000 Gal) Concrete Burr	1985	591,500	C	100%	60	22	1,730,292	2%	10%	88%	1,208	1,437	
1	High Zone Water Storage Tank (250,000 Gal) Concrete Burr	2018	1,600,000	H	100%	60	55	29,886,697	2%	10%	88%	3,788	9,400	
1	Low Zone Water Storage Tanks (500,000 Gal) Welded Steel	1955	751,100	C	100%	75	7	1,056,873	2%	10%	88%	1,534	2,755	
1	Low Zone Water Storage Tank Booster Station	1994	377,700	C	100%	60	31	1,714,018	2%	10%	88%	771	1,000	
739	24 Inch Contact Piping 739	2013	120	C	100%	100	90	7,159,169	2%	10%	88%	181	1,262	
1,478	12 Inch 1478	2013	120	C	100%	100	90	14,318,338	2%	10%	88%	362	2,523	
7,286	Main Line (10 inches) 7286	2013	112	C	100%	100	90	65,878,561	2%	10%	88%	1,667	11,609	
6,969	Main Line (8 inches) 6969	2013	112	C	100%	100	90	63,012,310	2%	10%	88%	1,594	11,104	
86,064	Main Line (6 inches) 86064	2013	105	C	100%	100	90	729,537,704	2%	10%	88%	18,457	128,562	
9,345	Main Line (6 inches) 9345	2025	105	C	100%	100	90	79,214,652	2%	10%	88%	2,004	13,960	
5,913	Service Lines (4 inches) REPLACEMENT COVERED IN FUTURE PROJECTS				100%				0%	0%	100%	0	0	
3,432	Service Lines (2 inches) REPLACEMENT COVERED IN FUTURE PROJECTS				100%				0%	0%	100%	0	0	
Valves														
					100%				0%	0%	100%	0	0	
8	8" Gate Valves	2013	2,540	C	100%	40	30	87,822	100%	0%	0%	2,075	2,651	
156	6" Gate Valves	2013	2,090	C	100%	40	30	1,409,126	2%	10%	88%	666	851	
5	4" Gate Valves	2013	1,800	C	100%	40	30	38,897	100%	0%	0%	919	1,174	
	2" Ball Valves \$160.00				100%				0%	0%	100%	0	0	
	1" Valve \$35.00				100%				0%	0%	100%	0	0	
Fire Hydrants 166 6" Hydrants														
					100%				0%	0%	100%	0	0	
	6" Hydrants 8	1950	9,050	C	100%	80	7	0	100%	0%	0%	0	Not Cap.	
158	158 6" Hydrants these were installed/replaced when 6" PVC	2013	9,050	C	100%	80	70	43,506,746	2%	10%	88%	2,921	10,371	
5	4" Hydrants 5	2013	6,040	C	100%	80	70	918,878	10%	10%	80%	308	1,095	
Residential Meters														
					100%				0%	0%	100%	0	0	
	3/4" Meter (997)	1990	350	C	100%				0	100%	0%	0%	0	0
	1" Meters (11)	1990	600	C	100%				0	100%	0%	0%	0	0
	1.5" Meters (2)	1990	900	C	100%				0	100%	0%	0%	0	0

	2" Meter (1)		1990	1,200	C	100%			0	100%	0%	0%	0	0	
						100%				0%	0%	100%	0	0	
	Subtotal Replacement of Existing Capital Assets													132,532	487,929

Quantity	Asset	Year Acquired	Unit Cost (Current or Future)	Condition	Belonging to Water	Material Estimated	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required		
Replacement of Funded Project Assets															
1	ARPA FUNDING 2023 Project TBD Dis System Replacement	2023	259,238	C	100%	60	61	5,084,473	2%	10%	88%	259,238	0		
1	ARPA Funding 2024 Project Dis System Replacement	2024	77,938	C	100%	60	62	1,605,040	2%	10%	88%	77,938	0		
					100%				0%	0%	0%	0	0		
	Subtotal Replacement of Funded Project Assets													337,176	0

Enter Existing Reserves for Replacement of Funded Project Assets

Quantity	Asset	Year to be Purchased	Unit Cost (Current or Future)	Condition	Belonging to Water	Material Estimated	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required			
Reserves for Additional Capital Assets															
1	New Araphahoe Formation Well Priority 1	2025	4,438,264	C	100%	60	4,893,186	2%	10%	88%	0	48,810			
	Groundwater Treatment Plant Improvements (included above)	2025		C	100%	60		100%	0%	0%	0	0			
	Distribution System Replacement (Included above in line item)	2025		C	100%	60		100%	0%	0%	0	0			
1	Distribution System Looping and Reinforcement Priority	2025	1,258,932	C	100%	80	1,387,973	2%	10%	88%	0	13,845			
1	Distribution System Extension to Serve Properties on Private	2035	4,067,188	C	100%	80	7,304,085	2%	10%	88%	0	11,842			
1	Back Up Generator for Tank Pump	2030	30,000	C	100%	40	42,213	100%	0%	0%	0	5,941			
	Subtotal Reserves for Additional Capital Assets													80,438	

Enter Existing Reserves for Additional Capital Assets

Total Capital Reserves													469,708	568,366
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Before developing detailed scenarios, the reserve funding will need to be determined to reduce variables. At the meeting with the board on April 27<sup>th</sup>, they mayor asked how far into the future should we consider CIP items? For example, PVC pipe is expected to last 100 years, and the board requested to see what the effects are for considering replacement items 90, 60, and 30 years out. The version of the CIP above is considering all known and expected costs 90 years into the future.

2024	2025	2026	2027	2028
\$568,366	\$497,048	\$391,735	\$382,508	\$375,022

### CIP Limited to Items 60 Years Out

To limit the burden on current rate payers the board would like to see what the CIP results in when replacement costs are limited to 60 years into the future, this eliminated the replacement of 111K feet of PVC pipe that is expected to last into 2100.

2024	2025	2026	2027	2028
\$381,897	\$312,850	\$209,093	\$200,312	\$193,225

### CIP Limited to Items 30 Years Out

To further limit the burden on current rate payers if replacement costs are limited to 30 years into the future, this eliminated the replacement of 111K feet of PVC pipe that is expected to last into 2100 in addition to 163 fire hydrants, the Spruce Mountain Pump Station Structure, SWTP – Structure, and the (2) Standby Generators, a filter bed, the newer high zone storage tank, and Town Hall Maintenance.

2024	2025	2026	2027	2028
\$318,883	\$252,744	\$150,977	\$142,766	\$136,190

The current customers are categorized by meter size. This is related to the potential volume of water the connection can consume and base rates are based on this meter or connection size.

Current Rate Structure						
Current Customer Classes	Name of Class	Rate Structure			Schedule	
	1	Residential/Com- 3/4"	Tiered Block		A	Go to row 13
	2	Commercial/Res 1"	Tiered Block		B	Go to row 13
	3	Commercial 1.5"	Tiered Block		C	Go to row 13
	4	Commercial 2"	Tiered Block		D	Go to row 13
	5	Out of Town - 3/4"	Tiered Block		E	Go to row 13
			Rate Schedules			
Tiered Block	Meter Size	A	B	C	D	E
Base	0.625					
	0.750	\$68.23				\$68.23
	1.000		\$89.78			
	1.500			\$126.03		
	2.000				\$169.56	
Tier Break	1	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Total Revenue under Existing Rates		\$1,277,974.73	This number should closely approximate the sales nu			

The rate structure does not state that the "Out of Town" customer are billed any differently from customers within town limits. Usually a 25-50% surcharge is applied to customer outside of the towns limits. It is recommended to create a new customer class that is charged a minimum of 1.25x but recommended 1.5x their meter size base rate. Usage is left at the same rate as the rest of the customers.

Total Revenue with existing rates is calculated at \$1,277,974. The monthly revenue from the base charges is \$69,434.51 which is \$833,214 annually. The usage revenue ranges from \$24,500 to \$52,000 monthly, the total over the year is \$444,760.

My model calculates \$67,000 over the revenue reported in 2022 and from what the model is predicting with the same monthly and usage fees. This 5% discrepancy is due to the staff setting the budget for revenue conservatively.

### Budget – Without CIP

The board expressed interest to see what the raise in rates would need to be to cover year to year operational costs.

	2024	2025	2026	2027	2028
Total Annual Expenses	1,476,407	1,585,678	1,647,913	1,707,057	1,775,670
Revenue with \$68.23 Base & 3% annual increase	1,389,609	1,431,590	1,482,218	1,534,659	1,588,978
Deficit	-86,798	-154,088	-165,694	-172,397	-186,692

To balance this budget looking only at this difference in expenses vs revenue, the monthly base rate for 3/4" connections would have to be **\$80.02**. This increase is \$11.79 per month.

To save 2% for the Engineering Projects Priority One & Two together the budget will need to include \$80.436 in 2024 and 2025, then drops to \$17,783. This will require the monthly base rate to be \$92.88, or another \$12.88 per month for a total increase of \$24.67.

To add back in the cost of saving for Capital Replacements 30 years into the future requires adding to reserve contributions to the budget the base rate would need to be **\$107.92**, which is an increase of \$39.69.

## May Scenarios

## PALMER LAKE WATER RATE STUDY - MAY 2023

## Model Inputs, Explanations, and Scenarios based on Boards Direction

Water Rates by Brandewie LLC

May 23, 2023

This Document is meant to show the inputs to the model starting with the financial and model parameters, followed by the Capital Improvements Program (CIP), then budget at current rates and the projected revenue. From there scenarios will be investigated based on the directives of the board and staff.

## Parameters

<b>Parameters</b>	Enterprise	Water			
	System Name:	Palmer Lake			
	System Number				
	First year of rate increases	2024			
<b>Financial Constants</b>					
	Return on Invested Funds	0.50	%		
	Past Inflation	3.00	%		
	Future Inflation	5.00	%		
	Future Loan Interest Rate	3.25	%		
	Future Loan fees, legal, costs	0.00	%		(Included in loan)

<b>Existing Debt</b>					
	Annual Payment	Maturity	Reserve Required	Reserve Allocated	Make Up Period
Description					
CWRPDA - SWTP Upgrades	\$ 183,140	2030	\$ 200,956	\$ 200,956	
PL General Fund Loan (Avg '24-'39)	\$ 33,476	2039	\$0	\$0	
CWRPDA - Redrill D-2R	\$ 68,168	2038	\$0	\$0	
Total	\$ 284,784		\$ 200,956	\$ 200,956	
<b>Existing Reserves</b>	Amount				
Debt Reserve	\$200,956	As per lending agreement(s)			
Operating Reserve	\$236,018	Often in Checking Account			Expenses paid
Emergency Reserve	\$181,393	Often in Savings Account			
Capital Reserve	\$0	Mostly in CDs or other investments			
Total	\$618,367				

There are \$200,956 reserved for debt service. There is no obligation as researched by the staff to hold that debt reserve amount or any amount, however it is advisable to keep these funds here and



restricted. This will show potential lenders that Palmer Lake is fiscally responsible and will pay back the loans it takes out.

After some research it is understood that the CWRPDA loans require 3 months of Operating Reserves. The operational expenses are \$413,943 for 2024, but there is \$236,018 in operational reserves, which is closer to 6-months of operating expenses. The model calculates 3 months of operating expenses (\$413,943 annually op ex) which means there is already \$236,018 in that account and this will be rebalanced to the CIP account.

Reserve Targets	Amount	Make Up Period	First Year Reserve Addition	Excess funds to be transfer to CIP	Goal
Debt Reserve	\$200,956	See F20:F25	\$0	\$0	As per lending agreement
Operating Reserve	\$103,486		\$0	\$132,532	3 months Operating Expense
Emergency Reserve	\$200,000	3	\$6,202	\$0	Critical equipment replacement
Available for Capital Reserve	\$132,532	This is the total amount currently available for CIP. Transferred to CIP. It is the sum of what you already have in CIP and any excess funds in			

After the model rebalances these existing reserves with the reserve target, there is \$132,532 remaining unrestricted for Capital Improvements.

Note that the PL GF loan is the calculated average over the life of the loan.

Median Household Income	\$ 92,333	MHI Source <a href="https://datausa.io/profile/geo/palmer-lake-co">https://datausa.io/profile/geo/palmer-lake-co</a>				
Growth of Consumption over Base year		Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor		-5.0%	-4.0%	-3.0%	-2.0%	-1.0%
Community Growth Factor		1.4%	2.8%	3.2%	4.6%	6.0%
Total Consumption Adjustment		-3.6%	-1.2%	0.2%	2.6%	5.0%
Receiveable write off (% of Billing)		0.00%	0.00%	0.00%	0.00%	0.00%
Unit of Service	1000 Gallons					
Billing Cycles	Currently	Proposed				
Billing Cycle	M	M				
Billings per year	12	12				

The -5% in red above reflects a noticeable reduction in customer usage based on increased usage charges. The scenarios will likely look at reducing the quantity in the tiers and adding more tiers for usage which can reasonably have a behavior change in customers to reduce their usage. Usually, the reduced use tapers off over the years and customers return to a normal water use pattern.

### Capital Improvements Plan

The default funding of asset replacement should be considered a significant variable. Costs under the capitalization threshold are currently set at \$5,000 which means if something costs less than \$5,000 it is

paid for in the operation budget and not on the list to save annually for it. This threshold should reflect how Palmer Lake spends. At the higher end of capital assets, it is more practical to save for a down payment for a loan or matching funds to secure a grant. GMS suggest that Palmer Lake would NOT likely qualify for significant grants and suggested 10 to 15% grant would be the maximum. The rest of the costs will assume to be funded by loans. The scenarios researched further along in this document will show several scenarios and each of those scenarios will show the effects of no grant along with 10% grant.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	0%	90%
\$1,000,001	\$9,999,999	5%	0%	98%
\$10,000,000	\$9,999,999	5%	0%	98%
<b>Capitalization Threshold</b>		Any asset purchased below this value is not		
	\$ 5,000			

Funding CIP according to the table above results in an annual reserve target of \$7.2M if we include the cost to replace the upper and lower reservoirs and future all known/anticipated costs. After speaking with the operators, they are keeping up with the reservoirs, it's in the operating budget, however the opinion of the operators is that the reservoirs will not get rebuild if something happens to them, that likely mode of failure will be filling in with silt displacing reservoir volume. The operations are relying more and more on ground water.



Take out the reservoir replacement costs we removing nearly \$6M annually to upkeep the reservoirs the reserve. After a public board meeting and discussion, it was decided to only consider CIP line items that project only 30 years into the future. With these determinations, the contributions are reduced to \$457,987 annually. Which is approximately a 35% increase.

If the reserve targets are reduced down from 5% down to 2% for the replacement costs over \$1M the resulting reserve calculation for annual contributions would be \$310,807. This is approximately a 25% increase to the required revenue for CIP contributions only.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%
\$10,000,000	\$9,999,999	2%	30%	68%

On the next page you can see the details of the infrastructure in the CIP that is on the 30-year horizon and not any further.

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (H, C, F)	% Belonging to Water	Normal Estimated Life	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>													
<b>REAL ESTATE</b>													
					100%				0%	0%	100%	0	0
1	Maintenance Building	1983	601,000	C	25%	60	20	398,658	20%	0%	80%	5,230	3,539
1	Maintenance Building - Contents	2000	57,770	C	25%	30	7	20,322	100%	0%	0%	2,514	2,501
<b>VEHICLES</b>													
					100%				0%	0%	100%	0	0
1	Ford Truck F-250 2005 DFZ901	2005	40,000	C	100%	23	5	51,051	100%	0%	0%	6,962	8,716
1	Dodge Ram 1500 2019 BSH031	2019	50,000	C	100%	7	3	57,881	100%	0%	0%	8,703	16,297
1	Dodge Ram 2015 779SWQ	2015	50,000	C	100%	10	2	55,125	100%	0%	0%	8,703	23,142
1	Chevy 1/2 Ton 2008 681RS	2014	45,000	C	100%	10	1	47,250	100%	0%	0%	7,832	39,418
1	Chevy 1/2 Ton 2005 219CLV	2005	40,000	C	100%	19	1	42,000	100%	0%	0%	6,962	35,038
1	John Deer Loader	2008	200,000	C	5%	25	10	16,289	100%	0%	0%	1,741	1,419
1	Road Grader JD	2006	300,000	C	5%	25	8	22,162	100%	0%	0%	2,611	2,396
1	Backhoe 310SJD	2008	100,000	C	5%	27	12	8,979	100%	0%	0%	870	655
1	Water Truck 3500 Gal Tank Freightliner	2005	60,000	C	5%	24	6	4,020	100%	0%	0%	522	Not Cap.
1	Dump Truck mini International	2001	60,000	C	5%	26	4	3,647	100%	0%	0%	522	Not Cap.
<b>SOURCE and TREATMENT</b>													
					100%				0%	0%	100%	0	0
1	Spruce Mountain Pump Station D2 Well Station - 195 Spru	1989	799,600	C	25%	60	26	710,779	10%	10%	80%	3,479	2,433
1	High Cap Pump (1200gpm) Fire Pump Would Replace with	2007	500,000	C	100%	40	24	1,612,550	2%	10%	88%	1,741	1,196
1	Service Pumps (300 gpm) Summit Submersible A2 Well	2018	400,000	H	100%	7	2	562,840	10%	10%	80%	8,071	24,036
1	Well D2 Original Redrilled 1630 feet	2023	635,779	C	100%	30	30	2,747,800	2%	10%	88%	2,213	1,629
1	Chlorinator Pump Hypo Chlorite Injection (2)	2021	3,000	H	100%	3	1	3,473	100%	0%	0%	554	Not Cap.
2	Rapid Filter (500 gpm filters) Media replenished (2)	2022	13,554	H	100%	5	4	34,597	100%	0%	0%	4,860	7,370
1	Well A2 2233 feet deep	2002	993,900	C	100%	30	10	1,618,958	2%	10%	88%	3,460	2,820
<b>Surface Water Treatment</b>													
					100%				0%	0%	100%	0	0
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	C	100%	20	15	72,762	100%	0%	0%	6,092	4,277
3	40-HP distribution pumps one Replaced recently (3)	2011	6,000	C	100%	12	6	24,122	100%	0%	0%	3,133	3,448
					100%				0%	0%	100%	0	0
1	Membrane Filter Pall skid 350 gpm Replaced 1 Module 202	2011	1,208,527	H	100%	30	18	5,223,184	2%	10%	88%	5,998	5,228
44	22 Modules per skid Replaced Recently (44)	2020	9,229	H	100%	10	7	661,455	10%	10%	80%	7,723	8,205
1	Electrical Controls Auto Pall Controls Lightening strike	2020	29,800	H	10%			2,980	100%	0%	0%	567	0
					100%				0%	0%	100%	0	0
1	SWTP Lab Equipment	2018	20,000	C	100%	5	2	22,050	100%	0%	0%	3,481	9,257
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	C	100%	25	4	9,724	100%	0%	0%	1,392	2,065
6	Turbidity Analyzer Obsolete No Parts (6)	2011	6,000	C	100%	16	4	43,758	100%	0%	0%	6,266	9,291
2	Chlorine Gas System, Regulators, injectors Measurement	2011	300,000	C	100%	40	28	2,352,077	2%	10%	88%	2,089	1,495
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	C	100%	25	25	135,454	20%	0%	80%	1,392	964
1	Scada at A2 and D2 Done recently	2022	58,654	H	100%	20	19	155,627	20%	0%	80%	2,103	1,455
<b>STORAGE</b>													
					100%				0%	0%	100%	0	0
1	High Zone Water Storage Tank (250,000 Gal) Concrete Bur	1985	591,500	C	100%	60	22	1,730,292	2%	10%	88%	2,059	1,398
1	Low Zone Water Storage Tanks (500,000 Gal) Welded Stee	1955	751,100	C	100%	75	7	1,056,873	2%	10%	88%	2,615	2,601
1	Low Zone Water Storage Tank Booster Station	1994	377,700	C	100%	60	31	1,714,018	2%	10%	88%	1,315	983
<b>DISTRIBUTION system maps from GMS</b>													
					100%				0%	0%	100%	0	0
8	8" Gate Valves (8)	2013	2,540	C	100%	40	30	87,822	100%	0%	0%	3,537	2,603
156	6" Gate Valves (156)	2013	2,090	C	100%	40	30	1,409,126	2%	10%	88%	1,135	835
5	4" Gate Valves (5)	2013	1,800	C	100%	40	30	38,897	100%	0%	0%	1,566	1,153
<b>Fire Hydrants 166 6" Hydrants</b>													
					100%				0%	0%	100%	0	0
8	6" Hydrants 8	1950	9,050	C	100%	80	7	101,874	20%	0%	80%	2,520	2,507
<b>Subtotal Replacement of Existing Capital Assets</b>													
												132,532	230,369

Quantity	Asset	Year Acquired	Unit Cost (Current or Future)	st Type (C)	Belonging to (W)	mal Estimated (E)	mate d Rem ainin	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Funded Project Assets</b>													
1	ARPA FUNDING 2023 Project TBD Dis System Replacement	2023	259,238	C	100%	60	61	5,084,473	2%	10%	88%	259,238	0
1	ARPA Funding 2024 Project Dis System Replacement	2024	77,938	C	100%	60	62	1,605,040	2%	10%	88%	77,938	0
<b>Subtotal Replacement of Funded Project Assets</b>												<b>337,176</b>	<b>0</b>
Enter Existing Reserves for Replacement of Funded Project Assets 													
Quantity	Asset	Year to be Purchased	Unit Cost (Current or Future)	st Type (C)	Belonging to (W)	mal Estimated (E)		Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Reserves for Additional Capital Assets</b>													
1	<b>New Araphahoe Formation Well Priority 1</b>	<b>2025</b>	<b>4,438,264</b>	<b>C</b>	<b>100%</b>	<b>60</b>		<b>4,893,186</b>	<b>2%</b>	<b>10%</b>	<b>88%</b>	<b>0</b>	<b>48,810</b>
	Groundwater Treatment Plant Improvements (included above)	2025		C	100%	60			100%	0%	0%	0	
	Distribution System Replacement (Included above in line item)	2025		C	100%	60			100%	0%	0%	0	
1	<b>Distribution System Looping and Reinforcement Prior</b>	<b>2025</b>	<b>1,258,932</b>	<b>C</b>	<b>100%</b>	<b>80</b>		<b>1,387,973</b>	<b>2%</b>	<b>10%</b>	<b>88%</b>	<b>0</b>	<b>13,845</b>
1	Distribution System Extension to Serve Properties on Private	2035	4,067,188	C	100%	80		7,304,085	2%	10%	88%	0	11,842
1	Back Up Generator for Tank Pump	2030	30,000	C	100%	40		42,213	100%	0%	0%	0	5,941
<b>Subtotal Reserves for Additional Capital Assets</b>													<b>80,438</b>
Enter Existing Reserves for Additional Capital Assets 													
<b>Total Capital Reserves</b>													<b>310,807</b>

Before developing detailed scenarios, the reserve funding was selected to reduce variables. At the meeting with the board on April 27<sup>th</sup>, the mayor asked how far into the future should CIP items be considered? For example, PVC pipe is expected to last up to 100 years, and the board requested to see what the effects are for considering replacement items 90, 60, and 30 years out. The version of the CIP above is considering all known and expected costs 30 years into the future. However, since the analysis was investigated previously, the summary of 90, 60, and 30-years considerations is shown below. Note that this analysis was done with 10% grants assumed and further below it shows 30-year CIP with 0% grant and updated SRF interest rates.

Years into Future	2024	2025	2026	2027	2028
90 years	\$568,366	\$497,048	\$391,735	\$382,508	\$375,022
60 years	\$381,897	\$312,850	\$209,093	\$200,312	\$193,225
30 years	\$310,807	\$244,445	\$143,317	\$135,289	\$126,747

### CIP Limited to Items 30 Years Out

To limit the burden on current rate payers, replacement costs are limited to 30 years into the future, this eliminates the replacement of 111K feet of PVC pipe that is expected to last into the year 2100 in addition to 163 fire hydrants, the Spruce Mountain Pump Station Structure, SWTP – Structure, and the (2) Standby Generators, a filter bed, the newer high zone storage tank, and Town Hall Maintenance.

2024	2025	2026	2027	2028
\$318,883	\$252,744	\$150,977	\$142,766	\$136,190

The current customers are categorized by meter size. This is related to the potential volume of water the connection can consume and base rates are based on this meter or connection size.

Current Rate Structure						
Current Customer Classes	Name of Class	Rate Structure			Schedule	
1	Residential/Com- 3/4"	Tiered Block			A	Go to row 13
2	Commercial/Res 1"	Tiered Block			B	Go to row 13
3	Commercial 1.5"	Tiered Block			C	Go to row 13
4	Commercial 2"	Tiered Block			D	Go to row 13
5	Out of Town - 3/4"	Tiered Block			E	Go to row 13
		Rate Schedules				
Tiered Block	Meter Size	A	B	C	D	E
Base	0.625					
	0.750	\$68.23				\$68.23
	1.000		\$89.78			
	1.500			\$126.03		
	2.000				\$169.56	
Tier Break	1	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Total Revenue under Existing Rates		\$1,277,974.73	This number should closely approximate the sales nu			

The rate structure does not state that the "Out of Town" customer are billed any differently from customers within town limits, for this reason the \$68.23 is highlighted in red font. Usually a 25-50% surcharge is applied to customer outside of the town's limits. It is recommended to create a new customer class that is charged a minimum of 1.25x but recommended 1.5x their meter size base rate. Usage is left at the same rate as the rest of the customers. For all scenarios considered the handful of out of town customers are being charged 1.5x the base rate.

Total Revenue with existing rates is calculated at \$1,277,974. The monthly revenue from the base charges is \$69,434.51 which is \$833,214 annually. The usage revenue ranges from \$24,500 to \$52,000 monthly, the total usage revenue over the year is \$444,760.

The model, at current rates and tiers, calculated \$67,000 over the revenue reported in 2022 and from what the model is predicting with the same monthly and usage fees. This 5% discrepancy is due to the staff setting the budget for revenue conservatively.

### Budget – Without CIP

The board expressed interest to see what the raise in rates would need to be to cover year to year operational costs. The table below takes out all contribution to CIP reserves with 0% grants but still shows deficits year over year.

	2024	2025	2026	2027	2028
Total Annual Expenses	\$1,476,407	\$1,585,678	\$1,927,909	\$1,987,053	\$2,055,666
Revenue at \$68.23 Base & 3% increases	\$1,389,609	\$1,438,314	\$1,491,139	\$1,551,038	\$1,613,289
Deficit	-\$86,798	-\$147,364	-\$436,770	-\$436,014	-\$442,378

Looking only at this difference in operating expenses vs revenue from user fees, the monthly base rate for residential 3/4" connections would have to go up to **\$93.60**. This increase is \$25.37 per month for residential customers.

To save 2% for the Engineering Projects Priorities 1 & 2 together the budget will need to include \$80,438 in 2024 and 2025, and to save for capital replacement items within 30 years the reserve requirements are \$230,369. This will require the monthly base rate to be **\$108.38**, or an additional \$14.78 per month for a total increase of \$40.15.

### Scenario 0 – Existing Rates

In this scenario, the existing base rate is shown to be increasing at 3%, annually, tiers will remain the same. Grants are assumed to be 0%. To show the effects of annual increases to base and usage (current tiers) 5% and 10% are summarized.

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$107.50				\$161.25		\$107.50
		1.000		\$141.45				\$141.45	\$141.45
		1.500			\$198.57				
	2.000				\$267.15				
Tier Break	1	4,999	4,999	4,999	4,999	4,999	4,999	4,999	
(All yellow cells in this	2	9,999	9,999	9,999	9,999	9,999	9,999	9,999	
Tier Break table must	3	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999	9,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5			
	Base		3.00%	3.00%	3.00%	3.00%			
	Usage		3.00%	3.00%	3.00%	3.00%			
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
TOTAL EXPENSES		\$1,787,214	\$1,830,123	\$2,103,872	\$2,154,988	\$2,215,060	\$10,091,257		
TOTAL REVENUE		\$1,880,299	\$1,944,025	\$2,012,201	\$2,088,051	\$2,166,741	\$10,091,317		
NET LOSS OR GAIN: (Short/Over to Reserves)		\$93,085	\$113,902	-\$91,671	-\$66,938	-\$48,318	\$60		
NET CASH FLOW (Contribution to Reserves)		\$410,094	\$364,549	\$57,848	\$68,351	\$78,428	\$979,271		
Affordability assuming MHI of \$92333 for residential meters.		1.81%	1.88%	1.94%	2.01%	2.09%			
Are you putting enough money in reserves?	Yes	Yes	No	No	No				
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes				

At various percentage annual increase, the ¾" residential base rates will increase according to the following table. For sake of labeling, we can call them Scenario 1.03, Scenario 1.05 and Scenario 1.10.

Annual Increase	2023	2024	2025	2026	2027	2028
3% to Base	\$68.23	\$107.50	\$110.73	\$114.05	\$117.47	\$120.99
3% Average Res Bill w Usage	\$102.41	\$140.36	\$145.48	\$150.39	\$155.87	\$161.55
5% Base	\$68.23	\$101.82	\$106.91	\$112.26	\$117.87	\$123.76
5% Average Res Bill w Usage	\$102.41	\$134.68	\$142.34	\$150.02	\$158.55	\$167.56
10% to Base	\$68.23	\$88.60	\$97.46	\$107.21	\$117.93	\$129.72
10% Average Res Bill w Usage	\$102.41	\$121.46	\$134.57	\$148.65	\$164.70	\$182.47

## Scenario 2

A typical avenue to explore in a rate study is increasing the number of tiers and tier prices. Currently the rate structure has the first tier 0-5,000 gallons at \$8.40/1000 gallons, the second 5,001-10,000 gallons at \$10.08 and \$12.10/1000 gallons after that. There are only 3 tiers, here in this scenario more tiers will be added to investigate the results. The average residential usage from actual historical data from Palmer Lake customers shows that the overall average throughout the year is **3,714 gallons** per month. This varies month to month. According to the EPA National average for residential use is 300 gallons per day which is 9,125 gallons per month. According to the town of Castle Rock, 4,000 gallons is the average monthly residential consumption.

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3205	2943	2653	4015	3443	4398	4904	4466	4572	3854	3225	2891

The new rates should encourage conservation of water. There are many benefits to encouraging conservation from chemical use on a daily operational cost to the reduced need for infrastructure like a new tank, a new well or more treatment capacity. In this scenario the first tier selected is below the average which at 3,000 gallons. The first tier goes up to 3,000 gallons and then increases every 1,000 gallons and the price per tier raises 15% each tier, annual increases are set at 3%.



		Rate Schedules						
Tiered Block	Meter Size	A	B	C	D	E	F	G
	0.750	\$79.75				\$119.63		\$79.75
	1.000		\$104.94				\$104.94	\$104.94
	1.500			\$147.31				
	2.000				\$198.19			
Tier Break		1	2,999	2,999	2,999	2,999	2,999	2,999
(All yellow cells in this		2	3,999	3,999	3,999	3,999	3,999	3,999
Tier Break table must		3	4,999	4,999	4,999	4,999	4,999	4,999
contain data.)		4	5,999	5,999	5,999	5,999	5,999	5,999
		5	6,999	6,999	6,999	6,999	6,999	6,999
		6	7,999	7,999	7,999	7,999	7,999	7,999
		7	8,999	8,999	8,999	8,999	8,999	8,999
		8	10,999	99,999,999	99,999,999	99,999,999	99,999,999	10,999
Usage Rate per 1000 Gallons		1	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
		2	\$13.23	\$13.23	\$13.23	\$13.23	\$13.23	\$13.23
		3	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21
		4	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49
		5	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11
		6	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13
		7	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
		8	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base		3.00%	3.00%	3.00%	3.00%		
	Usage		3.00%	3.00%	3.00%	3.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,787,214	\$1,830,123	\$2,103,872	\$2,154,988	\$2,215,060	\$10,091,257	
TOTAL REVENUE		\$1,858,405	\$1,933,831	\$2,009,205	\$2,098,389	\$2,191,413	\$10,091,243	
NET LOSS OR GAIN: (Short/Over to Reserves)		\$71,191	\$103,708	-\$94,667	-\$56,600	-\$23,647	-\$15	
NET CASH FLOW (Contribution to Reserves)		\$388,201	\$354,355	\$54,852	\$78,690	\$103,100	\$979,197	
Affordability assuming MHI of \$92333 for residential meters.		1.73%	1.81%	1.87%	1.95%	2.04%		
Are you putting enough money in reserves?	Yes	Yes	No	No	No			
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes			

	2024	2025	2026	2027	2028
Base Rate	\$79.75	\$82.14	\$84.61	\$87.14	\$89.76
Average Bill with Usage	\$135.42	\$141.31	\$146.65	\$153.01	\$159.65
Base Rate if 10% Grant on CIP	\$78.66	\$81.02	\$83.45	\$85.95	\$88.53
Average Bill with Usage if 10% Grant on CIP	\$134.33	\$140.18	\$145.49	\$151.82	\$158.42

For 2024 this scenario would generate \$975,808 in revenue from the base rates, and another \$745,186 from usage. There is a reduction in usage anticipated at 5% factored into the model for this year, however with such a steep increase according to usage the customers usage behavior may decrease more dramatically which could end up generating less revenue for the system overall.



### Scenario 3

The previous scenario increased tiers and prices on usage very steeply. Here the tiers prices will step up at 15% however the tier volumes will only be increasing every 3000 gallons.

Tiered Block	Meter Size	Rate Schedules						G
		A	B	C	D	E	F	
	0.750	\$86.82				\$130.23		\$86.82
	1.000		\$114.24				\$114.24	\$114.24
	1.500			\$160.37				
	2.000				\$215.76			
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	2,999	2,999	2,999	2,999	2,999	2,999	2,999
	2	5,999	5,999	5,999	5,999	5,999	5,999	5,999
	3	8,999	8,999	8,999	8,999	8,999	8,999	8,999
	4	11,999	11,999	11,999	11,999	11,999	11,999	11,999
	5	14,999	14,999	14,999	14,999	14,999	14,999	14,999
	6	17,999	17,999	17,999	17,999	17,999	17,999	17,999
	7	20,999	20,999	20,999	20,999	20,999	20,999	20,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
	2	\$13.23	\$13.23	\$13.23	\$13.23	\$13.23	\$13.23	\$13.23
	3	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21
	4	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49
	5	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11
	6	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13
	7	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	8	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base		3.00%	3.00%	3.00%	3.00%		
	Usage		3.00%	3.00%	3.00%	3.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,787,214	\$1,830,123	\$2,103,872	\$2,154,988	\$2,215,060	\$10,091,257	
TOTAL REVENUE		\$1,865,729	\$1,937,233	\$2,010,178	\$2,094,839	\$2,182,964	\$10,090,943	
NET LOSS OR GAIN: (Short/Over to Reserves)		\$78,515	\$107,111	-\$93,695	-\$60,150	-\$32,095	-\$314	
NET CASH FLOW (Contribution to Reserves)		\$395,524	\$357,758	\$55,825	\$75,139	\$94,651	\$978,898	
Affordability assuming MHI of \$92333 for residential meters.		1.75%	1.82%	1.89%	1.96%	2.04%		
Are you putting enough money in reserves?		Yes	Yes	No	No	No		
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes		

	2024	2025	2026	2027	2028
Base Rate	\$86.82	\$89.42	\$92.11	\$94.87	\$97.72
Average Bill with Usage	\$136.70	\$142.29	\$147.46	\$153.49	\$159.75
Base Rate if 10% Grant on CIP	\$85.75	\$88.32	\$90.97	\$93.70	\$96.51
Average Bill with Usage if 10% Grant on CIP	\$135.63	\$141.19	\$146.33	\$152.32	\$158.55

#### Scenario 4

At the board meeting on 5-11-2023 the board expressed interest in seeing where the tiers have to increase to leave the base fees where they are. There is no single answer to this question so more variation of annual increase will be explored. Assume 0% grants for CIP. Tiers volumes start at 3,000 gallons then go up by 2,000 gallons each tier until 15,000 where prices will remain at the highest price per 1,000 gallons.

With the first tier at \$8.40/1,000 gallons the increase would require each tier price increase by 37.5%. Notice that the last tier, above 15,000 gallons the price per gallon is over the cost of just the base rate.

Tiered Block	Meter Size	Rate Schedules						
		A	B	C	D	E	F	G
	0.750	\$68.23				\$102.35		\$68.23
	1.000		\$89.78				\$89.78	\$89.78
	1.500			\$126.03				
	2.000				\$169.56			
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	2,999	2,999	2,999	2,999	2,999	2,999	2,999
	2	4,999	4,999	4,999	4,999	4,999	4,999	4,999
	3	6,999	6,999	6,999	6,999	6,999	6,999	6,999
	4	8,999	8,999	8,999	8,999	8,999	8,999	8,999
	5	10,999	10,999	10,999	10,999	10,999	10,999	10,999
	6	12,999	12,999	12,999	12,999	12,999	12,999	12,999
	7	14,999	14,999	14,999	14,999	14,999	14,999	14,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$11.55	\$11.55	\$11.55	\$11.55	\$11.55	\$11.55	\$11.55
	3	\$15.88	\$15.88	\$15.88	\$15.88	\$15.88	\$15.88	\$15.88
	4	\$21.84	\$21.84	\$21.84	\$21.84	\$21.84	\$21.84	\$21.84
	5	\$30.03	\$30.03	\$30.03	\$30.03	\$30.03	\$30.03	\$30.03
	6	\$41.29	\$41.29	\$41.29	\$41.29	\$41.29	\$41.29	\$41.29
	7	\$56.77	\$56.77	\$56.77	\$56.77	\$56.77	\$56.77	\$56.77
	8	\$78.05	\$78.05	\$78.05	\$78.05	\$78.05	\$78.05	\$78.05
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base		3.00%	3.00%	3.00%	3.00%		
	Usage		3.00%	3.00%	3.00%	3.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,787,214	\$1,830,123	\$2,103,872	\$2,154,988	\$2,215,060	\$10,091,257	
TOTAL REVENUE		\$1,842,578	\$1,926,875	\$2,007,799	\$2,107,375	\$2,211,731	\$10,096,358	
NET LOSS OR GAIN: (Short/Over to Reserves)		\$55,364	\$96,752	-\$96,074	-\$47,614	-\$3,328	\$5,101	
NET CASH FLOW (Contribution to Reserves)		\$372,374	\$347,399	\$53,446	\$87,675	\$123,418	\$984,312	
Affordability assuming MHI of \$92333 for residential meters:		1.59%	1.67%	1.74%	1.82%	1.91%		

## June Scenarios

### Scenario 1

**From:** Kevin Dreher <[kdreher@palmer-lake.org](mailto:kdreher@palmer-lake.org)>

**Sent:** Sunday, June 4, 2023 10:18 PM

**To:** Dawn Collins <[dawn@palmer-lake.org](mailto:dawn@palmer-lake.org)>; Glant Havenar <[ghavenar@palmer-lake.org](mailto:ghavenar@palmer-lake.org)>

**Subject:** Fw: Board of Trustees Virtual Workshop 6/7

*Number of customers at level of usage?*

Start	End	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
0	2000	328	357	406	363	349	268
2001	5000	496	493	478	483	428	413
5001	8000	118	105	81	105	145	171
8001	12000	39	28	22	30	51	89
12001	24000	9	10	7	9	17	48
24001	+	4	1	2	6	6	7
<b>Totals</b>		<b>994</b>	<b>994</b>	<b>996</b>	<b>996</b>	<b>996</b>	<b>996</b>

Dawn,

Above is the information you sent me regarding users based on the tiers I requested. Our current base rates are \$45.88 for a 3/4" line, \$65.47 for a 1" line, \$98.43 for a 1.5" line, and \$138.00 for a two-inch line. Water usage rates are \$.0084/gal for 1-4999 gallons, \$.01008/gal for 5000-9999, and \$.01210/gal for 10,000 - 99999.

Can you ask Chris to run the following scenario:

Base rates to be \$50.47 (*increase of \$4.59*) for a 3/4", \$72.02 (*increase of \$6.55*) for a 1", \$108.27 (*Increase \$9.84*) for a 1.5", and \$151.8 (*increase \$13.80*) for a two-inch line. This represents a 10% increase for each line.

For the tiers, increase rates for residential and commercial users to the following:

0-1000 gallon \$0 - included in base rate. This will protect our elderly  
 1001-2000 gallons - \$.00900 per gallon  
 2001-5000 gallons - \$.01200 per gallon  
 5001-8000 gallons - \$.01400 per gallon  
 8001-12,000 gallons - \$.0150 per gallon  
 12,001 - 24,000 gallons - \$.016 per gallon  
 24,000 + gallons - \$.017 per gallon

Chris could use the middle point of each tier to keep it simple.

I have read through Chris's presentation a few times and it is like reading a textbook. It would be very beneficial for at least me to see what a scenario looks like. I don't need all the other information. I know where we are at. I know we have a serious shortfall that needs to be addressed.

		Rate Schedules						
Tiered Block	Meter Size	A	B	C	D	E	F	G
	0.750	\$72.82				\$109.23		\$72.82
	1.000		\$96.33				\$96.33	\$96.33
	1.500			\$135.87				
	2.000				\$183.36			
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
	3	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
	4	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
	5	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
	6	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
	7	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
	8	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5			
	Base	5.00%	5.00%	5.00%	5.00%			
	Usage	5.00%	5.00%	5.00%	5.00%			
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,787,214	\$1,830,123	\$2,103,872	\$2,154,988	\$2,215,060	\$10,091,257	
TOTAL REVENUE		\$1,540,795	\$1,628,639	\$1,721,143	\$1,827,231	\$1,939,659	\$8,657,468	
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$246,419	-\$201,483	-\$382,729	-\$327,758	-\$275,401	-\$1,433,789	
NET CASH FLOW (Contribution to Reserves)		\$70,591	\$49,164	-\$233,210	-\$192,469	-\$148,654	-\$454,578	
Affordability assuming MHI of \$92333 for residential meters.		1.43%	1.52%	1.61%	1.71%	1.82%		
Are you putting enough money in reserves?		No	No	No	No	No		
Positive Annual Cash Flow?		Yes	Yes	No	No	No		

## Scenario 2

Dawn Collins

Jun 6, 2023, 3:27 PM (15 hours ago)

to me

Chris, FYI –

Mayor and one Trustee were in today and talked through a few questions/ideas re: water.

The following should be noted and addressed for the workshop on Wednesday –

- The 0–1000 (tier) should only be at no cost when someone is less than the 1000 gl (not all users) *Ill have to think about if possible, how to program that into my model. Before we spend much time on that we should determine if your billing software compute that automatically or if that will take human effort each month.*
- Could you break down the fees based on the Amcobi bill (line items – base, capital, loan, etc.)? *Not easily done at this point with all the scenario and moving parts. This can be done for the final report.*
- How much more should capital improvement be to meet the funding needs of Priority One and Two? (Though I believe you provided this in your last version.)

**Budget – Without CIP**

The board expressed interest to see what the raise in rates would need to be to cover year to year operational costs.

	2024	2025	2026	2027	2028
Total Annual Expenses	1,476,407	1,585,678	1,647,913	1,707,057	1,775,670
Revenue with \$68.23 Base & 3% annual increase	1,389,609	1,431,590	1,482,218	1,534,659	1,588,978
Deficit	-86,798	-154,088	-165,694	-172,397	-186,692

To balance this budget looking only at this difference in expenses vs revenue, the monthly base rate for 3/4" connections would have to be **\$80.02**. This increase is \$11.79 per month.

To save 2% for the Engineering Projects Priority 1 & 2 together the budget will need to include \$80,436 in 2024 and 2025, then drops to \$17,783. This will require the monthly base rate to be \$92.88, or another \$12.88 per month for a total increase of \$24.67.

To add back in the cost of saving for Capital Replacements 30 years into the future requires adding to reserve contributions to the budget the base rate would need to be **\$107.92**, which is an increase of \$39.69.

Comments from meeting.

DO KEVINS SCENARIOS plus this one.

Irrigation accounts 50%

0-1000 included in base should be for residential customers

Commercial should increase at 50% of the residential base



## July Scenarios

## PALMER LAKE WATER RATE STUDY - MAY 2023

## Model Inputs, Explanations, and Scenarios based on Boards Direction

Water Rates by Brandewie LLC

July 12, 2023

This Document is meant to show the inputs to the model starting with the financial and model parameters, followed by the Capital Improvements Program (CIP), then budget at current rates and the projected revenue. From there scenarios will be investigated based on the directives of the board and staff.

## Parameters

<b>Parameters</b>	Enterprise	Water			
	System Name:	Palmer Lake			
	System Number				
	First year of rate increases	2024			
<b>Financial Constants</b>					
	Return on Invested Funds	0.50	%		
	Past Inflation	3.00	%		
	Future Inflation	5.00	%		
	Future Loan Interest Rate	3.25	%		
	Future Loan fees, legal, costs	0.00	%		(Included in loan)

<b>Existing Debt</b>					
	Annual Payment	Maturity	Reserve Required	Reserve Allocated	Make Up Period
Description					
CWRPDA - SWTP Upgrades	\$ 183,140	2030	\$ 200,956	\$ 200,956	
PL General Fund Loan (Avg '24-'39)	\$ 33,476	2039	\$0	\$0	
CWRPDA - Redrill D-2R	\$ 68,168	2038	\$0	\$0	
Total	\$ 284,784		\$ 200,956	\$ 200,956	
<b>Existing Reserves</b>	Amount				
Debt Reserve	\$200,956	As per lending agreement(s)			
Operating Reserve	\$236,018	Often in Checking Account			Expenses paid
Emergency Reserve	\$181,393	Often in Savings Account			
Capital Reserve	\$0	Mostly in CDs or other investments			
Total	\$618,367				

There are \$200,956 reserved for debt service. There is no obligation as researched by the staff to hold that debt reserve amount or any amount, however it is advisable to keep these funds here and

restricted. This will show potential lenders that Palmer Lake is fiscally responsible and will pay back the loans it takes out.

After some research it is understood that the CWRPDA loans require 3 months of Operating Reserves. The operational expenses are \$413,943 for 2024, but there is \$236,018 in operational reserves, which is closer to 6-months of operating expenses. The model calculates 3 months of operating expenses (\$413,943 annually op ex) which means there is already \$236,018 in that account and this will be rebalanced to the CIP account.

Reserve Targets	Amount	Make Up Period	First Year Reserve Addition	Excess funds to be transfer to CIP	Goal
Debt Reserve	\$200,956	See F20:F25	\$0	\$0	As per lending agreemen
Operating Reserve	\$103,486		\$0	\$132,532	3 months Operating Expe
Emergency Reserve	\$200,000	3	\$6,202	\$0	Critical equipment replac
Available for Capital Reserve	\$132,532	This is the total amount currently available for CIP. Transferred to CIP. It is the sum of what you already have in CIP and any excess funds i			

After the model rebalances these existing reserves with the reserve target, there is \$132,532 remaining unrestricted for Capital Improvements.

Note that the PL GF loan is the calculated average over the life of the loan.

Median Household Income	\$ 92,333	MHI Source	<a href="https://datausa.io/profile/geo/palmer-lake-co">https://datausa.io/profile/geo/palmer-lake-co</a>				
Growth of Consumption over Base year		Year 1	Year 2	Year 3	Year 4	Year 5	
Conservation Factor		-5.0%	-4.0%	-3.0%	-2.0%	-1.0%	
Community Growth Factor		1.4%	2.8%	3.2%	4.6%	6.0%	Accumulative
Total Consumption Adjustment		-3.6%	-1.2%	0.2%	2.6%	5.0%	
Receiveable write off (% of Billing)		0.00%	0.00%	0.00%	0.00%	0.00%	
Unit of Service	1000 Gallons						The total individual per EQR
Billing Cycles	Currently	Proposed					
Billing Cycle	M	M					
Billings per year	12	12					

The -5% in red above reflects a noticeable reduction in customer usage based on increased usage charges. The scenarios will likely look at reducing the quantity in the tiers and adding more tiers for usage which can reasonably have a behavior change in customers to reduce their usage. Usually, the reduced use tapers off over the years and customers return to a normal water use pattern.

### Capital Improvements Plan

The default funding of asset replacement should be considered a significant variable. Costs under the capitalization threshold are currently set at \$5,000 which means if something costs less than \$5,000 it is

paid for in the operation budget and not on the list to save annually for it. This threshold should reflect how Palmer Lake spends. At the higher end of capital assets, it is more practical to save for a down payment for a loan or matching funds to secure a grant. GMS suggest that Palmer Lake would NOT likely qualify for significant grants and suggested 10 to 15% grant would be the maximum. The rest of the costs will assume to be funded by loans. The scenarios researched further along in this document will show several scenarios and each of those scenarios will show the effects of no grant along with 10% grant.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	0%	90%
\$1,000,001	\$9,999,999	5%	0%	98%
\$10,000,000	\$9,999,999	5%	0%	98%
<b>Capitalization Threshold</b>		Any asset purchased below this value is not		
	\$ 5,000			

Funding CIP according to the table above results in an annual reserve target of \$7.2M if we include the cost to replace the upper and lower reservoirs and future all known/anticipated costs. After speaking with the operators, they are keeping up with the reservoirs, it's in the operating budget, however the opinion of the operators is that the reservoirs will not get rebuild if something happens to them, that likely mode of failure will be filling in with silt displacing reservoir volume. The operations are relying more and more on ground water.

Take out the reservoir replacement costs we removing nearly \$6M annually to upkeep the reservoirs the reserve. After a public board meeting and discussion, it was decided to only consider CIP line items that project only 30 years into the future. With these determinations, the contributions are reduced to \$457,987 annually. Which is approximately a 35% increase.

If the reserve targets are reduced down from 5% down to 2% for the replacement costs over \$1M the resulting reserve calculation for annual contributions would be \$313,616. This is approximately a 25% increase to the required revenue for CIP contributions only.

Default Funding of Asset Replacements				
Replacement Value From	To	Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%
\$10,000,000	\$9,999,999	2%	30%	68%

On the next page you can see the details of the infrastructure in the CIP that is on the 30-year horizon and not any further.

Quantity	Asset	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (H, C, F)	% Belonging to Water	Normal Estimated Life	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Existing Capital Assets</b>													
<b>REAL ESTATE</b>													
					100%				0%	0%	100%	0	0
1	Maintenance Building	1983	601,000	C	25%	60	20	398,658	20%	0%	80%	5,230	3,539
1	Maintenance Building - Contents	2000	57,770	C	25%	30	7	20,322	100%	0%	0%	2,514	2,501
<b>VEHICLES</b>													
					100%				0%	0%	100%	0	0
1	Ford Truck F-250 2005 DFZ901	2005	40,000	C	100%	23	5	51,051	100%	0%	0%	6,962	8,716
1	Dodge Ram 1500 2019 BSH031	2019	50,000	C	100%	7	3	57,881	100%	0%	0%	8,703	16,297
1	Dodge Ram 2015 779SWQ	2015	50,000	C	100%	10	2	55,125	100%	0%	0%	8,703	23,142
1	Chevy 1/2 Ton 2008 681RS	2014	45,000	C	100%	10	1	47,250	100%	0%	0%	7,832	39,418
1	Chevy 1/2 Ton 2005 219CLV	2005	40,000	C	100%	19	1	42,000	100%	0%	0%	6,962	35,038
1	John Deer Loader	2008	200,000	C	5%	25	10	16,289	100%	0%	0%	1,741	1,419
1	Road Grader JD	2006	300,000	C	5%	25	8	22,162	100%	0%	0%	2,611	2,396
1	Backhoe 310SJD	2008	100,000	C	5%	27	12	8,979	100%	0%	0%	870	655
1	Water Truck 3500 Gal Tank Freightliner	2005	60,000	C	5%	24	6	4,020	100%	0%	0%	522	Not Cap.
1	Dump Truck mini International	2001	60,000	C	5%	26	4	3,647	100%	0%	0%	522	Not Cap.
<b>SOURCE and TREATMENT</b>													
					100%				0%	0%	100%	0	0
1	Spruce Mountain Pump Station D2 Well Station - 195 Spru	1989	799,600	C	25%	60	26	710,779	10%	10%	80%	3,479	2,433
1	High Cap Pump (1200gpm) Fire Pump Would Replace with	2007	500,000	C	100%	40	24	1,612,550	2%	10%	88%	1,741	1,196
1	Service Pumps (300 gpm) Summit Submersible A2 Well	2018	400,000	H	100%	7	2	562,840	10%	10%	80%	8,071	24,036
1	Well D2 Original Redrilled 1630 feet	2023	635,779	C	100%	30	30	2,747,800	2%	10%	88%	2,213	1,629
1	Chlorinator Pump Hypo Chlorite Injection (2)	2021	3,000	H	100%	3	1	3,473	100%	0%	0%	554	Not Cap.
2	Rapid Filter (500 gpm filters) Media replenished (2)	2022	13,554	H	100%	5	4	34,597	100%	0%	0%	4,860	7,370
1	Well A2 2233 feet deep	2002	993,900	C	100%	30	10	1,618,958	2%	10%	88%	3,460	2,820
<b>Surface Water Treatment</b>													
					100%				0%	0%	100%	0	0
1	Amiad 130 Micron Pre-Strainer 1999 replaced 2018	2018	35,000	C	100%	20	15	72,762	100%	0%	0%	6,092	4,277
3	40-HP distribution pumps one Replaced recently (3)	2011	6,000	C	100%	12	6	24,122	100%	0%	0%	3,133	3,448
					100%				0%	0%	100%	0	0
1	Membrane Filter Pall skid 350 gpm Replaced 1 Module 202	2011	1,208,527	H	100%	30	18	5,223,184	2%	10%	88%	5,998	5,228
44	22 Modules per skid Replaced Recently (44)	2020	9,229	H	100%	10	7	661,455	10%	10%	80%	7,723	8,205
1	Electrical Controls Auto Pall Controls Lightening strike	2020	29,800	H	10%			2,980	100%	0%	0%	567	0
					100%				0%	0%	100%	0	0
1	SWTP Lab Equipment	2018	20,000	C	100%	5	2	22,050	100%	0%	0%	3,481	9,257
1	Chlorine Analyzer Obsolete No Parts	2002	8,000	C	100%	25	4	9,724	100%	0%	0%	1,392	2,065
6	Turbidity Analyzer Obsolete No Parts (6)	2011	6,000	C	100%	16	4	43,758	100%	0%	0%	6,266	9,291
2	Chlorine Gas System, Regulators, injectors Measurement	2011	300,000	C	100%	40	28	2,352,077	2%	10%	88%	2,089	1,495
1	SCADA Replace PLC at GWTP Replacing this now?	2023	40,000	C	100%	25	25	135,454	20%	0%	80%	1,392	964
1	Scada at A2 and D2 Done recently	2022	58,654	H	100%	20	19	155,627	20%	0%	80%	2,103	1,455
<b>STORAGE</b>													
					100%				0%	0%	100%	0	0
1	High Zone Water Storage Tank (250,000 Gal) Concrete Bur	1985	591,500	C	100%	60	22	1,730,292	2%	10%	88%	2,059	1,398
1	Low Zone Water Storage Tanks (500,000 Gal) Welded Stee	1955	751,100	C	100%	75	7	1,056,873	2%	10%	88%	2,615	2,601
1	Low Zone Water Storage Tank Booster Station	1994	377,700	C	100%	60	31	1,714,018	2%	10%	88%	1,315	983
<b>DISTRIBUTION system maps from GMS</b>													
					100%				0%	0%	100%	0	0
8	8" Gate Valves (8)	2013	2,540	C	100%	40	30	87,822	100%	0%	0%	3,537	2,603
156	6" Gate Valves (156)	2013	2,090	C	100%	40	30	1,409,126	2%	10%	88%	1,135	835
5	4" Gate Valves (5)	2013	1,800	C	100%	40	30	38,897	100%	0%	0%	1,566	1,153
<b>Fire Hydrants 166 6" Hydrants</b>													
					100%				0%	0%	100%	0	0
8	6" Hydrants 8	1950	9,050	C	100%	80	7	101,874	20%	0%	80%	2,520	2,507
<b>Subtotal Replacement of Existing Capital Assets</b>													
												132,532	230,369

Quantity	Asset	Year Acquired	Unit Cost (Current or Future)	st Type (C)	Belonging to Water	mal Estimated	ated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Replacement of Funded Project Assets</b>													
1	ARPA FUNDING 2023 Project TBD Dis System Replacement	2023	259,238	C	100%	60	61	5,084,473	2%	0%	98%	259,238	0
1	ARPA Funding 2024 Project Dis System Replacement	2024	77,938	C	100%	60	62	1,605,040	2%	0%	98%	77,938	0
<b>Subtotal Replacement of Funded Project Assets</b>												<b>337,176</b>	<b>0</b>
Enter Existing Reserves for Replacement of Funded Project Assets													
Quantity	Asset	Year to be Purchased	Unit Cost (Current or Future)	st Type (C)	Belonging to Water	mal Estimated		Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
<b>Reserves for Additional Capital Assets</b>													
1	New Arapahoe Well & Dist Sys Loop Reinforce Priority	2025	5,952,600	C	100%	60		6,562,742	2%	0%	98%	0	65,464
	Groundwater Treatment Plant Improvements (Included above)	2025		C	100%	60			100%	0%	0%	0	0
	Distribution System Replacement (Included above in line item)	2025		C	100%	60			100%	0%	0%	0	0
					100%	80			0%	0%	0%	0	0
1	Distribution System Extension to Serve Properties on Private	2035	4,067,188	C	100%	80		7,304,085	2%	0%	98%	0	11,842
1	Back Up Generator for Tank Pump	2030	30,000	C	100%	40		42,213	100%	0%	0%	0	5,941
<b>Subtotal Reserves for Additional Capital Assets</b>													<b>83,247</b>
Enter Existing Reserves for Additional Capital Assets													
<b>Total Capital Reserves</b>													<b>313,616</b>

Before developing detailed scenarios, the reserve funding was selected to reduce variables. At the meeting with the board on April 27<sup>th</sup>, the mayor asked how far into the future should CIP items be considered? For example, PVC pipe is expected to last up to 100 years, and the board requested to see what the effects are for considering replacement items 90, 60, and 30 years out. The version of the CIP above is considering all known and expected costs 30 years into the future.

### CIP Items 30 Years Out

To limit the burden on current rate payers, replacement costs are limited to 30 years into the future, this eliminates the replacement of 111K feet of PVC pipe that is expected to last into the year 2100 in addition to 163 fire hydrants, the Spruce Mountain Pump Station Structure, SWTP – Structure, and the (2) Standby Generators, a filter bed, the newer high zone storage tank, and Town Hall Maintenance.

2024	2025	2026	2027	2028
\$313,616	\$247,253	\$143,317	\$135,289	\$126,747

Note that the reserve contributions decrease, however this is due to items on the CIP, being purchased with a large percentage loan and so debt service will be going up.

The current customers are categorized by meter size. This is related to the potential volume of water the connection can consume and base rates are based on this meter or connection size.

Current Rate Structure						
Current Customer Classes	Name of Class	Rate Structure			Schedule	
	1	Residential/Com- 3/4"	Tiered Block		A	Go to row 13
	2	Commercial/Res 1"	Tiered Block		B	Go to row 13
	3	Commercial 1.5"	Tiered Block		C	Go to row 13
	4	Commercial 2"	Tiered Block		D	Go to row 13
	5	Out of Town - 3/4"	Tiered Block		E	Go to row 13
			Rate Schedules			
Tiered Block	Meter Size	A	B	C	D	E
	Base	0.625				
		0.750	\$68.23			\$68.23
		1.000	\$89.78			
		1.500		\$126.03		
		2.000			\$169.56	
	Tier Break	1	4,999	4,999	4,999	4,999
(All yellow cells in this		2	9,999	9,999	9,999	9,999
Tier Break table must		3	9,999,999	9,999,999	9,999,999	9,999,999
		8	99,999,999	99,999,999	99,999,999	99,999,999
	Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40
		2	\$10.08	\$10.08	\$10.08	\$10.08
		3	\$12.10	\$12.10	\$12.10	\$12.10
		8	\$12.10	\$12.10	\$12.10	\$12.10
Total Revenue under Existing Rates		\$1,277,974.73	This number should closely approximate the sales nu			

The rate structure does not state that the "Out of Town" customer are billed any differently from customers within town limits, for this reason the \$68.23 is highlighted in red font. Usually a 25-50% surcharge is applied to customer outside of the town's limits. It is recommended to create a new customer class that is charged a minimum of 1.25x but recommended 1.5x their meter size base rate. Usage is left at the same rate as the rest of the customers. For all scenarios considered the handful of out of town customers are being charged 1.5x the base rate.

Total Revenue with existing rates is calculated at \$1,277,974. The monthly revenue from the base charges is \$69,434.51 which is \$833,214 annually. The usage revenue ranges from \$24,500 to \$52,000 monthly, the total usage revenue over the year is \$444,760.

The model, at current rates and tiers, calculated \$67,000 over the revenue reported in 2022 and from what the model is predicting with the same monthly and usage fees. This 5% discrepancy is due to the staff setting the budget for revenue conservatively.

### Budget – Without CIP

The board expressed interest to see what the raise in rates would need to be to cover year to year operational costs. The table below takes out all contribution to CIP reserves with 0% grants but still shows deficits year over year.

	2024	2025	2026	2027	2028
Total Annual Expenses (without CIP)	\$1,476,407	\$1,585,678	\$1,927,909	\$1,987,053	\$2,055,666
Revenue at \$68.23 Base & 5% increases	\$1,494,634	\$1,582,244	\$1,673,742	\$1,779,925	\$1,892,718
<b>Deficit</b>	\$18,227	(\$3,434)	(\$254,167)	(\$207,128)	(\$162,948)

Looking only at this difference in operating expenses vs revenue from user fees, the monthly base rate for residential 3/4" connections would have to go up to **\$88.25**. This increase is \$20.02 per month for residential customers.

To save 2% for the Engineering Projects Priorities 1 & 2 together in 2025, a new generator in 2030 and extension of the distribution system in 2035 the budget will need to include \$83,247 in 2024 and 2025. This amounts to \$65,464 for the Priority 1 & 2 and then in 2026, this drops to \$17,783. Additionally, to save for capital replacement of existing items within 30 years the reserve requirements is \$230,369 in 2024. This will require the monthly base rate to be **\$102.55**, or an additional \$14.30 per month for a total increase of \$34.32.

## Scenario 0 – Existing Rates

In this scenario, the existing base rate is shown to be increasing at 5%, annually, starting with \$71.64 in 2024 (68.23x1.05) tiers will remain the same. Grants are assumed to be 0%.

Tiered Block	Meter Size	A	B	C	D	E	F	G
	0.750	\$71.64				\$107.46		\$71.64
	1.000		\$94.27				\$94.27	\$94.27
	1.500			\$132.33				
	2.000				\$178.03			
Tier Break	1	4,999	4,999	4,999	4,999	4,999	4,999	4,999
(All yellow cells in this Tier Break table must contain data.)	2	9,999	9,999	9,999	9,999	9,999	9,999	9,999
	3	6,000	6,000	6,000	6,000	6,000	6,000	6,000
	4	9,000	9,000	9,000	9,000	9,000	9,000	9,000
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000
	6	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	7	20,000	20,000	20,000	20,000	20,000	20,000	20,000
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
	2	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08	\$10.08
	3	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	4	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	5	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	6	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	7	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
	8	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10	\$12.10
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base		5.00%	5.00%	5.00%	5.00%		
	Usage		5.00%	5.00%	5.00%	5.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091	
TOTAL REVENUE		\$1,441,364	\$1,518,230	\$1,601,485	\$1,694,926	\$1,793,735	\$8,049,740	
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$348,658	-\$314,702	-\$516,793	-\$474,468	-\$435,730	-\$2,090,351	
NET CASH FLOW (Contribution to Reserves)		-\$28,840	-\$61,246	-\$367,274	-\$339,179	-\$308,983	-\$1,105,522	
Affordability assuming MHI of \$92333 for residential meters.		1.35%	1.43%	1.50%	1.59%	1.69%		
Are you putting enough money in reserves?	No	No	No	No	No	No		
Positive Annual Cash Flow?	No	No	No	No	No	No		

At 5% percentage annual increase, the ¾” residential base rates will increase according to the following table.

Annual Increase	2023	2024	2025	2026	2027	2028
5% Base	\$68.23	\$71.64	\$75.22	\$78.98	\$82.93	\$87.08
5% Average Res Bill w Usage	\$102.41	\$104.48	\$110.63	\$116.73	\$123.60	\$130.86



## Scenario 2

A typical avenue to explore in a rate study is increasing the number of tiers and tier prices. Currently the rate structure has the first tier 0-5,000 gallons at \$8.40/1000 gallons, the second 5,001-10,000 gallons at \$10.08 and \$12.10/1000 gallons after that. There are only 3 tiers, here in this scenario more tiers will be added to investigate the results. The average residential usage from actual historical data from Palmer Lake customers shows that the overall average throughout the year is **3,714 gallons** per month. This varies month to month. Monthly residential averages are shown below. According to the EPA National average for residential use is 300 gallons per day which is 9,125 gallons per month. According to the town of Castle Rock, 4,000 gallons is the average monthly residential consumption.

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3205	2943	2653	4015	3443	4398	4904	4466	4572	3854	3225	2891

The new rates should encourage conservation of water. There are many benefits to encouraging conservation from chemical use on a daily operational cost to the reduced need for infrastructure like a new tank, a new well or more treatment capacity. In this scenario the first tier selected is below the average which at 3,000 gallons. The first tier goes up to 3,000 gallons and then increases every 1,000 gallons and the price per tier raises 15% each tier, annual increases are set at 3%.

Tiered Block	Meter Size	Rate Schedules						
		A	B	C	D	E	F	G
	0.750	\$75.15					\$112.73	\$75.15
	1.000		\$98.89					\$98.89
	1.500			\$138.81				
	2.000				\$186.76			
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	2,999	2,999	2,999	2,999	2,999	2,999	2,999
	2	3,999	3,999	3,999	3,999	3,999	3,999	3,999
	3	4,999	4,999	4,999	4,999	4,999	4,999	4,999
	4	5,999	5,999	5,999	5,999	5,999	5,999	5,999
	5	6,999	6,999	6,999	6,999	6,999	6,999	6,999
	6	7,999	7,999	7,999	7,999	7,999	7,999	7,999
	7	8,999	8,999	8,999	8,999	8,999	8,999	8,999
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons	1	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
	2	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23	\$12.23
	3	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21	\$15.21
	4	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49	\$17.49
	5	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11	\$20.11
	6	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13	\$23.13
	7	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	8	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59	\$30.59
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5		
	Base Usage		5.00%	5.00%	5.00%	5.00%		
Results of the new rates		2024	2025	2026	2027	2028	5 Years	
	TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091	
	TOTAL REVENUE	\$1,797,584	\$1,904,681	\$2,015,003	\$2,143,143	\$2,279,327	\$10,139,737	
	NET LOSS OR GAIN: (Short/Over to Reserves)	\$7,561	\$71,750	-\$103,274	-\$26,251	\$49,862	-\$353	
	NET CASH FLOW (Contribution to Reserves)	\$327,379	\$325,206	\$46,245	\$109,038	\$176,608	\$984,476	
	Affordability assuming MHI of \$92333 for residential meters.	1.67%	1.77%	1.88%	2.00%	2.12%		
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes		
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes		

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Base Rate	\$75.15	\$78.90	\$82.85	\$86.99	\$91.34
Average Bill with Usage	\$130.45	\$138.82	\$146.90	\$156.31	\$166.32
Base Rate if 10% Grant on CIP	\$74.05	\$77.75	\$81.64	\$85.72	\$90.00
Average Bill with Usage if 10% Grant on CIP	\$129.36	\$137.67	\$145.69	\$155.04	\$164.98

For 2024 this scenario would generate \$906,076 in revenue from the base rates, and another \$740,649 from usage. There is a reduction in usage anticipated at 5% factored into the model for this year, however with such a steep increase according to usage the customers usage behavior may decrease more dramatically which could end up generating less revenue for the system overall.

### Scenario 3.1 – Kevin Dreher Suggested Scenario - 10% increase to Monthly Base Rate

Can you ask Chris to run the following scenario:

Base rates to be \$50.47 (increase of \$4.59) for a 3/4", \$72.02 (increase of \$6.55) for a 1", \$108.27 (Increase \$9.84) for a 1.5", and \$151.8 (increase \$13.80) for a two-inch line. This represents a 10% increase for each line.

For the tiers, increase rates for residential and commercial users to the following:

0-1000 gallon \$0 - included in base rate. This will protect our elderly

1001-2000 gallons - \$.00900 per gallon

2001-5000 gallons - \$.01200 per gallon

5001-8000 gallons - \$.01400 per gallon

8001-12,000 gallons - \$.0150 per gallon

12,001 - 24,000 gallons - \$.016 per gallon

24,000 + gallons - \$.017 per gallon

This is based on what TOPL calls the "Base Rate." In the rate study I call the entire \$68.23 the base fee because we also have a usage fee and as discussed in previous meeting there is no option to pay only part of the "Base Rate" portion of the "Total Minimum Bill" as broken down below. The term "Total Minimum Bill" is not the best descriptor since in addition to this total minimum there is also a usage charge.

Per Resolution 13 of 2023, Water Usage Rates shall be increased 7% to rates shown below:

Tap Size	WATER RATES			
	3/4"	1"	1 1/2"	2"
Monthly Base Rate	\$ 45.88	\$ 65.47	\$ 98.43	\$ 138.00
Capital Improvement Fee	\$ 4.59	\$ 6.55	\$ 9.84	\$ 13.80
Water Loan Payment	\$ 17.76	\$ 17.76	\$ 17.76	\$ 17.76
<b>TOTAL MINIMUM BILL</b>	<b>\$ 68.23</b>	<b>\$ 89.78</b>	<b>\$ 126.03</b>	<b>\$ 169.56</b>
	WATER USAGE RATES			
	min. gallons	max. gallons	\$ per gallon	\$ per 100 gal
	1	4999	\$ 0.00840	\$ 0.840
	5000	9999	\$ 0.01008	\$ 1.008
	10000	99999	\$ 0.01210	\$ 1.210

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$72.82				\$109.23		\$72.82
		1.000		\$96.33				\$96.33	\$96.33
		1.500			\$135.87				
	2.000				\$183.36				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	
	3	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	
	4	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
	5	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
	6	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	
	7	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
	8	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5				
	Base Usage	5.00%	5.00%	5.00%	5.00%				
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
	TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
	TOTAL REVENUE	\$1,475,465	\$1,558,344	\$1,646,300	\$1,746,806	\$1,853,302	\$8,280,217		
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$314,558	-\$274,588	-\$471,977	-\$422,587	-\$376,163	-\$1,859,874		
	NET CASH FLOW (Contribution to Reserves)	\$5,260	-\$21,132	-\$322,458	-\$287,298	-\$249,416	-\$875,045		
Affordability assuming MHI of \$92333 for residential meters.		1.37%	1.45%	1.53%	1.63%	1.73%			
Are you putting enough money in reserves?	No	No	No	No	No	No			
Positive Annual Cash Flow?	Yes	No	No	No	No	No			

This suggested scenarios increases the Monthly minimum bill (minus Cap Imp Fee, minus the Loan Payment) by 10% and this does not cover all the costs to operate the system, contribute to reserves and pay current and anticipated future debt.

	2024	2025	2026	2027	2028
Base Rate	\$72.82	\$76.46	\$80.28	\$84.30	\$88.51
Average Bill with Usage	\$106.39	\$112.96	\$119.38	\$126.74	\$134.55

### Scenario 3.2

Since the scenario suggested by Kevin Dreher leaves deficit above \$1.8M after five years, this scenario looks to find the  $\frac{3}{4}$ " base rate that balances the budget. The tier volumes and tier prices are the same as Scenario 3.1.

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$100.35				\$150.53		\$100.35
		1.000		\$132.04				\$132.04	\$132.04
		1.500			\$185.36				
	2.000				\$249.38				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	
	3	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	
	4	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
	5	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
	6	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	
	7	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
	8	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	
Growth Factor of Rates	Base Usage	Year 2	Year 3	Year 4	Year 5				
		5.00%	5.00%	5.00%	5.00%				
		5.00%	5.00%	5.00%	5.00%				
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
TOTAL REVENUE		\$1,812,189	\$1,911,904	\$2,017,539	\$2,136,606	\$2,262,592	\$10,140,830		
NET LOSS OR GAIN: (Short/Over to Reserves)		\$22,166	\$78,972	-\$100,739	-\$32,787	\$33,127	\$739		
NET CASH FLOW (Contribution to Reserves)		\$341,984	\$332,428	\$48,780	\$102,502	\$159,874	\$985,568		
Affordability assuming MHI of \$92333 for residential meters.		1.72%	1.83%	1.93%	2.04%	2.16%			
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes			
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes			

This results in a  $\frac{3}{4}$ " base rate or what TOPL calls Total Minimum Bill of \$100.35/month. That is a 47% increase in the base rate. The table below shows the base rate increasing at 5% beyond this proposed adjustment and the average monthly bill when usage is included.

	2024	2025	2026	2027	2028
Base Rate	\$100.35	\$105.37	\$110.64	\$116.17	\$121.98
Average Bill with Usage	\$133.92	\$141.87	\$149.73	\$158.61	\$168.02

### Scenario 3.3

Since scenario 3.1 suggested by Kevin Dreher leaves deficit above \$1.8M after five years, and scenario 3.2 results in a 47% increase in the base rate or Total Minimum Fee, we look here at this variation (scenario 3.2) to keep the suggested tier volumes but adjust the tier prices.

Tiered Block	Meter Size	Rate Schedules							
		A	B	C	D	E	F	G	
		0.750	\$90.00				\$135.00		\$90.00
		1.000		\$118.43				\$118.43	\$118.43
		1.500			\$166.24				
	2.000				\$223.66				
Tier Break  (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
	3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	4	8,000	8,000	8,000	8,000	8,000	8,000	8,000	
	5	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
	6	24,000	24,000	24,000	24,000	24,000	24,000	24,000	
	7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
	8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	
Usage Rate per 1000 Gallons	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	2	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	
	3	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	
	4	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	
	5	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	
	6	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	
	7	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	
	8	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5			
	Base		5.00%	5.00%	5.00%	5.00%			
	Usage		5.00%	5.00%	5.00%	5.00%			
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
TOTAL EXPENSES		\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
TOTAL REVENUE		\$1,805,356	\$1,908,869	\$2,016,899	\$2,140,544	\$2,271,595	\$10,143,262		
NET LOSS OR GAIN: (Short/Over to Reserves)		\$15,333	\$75,937	-\$101,379	-\$28,850	\$42,130	\$3,172		
NET CASH FLOW (Contribution to Reserves)		\$335,152	\$329,393	\$48,140	\$106,439	\$168,877	\$988,001		
Affordability assuming MHI of \$92333 for residential meters.		1.70%	1.80%	1.91%	2.02%	2.15%			
Are you putting enough money in reserves?		Yes	Yes	No	No	Yes			
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes			

	2024	2025	2026	2027	2028
Base Rate	\$90.00	\$94.50	\$99.23	\$104.18	\$109.40
Average Bill with Usage	\$132.43	\$140.62	\$148.61	\$157.79	\$167.51

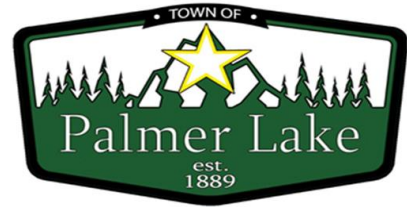
## Scenario 4

At the board meeting on 5-11-2023 the board did not come to a consensus about giving the restaurants a discount, but expressed interest in seeing what happens if the commercial customers are given a discount in the form of any rate increase only being 50% of  $\frac{3}{4}$ " residential increases. This is a starting point and for comparison with Scenario 3.3 the tiers and tier prices are the same as developed just above.

Proposed Customer Classes	Name of Class	Rate Structure	Schedule						
	1 Residential- 3/4"	Tiered Block	A	Go to row 69 and enter the Tiered Block Rates.					
	2 Commercial/Res-1"	Tiered Block	B	Go to row 69 and enter the Tiered Block Rates.					
	3 Commercial-1.5"	Tiered Block	C	Go to row 69 and enter the Tiered Block Rates.					
	4 Commercial-2"	Tiered Block	D	Go to row 69 and enter the Tiered Block Rates.					
	5 Out of Town - 3/4" 1.5x Res	Tiered Block	E	Go to row 69 and enter the Tiered Block Rates.					
	6 Irrigation Acct 1"	Tiered Block	F	Go to row 123 and enter the Tiered Block Rates.					
	7 Restraunts	Tiered Block	G	Go to row 123 and enter the Tiered Block Rates.					
	8 Commercial	Tiered Block	H	Go to row 123 and enter the Tiered Block Rates.					
Rate Schedules									
Tiered Block	Meter Size	A	B	C	D	E	F	G	H
	0.750	\$90.00				\$135.00		\$90.00	\$79.12
	1.000		\$118.43				\$118.43	\$118.43	\$93.33
	1.500			\$166.24					\$117.24
	2.000				\$223.66				\$145.95
(All yellow cells in this Tier Break table must contain data.)	Tier Break	1	1,000	1,000	1,000	1,000	1,000	1,000	1,000
		2	2,000	2,000	2,000	2,000	2,000	2,000	2,000
		3	5,000	5,000	5,000	5,000	5,000	5,000	5,000
		4	8,000	8,000	8,000	8,000	8,000	8,000	8,000
		5	12,000	12,000	12,000	12,000	12,000	12,000	12,000
		6	24,000	24,000	24,000	24,000	24,000	24,000	24,000
		7	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
		8	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999	99,999,999
Usage Rate per 1000 Gallons		1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		2	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
		3	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50
		4	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50
		5	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00
		6	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
		7	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
		8	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00	\$23.00
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5				
	Base Usage	5.00%	5.00%	5.00%	5.00%				
The Town as rate schedule increase of 3%									
Results of the new rates		2024	2025	2026	2027	2028	5 Years		
	TOTAL EXPENSES	\$1,790,023	\$1,832,931	\$2,118,278	\$2,169,394	\$2,229,465	\$10,140,091		
	TOTAL REVENUE	\$1,796,749	\$1,899,831	\$2,007,409	\$2,130,580	\$2,261,133	\$10,095,702		
	NET LOSS OR GAIN: (Short/Over to Reserves)	\$6,726	\$66,900	-\$110,869	-\$38,814	\$31,668	-\$44,389		
	NET CASH FLOW (Contribution to Reserves)	\$326,544	\$320,356	\$38,651	\$96,475	\$158,414	\$940,440		
	Affordability assuming MHI of \$92333 for residential meters.	1.70%	1.80%	1.91%	2.02%	2.15%			
Are you putting enough money in reserves?	Yes	Yes	No	No	Yes				
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes				

The Town as  
rate schedule  
increase of 3%

This scenario results in over \$40,000 less revenue compared with Scenario 3.3.



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Authorize IGA with CDOT for the Spruce Mountain Road Improvement Design Beginning in 2024
<b>Presented by:</b> Town Administrator /Clerk		

**Background**

The Town of Palmer Lake is fortunate for the grant funds provided through PPACG for roadway improvement. Many of the improvement projects that are taking place would not be possible without these funds. It is with enthusiasm that staff requests approval of the enclosed resolution to authorize an IGA with CDOT to begin the design work for Spruce Mountain Road in 2024. Funds awarded for this project are \$ for design and subsequently \$ for construction in 2024-25.

**Recommended Action**

Approve the Resolution to authorize the IGA with CDOT for the Spruce Mountain Road improvement project.



**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 80-2023**

**A RESOLUTION TO AUTHORIZE SIGNING AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH CDOT FOR THE SPRUCE MOUNTAIN ROAD IMPROVEMENT PROJECT, PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town Board of Trustees has authority over agreements for the Town; and

**WHEREAS**, the Town was awarded STIP funds for the design and construction of the Spruce Mountain Road Improvement project; and

**WHEREAS**, the Town is required to enter into an IGA with CDOT for the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes signature to the IGA with CDOT as described in the attached exhibit.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

**STATE OF COLORADO INTERGOVERNMENTAL AGREEMENT****Signature and Cover Page**

<b>State Agency</b> Department of Transportation			<b>Agreement Routing Number</b> 24-HA2-XC-00258
<b>Local Agency</b> TOWN OF PALMER LAKE			<b>Agreement Effective Date</b> The later of the effective date or November 07, 2023
<b>Agreement Description</b> Palmer Lake Spruce Mountain Road Improvements.			<b>Agreement Expiration Date</b> November 06, 2033
<b>Project #</b> STM M026- 007 (25948)	<b>Region #</b> 2	<b>Contract Writer</b> CM	<b>Agreement Maximum Amount</b> \$1,499,996.00

**THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT**

Each person signing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement and to bind the Party authorizing his or her signature.

<b>LOCAL AGENCY</b> TOWN OF PALMER LAKE  _____ Signature  _____ By: (Print Name and Title)  Date: _____	<b>STATE OF COLORADO</b> Jared S. Polis, Governor Department of Transportation Shoshana M. Lew, Executive Director  _____ Keith Stefanik, P.E., Chief Engineer  Date: _____
2nd State or Local Agency Signature if Needed  _____ Signature  _____ By: (Print Name and Title)  Date: _____	<b>LEGAL REVIEW</b> Philip J. Weiser, Attorney General  _____ Assistant Attorney General  _____ By: (Print Name and Title)  Date: _____
<p>In accordance with §24-30-202 C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p><b>STATE CONTROLLER</b> <b>Robert Jaros, CPA, MBA, JD</b></p> <p>By: _____ Department of Transportation</p> <p>Effective Date: _____</p>	

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EXHIBIT D, LOCAL AGENCY RESOLUTION  
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EXHIBIT Q, SLFRF REPORTING MODIFICATION FORM  
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EXHIBIT S, PII CERTIFICATION  
EXHIBIT T, CHECKLIST OF REQUIRED EXHIBITS DEPENDENT ON FUNDING SOURCE

**1. PARTIES**

This Agreement is entered into by and between Local Agency named on the Signature and Cover Page for this Agreement (“Local Agency”), and the STATE OF COLORADO acting by and through the State agency named on the Signature and Cover Page for this Agreement (the “State” or “CDOT”). Local Agency and the State agree to the terms and conditions in this Agreement.

**2. TERM AND EFFECTIVE DATE****A. Effective Date**

This Agreement shall not be valid or enforceable until the Effective Date, and Agreement Funds shall be expended within the dates shown in **Exhibit C** for each respective phase (“Phase Performance Period(s)”). The State shall not be bound by any provision of this Agreement before the Effective Date, and shall have no obligation to pay Local Agency for any Work performed or expense incurred before 1) the Effective Date of this original Agreement; except as described in **§7.D**; 2) before the encumbering document for the respective phase *and* the official Notice to Proceed for the respective phase; or 3) after the Final Phase Performance End Date, as shown in **Exhibit C**. Additionally, the State shall have no obligation to pay Local Agency for any Work performed or expense incurred after the Agreement Expiration Date or after required billing deadline specified in **§7.B.i.e.**, or the expiration of “Special Funding” if applicable, whichever is sooner. The State’s obligation to pay Agreement Funds exclusive of Special Funding will continue until the Agreement Expiration Date. If Agreement Funds expire before the Agreement Expiration Date, then no payments will be made after expiration of Agreement Funds.

**B. Initial Term and Extension**

The Parties’ respective performances under this Agreement shall commence on the Agreement Effective Date shown on the Signature and Cover Page for this Agreement and shall terminate on November 6, 2033, as shown on the Signature and Cover Page for this Agreement, unless sooner terminated or further extended in accordance with the terms of this Agreement. Upon request of Local Agency, the State may, in its sole discretion, extend the term of this Agreement by Option Letter pursuant **§7.E.iv**. If the Work will be performed in multiple phases, the period of performance start and end date of each phase is detailed under the Project Schedule in **Exhibit C**.

**C. Early Termination in the Public Interest**

The State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of the State, and this ARPA Award is not appropriated, or otherwise become unavailable to fund this ARPA Award the State, in its discretion, may terminate this Agreement in whole or in part. This subsection shall not apply to a termination of this Agreement by the State for breach by Local Agency, which shall be governed by **§14.A.i**.

**i. Method and Content**

The State shall notify Local Agency by providing written notice to Local Agency of the termination and be in accordance with **§16**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Agreement.

**ii. Obligations and Rights**

Upon receipt of a termination notice for termination in the public interest, Local Agency shall be subject to **§14.A.i.a**

**iii. Payments**

If the State terminates this Agreement in the public interest, the State shall pay Local Agency an amount equal to the percentage of the total reimbursement payable under this Agreement that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Agreement is less than 60% completed, as determined by the State, the State may reimburse Local Agency for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Agreement, incurred by Local Agency which are directly attributable to the uncompleted portion of Local Agency’s obligations, provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Local Agency hereunder. This subsection shall not apply to a termination of this ARPA Award by the State for breach by Local Agency.

**D. Local Agency Termination Under Federal Requirements**

Local Agency may request termination of the ARPA Award by sending notice to the State, which includes the effective date of the termination. If this ARPA Award is terminated in this manner, then Local Agency shall return any advanced payments made for work that will not be performed prior to the effective date of the termination.

**3. AUTHORITY**

Authority to enter into this Agreement exists in the law as follows:

A. Federal Authority

Pursuant to Title I, Subtitle A, of the “Fixing America’s Surface Transportation Act” (FAST Act) of 2015, and to applicable provisions of Title 23 of the United States Code and implementing regulations at Title 23 of the Code of Federal Regulations, as may be amended, (collectively referred to hereinafter as the “Federal Provisions”), certain federal funds have been and are expected to continue to be allocated for transportation projects requested by Local Agency and eligible under the Surface Transportation Improvement Program that has been proposed by the State and approved by the Federal Highway Administration (“FHWA”).

Pursuant to Title VI of the Social Security Act, Section 602 of the “Coronavirus State and Local Fiscal Recovery Funds”, a part of the American Rescue Plan, provides state, local and Tribal governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery.

B. State Authority

Pursuant to CRS §43-1-223 and to applicable portions of the Federal Provisions, the State is responsible for the general administration and supervision of performance of projects in the Program, including the administration of federal funds for a Program project performed by a Local Agency under a contract with the State. This Agreement is executed under the authority of CRS §§29-1-203, 43-1-110; 43-1-116, 43-2-101(4)(c) and 43-2-104.5.

#### 4. PURPOSE

The purpose of this Agreement is to disburse Federal funds to the Local Agency pursuant to CDOT’s Stewardship Agreement with the FHWA and/or USDT as shown in **Exhibit C**.

#### 5. DEFINITIONS

The following terms shall be construed and interpreted as follows:

- A. “**Agreement**” means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- B. “**Agreement Funds**” means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement.
- C. “**ARPA**” means American Rescue Plan Act, funded by the US Department of the Treasury (“USDT”). See “SLFRF” below.
- D. “**Award**” means an award by a Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Award unless the terms and conditions of the Federal Award specifically indicate otherwise.
- E. “**Budget**” means the budget for the Work described in **Exhibit C**.
- F. “**Business Day**” means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1) C.R.S..
- G. “**Chief Procurement Officer**” means the individual to whom the Executive Director has delegated his or her authority pursuant to §24-102-202 to procure or supervise the procurement of all supplies and services needed by the State.
- H. “**CJI**” means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under §24-72-302, C.R.S.
- I. “**Consultant**” means a professional engineer or designer hired by Local Agency to design the Work Product.
- J. “**Contractor**” means the general construction contractor hired by Local Agency to construct the Work.

- K. **“CORA”** means the Colorado Open Records Act, §§24-72-200.1 *et. seq.*, C.R.S.
- L. **“Effective Date”** means the date on which this Agreement is approved and signed by the Colorado State Controller or designee, as shown on the Signature and Cover Page for this Agreement.
- M. **“Evaluation”** means the process of examining Local Agency’s Work and rating it based on criteria established in §6, **Exhibit A** and **Exhibit E**.
- N. **“Exhibits”** means the following exhibits attached to this Agreement:
- i. **Exhibit A**, Scope of Work.
  - ii. **Exhibit B**, Sample Option Letter.
  - iii. **Exhibit C**, Funding Provisions
  - iv. **Exhibit D**, Local Agency Resolution
  - v. **Exhibit E**, Local Agency Contract Administration Checklist
  - vi. **Exhibit F**, Certification for Federal-Aid Contracts
  - vii. **Exhibit G**, Disadvantaged Business Enterprise
  - viii. **Exhibit H**, Local Agency Procedures for Consultant Services
  - ix. **Exhibit I**, Federal-Aid Contract Provisions for Construction Contracts
  - x. **Exhibit J**, Additional Federal Requirements
  - xi. **Exhibit K**, The Federal Funding Accountability and Transparency Act of 2006 (FFATA) Supplemental Federal Provisions
  - xii. **Exhibit L**, Sample Sub-Recipient Monitoring and Risk Assessment Form
  - xiii. **Exhibit M**, Supplemental Provisions for Federal Awards Subject to The Office of Management and Budget Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards (the “Uniform Guidance”)
  - xiv. **Exhibit N**, Federal Treasury Provisions
  - xv. **Exhibit O**, Agreement with Subrecipient of Federal Recovery Funds
  - xvi. **Exhibit P**, SLFRF Subrecipient Quarterly Report
  - xvii. **Exhibit Q**, SLFRF Reporting Modification Form
  - xviii. **Exhibit R**, Applicable Federal Awards
  - xix. **Exhibit S**, PII Certification
  - xx. **Exhibit T**, Checklist of Required Exhibits Dependent on Funding Source
- O. **“Expiration Date”** means the date on which this Agreement expires, as shown on the Signature and Cover Page for this Agreement.
- P. **“Extension Term”** means the period of time by which the ARPA Expiration Date is extended by the State through delivery of an updated ARPA Letter.
- Q. **“Federal Award”** means an award of Federal financial assistance or a cost-reimbursement contract under the Federal Acquisition Requirements by a Federal Awarding Agency to a Recipient. “Federal Award” also means an agreement setting forth the terms and conditions of the Federal Award. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- R. **“Federal Awarding Agency”** means a Federal agency providing a Federal Award to a Recipient. The US Department of the Treasury is the Federal Awarding Agency for the Federal Award, which may be the subject of this Agreement.
- S. **“FHWA”** means the Federal Highway Administration, which is one of the twelve administrations under the Office of the Secretary of Transportation at the U.S. Department of Transportation. FHWA provides stewardship over the construction, maintenance and preservation of the Nation’s highways and tunnels. FHWA is the Federal Awarding Agency for the Federal Award which is the subject of this Agreement.
- T. **“Goods”** means any movable material acquired, produced, or delivered by Local Agency as set forth in this Agreement and shall include any movable material acquired, produced, or delivered by Local Agency in connection with the Services.

- U. **“Incident”** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access or disclosure of State Confidential Information or of the unauthorized modification, disruption, or destruction of any State Records.
- V. **“Initial Term”** means the time period defined in §2.B.
- W. **“Local Funds”** means the funds provided by the Local Agency as their obligated contribution to the federal and/or State Awards to receive the federal and/or State funding.
- X. **“Notice to Proceed”** means the letter issued by the State to the Local Agency stating the date the Local Agency can begin work subject to the conditions of this Agreement.
- Y. **“OMB”** means the Executive Office of the President, Office of Management and Budget.
- Z. **“Oversight”** means the term as it is defined in the Stewardship Agreement between CDOT and the FHWA.
- AA. **“Party”** means the State or Local Agency, and **“Parties”** means both the State and Local Agency.
- BB. **“PCI”** means payment card information including any data related to credit card holders’ names, credit card numbers, or the other credit card information as may be protected by state or federal law.
- CC. **“PHI”** means any protected health information, including, without limitation any information whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.
- DD. **“PII”** means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §24-72-501 C.R.S. “PII” shall also mean “personal identifying information” as set forth at § 24-74-102, et. seq., C.R.S.
- EE. **“Recipient”** means the Colorado Department of Transportation (CDOT) for this Federal Award.
- FF. **“Services”** means the services to be performed by Local Agency as set forth in this Agreement and shall include any services to be rendered by Local Agency in connection with the Goods.
- GG. **“SLFRF”** means State and Local Fiscal Recovery Funds, provided by ARPA, funded by the US Treasury Department.
- HH. **“Special Funding”** means an award by Federal agency or the State which may include but is not limited to one or a combination of Multimodal Transportation & Mitigation Options Funding, Revitalizing Main Streets, Safer Main Streets, Stimulus Funds, Coronavirus Response and Relief Supplemental Funds, ARPA, SLFRF, or COVID Relief.
- II. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII and State personnel records not subject to disclosure under CORA.
- JJ. **“State Fiscal Rules”** means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a).
- KK. **“State Fiscal Year”** means a 12-month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- LL. **“State Purchasing Director”** means the position described in the Colorado Procurement Code and its implementing regulations.

- MM. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- NN. **“Sub-Award”** means this Award by the State to Local Agency funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to this Sub-Award unless the terms and conditions of the Federal Award specifically indicate otherwise.
- OO. **“Subcontractor”** means third parties, if any, engaged by Local Agency to aid in performance of the Work.
- PP. **“Subrecipient”** means a non-Federal entity that receives a sub-award from a Recipient to carry out part of a Federal program but does not include an individual that is a beneficiary of such program. A Subrecipient may also be a recipient of other Federal Awards directly from a Federal Awarding Agency.
- QQ. **“Tax Information”** means Federal and State of Colorado tax information including, without limitation, Federal and State tax returns, return information, and such other tax-related information as may be protected by Federal and State law and regulation. Tax Information includes but is not limited to all information defined as Federal tax Information in Internal Revenue Service Publication 1075.
- RR. **“Uniform Guidance”** means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which supersedes requirements from OMB Circulars A-21, A-87, A-110, A-122, A-89, A-102, and A-133, and the guidance in Circular A-50 on Single Audit Act follow-up.
- SS. **“USDT”** The United States Department of the Treasury (**USDT**) is the national treasury and finance department of the federal government of the United States where it serves as an executive department. The USDT funds ARPA.
- TT. **“Work”** means the delivery of the Goods and performance of the Services in compliance with CDOT’s Local Agency Manual described in this Agreement.
- UU. **“Work Product”** means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. “Work Product” does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

Any other term used in this Agreement that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

## 6. SCOPE OF WORK

Local Agency shall complete the Work as described in this Agreement and in accordance with the provisions of **Exhibit A**, and the Local Agency Manual. The State shall have no liability to compensate Local Agency for the delivery of any Goods or the performance of any Services that are not specifically set forth in this Agreement. Work may be divided into multiple phases that have separate periods of performance. The State may not compensate for Work that Local Agency performs outside of its designated phase performance period. The performance period of phases, including, but not limited to Design, Construction, Right of Way, Utilities, or Environment phases, are identified in **Exhibit C**. The State may unilaterally modify **Exhibit C** from time to time, at its sole discretion, to extend the Agreement Expiration Date and/or to extend the period of performance for a phase of Work authorized under this Agreement. To exercise these options to extend the Agreement Expiration Date and/or to update the phase performance period extension option, the State will provide written notice to Local Agency in a form substantially equivalent to **Exhibit B**. The State’s unilateral extension of the Agreement Expiration Date and/or the phase performance periods will not amend or alter in any way the funding provisions or any other terms specified in this Agreement, notwithstanding the options listed under **§7.E**

### A. Local Agency Commitments

#### i. Design

If the Work includes preliminary design, final design, design work sheets, or special provisions and estimates (collectively referred to as the “Plans”), Local Agency shall ensure that it and its Contractors comply with and are responsible for satisfying the following requirements:



- a. Perform or provide the Plans to the extent required by the nature of the Work.
  - b. Prepare final design in accordance with the requirements of the latest edition of the American Association of State Highway Transportation Officials (AASHTO) manual or other standard, such as the Uniform Building Code, as approved by the State.
  - c. Prepare provisions and estimates in accordance with the most current version of the State's Roadway and Bridge Design Manuals and Standard Specifications for Road and Bridge Construction or Local Agency specifications if approved by the State.
  - d. Include details of any required detours in the Plans in order to prevent any interference of the construction Work and to protect the traveling public.
  - e. Stamp the Plans as produced by a Colorado registered professional engineer.
  - f. Provide final assembly of Plans and all other necessary documents.
  - g. Ensure the Plans are accurate and complete.
  - h. Make no further changes in the Plans following the award of the construction contract to Contractor unless agreed to in writing by the Parties. The Plans shall be considered final when approved in writing by CDOT, and when final, they will be deemed incorporated herein.
- ii. Local Agency Work
- a. Local Agency shall comply with the requirements of the Americans With Disabilities Act (ADA) 42 U.S.C. § 12101, et. seq., and applicable federal regulations and standards as contained in the document "ADA Accessibility Requirements in CDOT Transportation Projects".
  - b. Local Agency shall afford the State ample opportunity to review the Plans and shall make any changes in the Plans that are directed by the State to comply with FHWA requirements.
  - c. Local Agency may enter into a contract with a Consultant to perform all or any portion of the Plans and/or construction administration. Provided, however, if federal-aid funds are involved in the cost of such Work to be done by such Consultant, such Consultant contract (and the performance provision of the Plans under the contract) must comply with all applicable requirements of 23 C.F.R. Part 172 and with any procedures implementing those requirements as provided by the State, including those in **Exhibit H**. If Local Agency enters into a contract with a Consultant for the Work:
    - 1) Local Agency shall submit a certification that procurement of any Consultant contract complies with the requirements of 23 C.F.R. 172.5(1) prior to entering into such Consultant contract, subject to the State's approval. If not approved by the State, Local Agency shall not enter into such Consultant contract.
    - 2) Local Agency shall ensure that all changes in the Consultant contract have prior approval by the State and FHWA and that they are in writing. Immediately after the Consultant contract has been awarded, one copy of the executed Consultant contract and any amendments shall be submitted to the State.
    - 3) Local Agency shall require that all billings under the Consultant contract comply with the State's standardized billing format. Examples of the billing formats are available from the CDOT Agreements Office.
    - 4) Local Agency (and any Consultant) shall comply with 23 C.F.R. 172.5(b) and (d) and use the CDOT procedures described in **Exhibit H** to administer the Consultant contract.
    - 5) Local Agency may expedite any CDOT approval of its procurement process and/or Consultant contract by submitting a letter to CDOT from Local Agency's attorney/authorized representative certifying compliance with **Exhibit H** and 23 C.F.R. 172.5(b) and (d).
    - 6) Local Agency shall ensure that the Consultant contract complies with the requirements of 49 CFR 18.36(i) and contains the following language verbatim:
      - (a) The design work under this Agreement shall be compatible with the requirements of the contract between Local Agency and the State (which is incorporated herein by this

reference) for the design/construction of the project. The State is an intended third-party beneficiary of this agreement for that purpose.

- (b) Upon advertisement of the project work for construction, the consultant shall make available services as requested by the State to assist the State in the evaluation of construction and the resolution of construction problems that may arise during the construction of the project.
- (c) The consultant shall review the construction Contractor's shop drawings for conformance with the contract documents and compliance with the provisions of the State's publication, Standard Specifications for Road and Bridge Construction, in connection with this work.
- (d) The State, in its sole discretion, may review construction plans, special provisions and estimates and may require Local Agency to make such changes therein as the State determines necessary to comply with State and FHWA requirements.

### iii. Construction

If the Work includes construction, Local Agency shall perform the construction in accordance with the approved design plans and/or administer the construction in accordance with **Exhibit E**. Such administration shall include Work inspection and testing; approving sources of materials; performing required plant and shop inspections; documentation of contract payments, testing and inspection activities; preparing and approving pay estimates; preparing, approving and securing the funding for contract modification orders and minor contract revisions; processing construction Contractor claims; construction supervision; and meeting the quality control requirements of the FHWA/CDOT Stewardship Agreement, as described in **Exhibit E**.

- a. The State may, after providing written notice of the reason for the suspension to Local Agency, suspend the Work, wholly or in part, due to the failure of Local Agency or its Contractor to correct conditions which are unsafe for workers or for such periods as the State may deem necessary due to unsuitable weather, or for conditions considered unsuitable for the prosecution of the Work, or for any other condition or reason deemed by the State to be in the public interest.
- b. Local Agency shall be responsible for the following:
  - 1) Appointing a qualified professional engineer, licensed in the State of Colorado, as Local Agency Project Engineer (LAPE), to perform engineering administration. The LAPE shall administer the Work in accordance with this Agreement, the requirements of the construction contract and applicable State procedures, as defined in the CDOT Local Agency Manual ([https://www.codot.gov/business/designsupport/bulletins\\_manuals/2006-local-agency-manual](https://www.codot.gov/business/designsupport/bulletins_manuals/2006-local-agency-manual)).
  - 2) For the construction Services, advertising the call for bids, following its approval by the State, and awarding the construction contract(s) to the lowest responsible bidder(s).
    - (a) All Local Agency's advertising and bid awards pursuant to this Agreement shall comply with applicable requirements of 23 U.S.C. §112 and 23 C.F.R. Parts 633 and 635 and C.R.S. § 24-92-101 et seq. Those requirements include, without limitation, that Local Agency and its Contractor(s) incorporate Form 1273 (Exhibit I) in its entirety, verbatim, into any subcontract(s) for Services as terms and conditions thereof, as required by 23 C.F.R. 633.102(e).
    - (b) Local Agency may accept or reject the proposal of the apparent low bidder for Work on which competitive bids have been received. Local Agency must accept or reject such bids within three (3) working days after they are publicly opened.
    - (c) If Local Agency accepts bids and makes awards that exceed the amount of available Agreement Funds, Local Agency shall provide the additional funds necessary to complete the Work or not award such bids.
    - (d) The requirements of §6.A.iii.b.2 also apply to any advertising and bid awards made by the State.

- (e) The State (and in some cases FHWA) must approve in advance all Force Account Construction, and Local Agency shall not initiate any such Services until the State issues a written Notice to Proceed.

iv. Right of Way (ROW) and Acquisition/Relocation

- a. If Local Agency purchases a ROW for a State highway, including areas of influence, Local Agency shall convey the ROW to CDOT promptly upon the completion of the project/construction.
- b. Any acquisition/relocation activities shall comply with all applicable federal and State statutes and regulations, including but not limited to, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, the Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs, as amended (49 C.F.R. Part 24), CDOT's Right of Way Manual, and CDOT's Policy and Procedural Directives.
- c. The Parties' respective responsibilities for ensuring compliance with acquisition, relocation and incidentals depend on the level of federal participation as detailed in CDOT's Right of Way Manual (located at <http://www.codot.gov/business/manuals/right-of-way>); however, the State always retains oversight responsibilities.
- d. The Parties' respective responsibilities at each level of federal participation in CDOT's Right of Way Manual, and the State's reimbursement of Local Agency costs will be determined pursuant the following categories:
  - 1) Right of way acquisition (3111) for federal participation and non-participation;
  - 2) Relocation activities, if applicable (3109);
  - 3) Right of way incidentals, if applicable (expenses incidental to acquisition/relocation of right of way – 3114).

v. Utilities

If necessary, Local Agency shall be responsible for obtaining the proper clearance or approval from any utility company that may become involved in the Work. Prior to the Work being advertised for bids, Local Agency shall certify in writing to the State that all such clearances have been obtained.

vi. Railroads

If the Work involves modification of a railroad company's facilities and such modification will be accomplished by the railroad company, Local Agency shall make timely application to the Public Utilities Commission ("PUC") requesting its order providing for the installation of the proposed improvements. Local Agency shall not proceed with that part of the Work before obtaining the PUC's order. Local Agency shall also establish contact with the railroad company involved for the purpose of complying with applicable provisions of 23 C.F.R. 646, subpart B, concerning federal-aid projects involving railroad facilities, and:

- a. Execute an agreement with the railroad company setting out what work is to be accomplished and the location(s) thereof, and which costs shall be eligible for federal participation.
- b. Obtain the railroad's detailed estimate of the cost of the Work.
- c. Establish future maintenance responsibilities for the proposed installation.
- d. Proscribe in the agreement the future use or dispositions of the proposed improvements in the event of abandonment or elimination of a grade crossing.
- e. Establish future repair and/or replacement responsibilities, as between the railroad company and the Local Agency, in the event of accidental destruction or damage to the installation.

vii. Environmental Obligations

Local Agency shall perform all Work in accordance with the requirements of current federal and State environmental regulations, including the National Environmental Policy Act of 1969 (NEPA) as applicable.

viii. Maintenance Obligations

Local Agency shall maintain and operate the Work constructed under this Agreement at its own cost and expense during their useful life, in a manner satisfactory to the State and FHWA. Local Agency shall conduct such maintenance and operations in accordance with all applicable statutes, ordinances, and regulations pertaining to maintaining such improvements. The State and FHWA may make periodic inspections to verify that such improvements are being adequately maintained.

ix. Monitoring Obligations

Local Agency shall respond in a timely manner to and participate fully with the monitoring activities described in §7.F.vi.

B. State's Commitments

- i. The State will perform a final project inspection of the Work as a quality control/assurance activity. When all Work has been satisfactorily completed, the State will sign the FHWA Form 1212.
- ii. Notwithstanding any consents or approvals given by the State for the Plans, the State shall not be liable or responsible in any manner for the structural design, details or construction of any Work constituting major structures designed by, or that are the responsibility of, Local Agency, as identified in **Exhibit E**.

7. PAYMENTS

A. Maximum Amount

Payments to Local Agency are limited to the unpaid, obligated balance of the Agreement Funds set forth in **Exhibit C**. The State shall not pay Local Agency any amount under this Agreement that exceeds the Agreement Maximum set forth in **Exhibit C**.

B. Payment Procedures

i. Invoices and Payment

- a. The State shall pay Local Agency in the amounts and in accordance with conditions set forth in **Exhibit C**.
- b. Local Agency shall initiate payment requests by invoice to the State, in a form and manner approved by the State.
- c. The State shall pay each invoice within 45 days following the State's receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Local Agency and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Local Agency shall make all changes necessary to correct that invoice.
- d. The acceptance of an invoice shall not constitute acceptance of any Work performed or deliverables provided under the Agreement.
- e. If a project is funded in part with Federal or State special funding there may be an expiration date for the funds. The expiration date applies to grants and local funds used to match grants. To receive payment or credit for the match, Work must be completed or substantially completed, as outlined in the terms of the grant, prior to the expiration date of the special funding and invoiced in compliance with the rules outlined in the award of the funding. The acceptance of an invoice shall not constitute acceptance of any Work performed or deliverables provided under the Agreement.

ii. Interest

Amounts not paid by the State within 45 days after the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 46th day at the rate of 1% per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Local Agency shall invoice the State separately for accrued interest on delinquent amounts, and the invoice shall reference the delinquent payment, the number of days interest to be paid and the interest rate.

iii. Payment Disputes

If Local Agency disputes any calculation, determination, or amount of any payment, Local Agency shall notify the State in writing of its dispute within 30 days following the earlier to occur of Local Agency's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Local Agency and may make changes to its determination based on this review. The calculation, determination, or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. Available Funds-Contingency-Termination

- a. The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Local Agency beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Agreement Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Agreement Funds, the State's obligation to pay Local Agency shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Agreement Funds, and the State's liability for such payments shall be limited to the amount remaining of such Agreement Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in **§2.C**.
- b. If the agreement funds are terminated, the State can terminate the contract early. Payment due for work done to the date of termination will be processed in a manner consistent with **§2.C**.

v. Erroneous Payments

The State may recover, at the State's discretion, payments made to Local Agency in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Local Agency. The State may recover such payments by deduction from subsequent payments under this Agreement, deduction from any payment due under any other contracts, grants or agreements between the State and Local Agency, or by any other appropriate method for collecting debts owed to the State. The close out of a Federal Award does not affect the right of FHWA or the State to disallow costs and recover funds on the basis of a later audit or other review. Any cost disallowance recovery is to be made within the Record Retention Period (as defined below in **§9.A.**).

vi. Federal Recovery

The close-out of a Federal Award does not affect the right of the Federal Awarding Agency or the State to disallow costs and recover funds on the basis of a later audit or other review. Any cost disallowance recovery is to be made within the Record Retention Period, as defined below.

C. Local Agency Funds

Local Agency shall provide their obligated contribution funds as outlined in **§7.A.** and **Exhibit C**. Local Agency shall have raised the full amount of their funds prior to the Effective Date and shall report to the State regarding the status of such funds upon request. Local Agency's obligation to pay all or any part of any matching funds, whether direct or contingent, only extend to funds duly and lawfully appropriated for the purposes of this Agreement by the authorized representatives of Local Agency and paid into Local Agency's treasury. Local Agency represents to the State that the amount designated "Local Agency Funds" in **Exhibit C** has been legally appropriated for the purpose of this Agreement by its authorized representatives and paid into its treasury. Local Agency may evidence such obligation by an appropriate ordinance/resolution or other authority letter expressly authorizing Local Agency to enter into this Agreement and to expend its match share of the Work. A copy of any such ordinance/resolution or authority letter is attached hereto as **Exhibit D** if applicable. Local Agency does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and this Agreement is not intended to create a multiple-fiscal year debt of

Local Agency. Local Agency shall not pay or be liable for any claimed interest, late charges, fees, taxes, or penalties of any nature, except as required by Local Agency's laws or policies.

D. Reimbursement of Local Agency Costs

The State shall reimburse Local Agency's allowable costs, not exceeding the maximum total amount described in **Exhibit C** and §7. However, any costs incurred by Local Agency prior to the Effective Date shall not be reimbursed absent specific allowance of pre-award costs and indication that the Federal Award funding is retroactive. The State shall pay Local Agency for costs or expenses incurred or performance by the Local Agency prior to the Effective Date, only if (1) the Grant Funds involve federal funding and (2) federal laws, rules, and regulations applicable to the Work provide for such retroactive payments to the Local Agency. Any such retroactive payments shall comply with State Fiscal Rules and be made in accordance with the provisions of this Agreement. The applicable principles described in 2 C.F.R. Part 200 shall govern the State's obligation to reimburse all costs incurred by Local Agency and submitted to the State for reimbursement hereunder, and Local Agency shall comply with all such principles. The State shall reimburse Local Agency for the federal-aid share of properly documented costs related to the Work after review and approval thereof, subject to the provisions of this Agreement and **Exhibit C**. Local Agency costs for Work performed prior to the Effective Date shall not be reimbursed absent specific allowance of pre-award costs and indication that the Federal Award funding is retroactive. Local Agency costs for Work performed after any Performance Period End Date for a respective phase of the Work, is not reimbursable. Allowable costs shall be:

- i. Reasonable and necessary to accomplish the Work and for the Goods and Services provided.
- ii. Actual net cost to Local Agency (i.e. the price paid minus any items of value received by Local Agency that reduce the cost actually incurred).

E. Unilateral Modification of Agreement Funds Budget by State Option Letter

The State may, at its discretion, issue an "Option Letter" to Local Agency to add or modify Work phases in the Work schedule in **Exhibit C** if such modifications do not increase total budgeted Agreement Funds. Such Option Letters shall amend and update **Exhibit C**, Sections 2 or 4 of the Table, and sub-sections B and C of the **Exhibit C**. Option Letters shall not be deemed valid until signed by the State Controller or an authorized delegate. **This is NOT a Notice to Proceed.** Modification of **Exhibit C** by unilateral Option Letter is permitted only in the specific scenarios listed below. The State will exercise such options by providing Local Agency a fully executed Option Letter, in a form substantially equivalent to **Exhibit B**. Such Option Letters will be incorporated into this Agreement. This applies to the entire Scope of Work.

- i. Option to Begin a Phase and/or Increase or Decrease the Encumbrance Amount

The State may require by Option Letter that Local Agency begin a new Work phase that may include Design, Construction, Environmental, Utilities, ROW Incidentals or Miscellaneous Work (but may not include Right of Way Acquisition/Relocation or Railroads) as detailed in **Exhibit A**. Such Option Letters may not modify the other terms and conditions stated in this Agreement and must decrease the amount budgeted and encumbered for one or more other Work phases so that the total amount of budgeted Agreement Funds remains the same. The State may also change the funding sources so long as the amount budgeted remains the same and the Local Agency contribution does not increase. The State may also issue a unilateral Option Letter to increase and/or decrease the total encumbrance amount of two or more existing Work phases, as long as the total amount of budgeted Agreement Funds remains the same, replacing the original Agreement Funding exhibit (**Exhibit C**) with an updated **Exhibit C-1** (with subsequent exhibits labeled **C-2**, **C-3**, etc.).

- ii. Option to Transfer Funds from One Phase to Another Phase.

The State may require or permit Local Agency to transfer Agreement Funds from one Work phase (Design, Construction, Environmental, Utilities, ROW Incidentals or Miscellaneous) to another phase as a result of changes to State, federal, and local match funding. In such case, the original funding exhibit (**Exhibit C**) will be replaced with an updated **Exhibit C-1** (with subsequent exhibits labeled **C-2**, **C-3**, etc.) attached to the Option Letter. The Agreement Funds transferred from one Work phase to another are subject to the same terms and conditions stated in the original Agreement with the total budgeted Agreement Funds remaining the same. The State may unilaterally exercise this option by providing a

fully executed Option Letter to Local Agency within thirty (30) days before the initial targeted start date of the Work phase, in a form substantially equivalent to **Exhibit B**.

iii. Option to Exercise Options i and ii.

The State may require Local Agency to add a Work phase as detailed in **Exhibit A**, and encumber and transfer Agreement Funds from one Work phase to another. The original funding exhibit (**Exhibit C**) in the original Agreement will be replaced with an updated **Exhibit C-1** (with subsequent exhibits labeled **C-2**, **C-3**, etc.) attached to the Option Letter. The addition of a Work phase and encumbrance and transfer of Agreement Funds are subject to the same terms and conditions stated in the original Agreement with the total budgeted Agreement Funds remaining the same. The State may unilaterally exercise this option by providing a fully executed Option Letter to Local Agency within 30 days before the initial targeted start date of the Work phase, in a form substantially equivalent to **Exhibit B**.

iv. Option to Extend Agreement/Phase Term and/or modify the OMB Uniform Guidance. The State, at its discretion, shall have the option to extend the term of this Agreement and/or update a Work Phase Performance Period and/or modify information required under the OMB Uniform Guidance, as outlined in **Exhibit C**. Any updated version of **Exhibit C** shall be attached to any executed Option Letter as **Exhibit C-1** (with subsequent exhibits labeled **C-2**, **C-3**, etc.). In order to exercise this option, the State shall provide written notice to the Local Agency in a form substantially equivalent to **Exhibit B**.

F. Accounting

Local Agency shall establish and maintain accounting systems in accordance with generally accepted accounting standards (a separate set of accounts, or as a separate and integral part of its current accounting scheme). Such accounting systems shall, at a minimum, provide as follows:

i. Local Agency Performing the Work

If Local Agency is performing the Work, it shall document all allowable costs, including any approved Services contributed by Local Agency or subcontractors, using payrolls, time records, invoices, contracts, vouchers, and other applicable records.

ii. Local Agency-Checks or Draws

Checks issued or draws made by Local Agency shall be made or drawn against properly signed vouchers detailing the purpose thereof. Local Agency shall keep on file all checks, payrolls, invoices, contracts, vouchers, orders, and other accounting documents in the office of Local Agency, clearly identified, readily accessible, and to the extent feasible, separate and apart from all other Work documents.

iii. State-Administrative Services

The State may perform any necessary administrative support services required hereunder. Local Agency shall reimburse the State for the costs of any such services from the budgeted Agreement Funds as provided for in **Exhibit C**. If FHWA Agreement Funds are or become unavailable, or if Local Agency terminates this Agreement prior to the Work being approved by the State or otherwise completed, then all actual incurred costs of such services and assistance provided by the State shall be reimbursed to the State by Local Agency at its sole expense.

iv. Local Agency-Invoices

Local Agency's invoices shall describe in detail the reimbursable costs incurred by Local Agency for which it seeks reimbursement, the dates such costs were incurred and the amounts thereof, and Local Agency shall not submit more than one invoice per month.

v. Invoicing Within 60 Days

The State shall not be liable to reimburse Local Agency for any costs invoiced more than 60 days after the date on which the costs were incurred, including costs included in Local Agency's final invoice. The State may withhold final payment to Local Agency at the State's sole discretion until completion of final audit. Any costs incurred by Local Agency that are not allowable under 2 C.F.R. Part 200 shall be Local Agency's responsibility, and the State will deduct such disallowed costs from any payments due to Local Agency. The State will not reimburse costs for Work performed after the Performance Period End Date for a respective Work phase. The State will not reimburse costs for Work performed prior to Performance

Period End Date, but for which an invoice is received more than 60 days after the Performance Period End Date.

vi. Risk Assessment & Monitoring

Pursuant to 2 C.F.R. 200.331(b), – CDOT will evaluate Local Agency's risk of noncompliance with federal statutes, regulations, and terms and conditions of this Agreement. Local Agency shall complete a Risk Assessment Form (**Exhibit L**) when that may be requested by CDOT. The risk assessment is a quantitative and/or qualitative determination of the potential for Local Agency's non-compliance with the requirements of the Federal Award. The risk assessment will evaluate some or all of the following factors:

- Experience: Factors associated with the experience and history of the Subrecipient with the same or similar Federal Awards or grants.
- Monitoring/Audit: Factors associated with the results of the Subrecipient's previous audits or monitoring visits, including those performed by the Federal Awarding Agency, when the Subrecipient also receives direct federal funding. Include audit results if Subrecipient receives single audit, where the specific award being assessed was selected as a major program.
- Operation: Factors associated with the significant aspects of the Subrecipient's operations, in which failure could impact the Subrecipient's ability to perform and account for the contracted goods or services.
- Financial: Factors associated with the Subrecipient's financial stability and ability to comply with financial requirements of the Federal Award.
- Internal Controls: Factors associated with safeguarding assets and resources, deterring and detecting errors, fraud and theft, ensuring accuracy and completeness of accounting data, producing reliable and timely financial and management information, and ensuring adherence to its policies and plans.
- Impact: Factors associated with the potential impact of a Subrecipient's non-compliance to the overall success of the program objectives.
- Program Management: Factors associated with processes to manage critical personnel, approved written procedures, and knowledge of rules and regulations regarding federal-aid projects.

Following Local Agency's completion of the Risk Assessment Tool (**Exhibit L**), CDOT will determine the level of monitoring it will apply to Local Agency's performance of the Work. This risk assessment may be re-evaluated after CDOT begins performing monitoring activities.

G. Close Out

Local Agency shall close out this Award within 90 days after the Final Phase Performance End Date. If SLFRF Funds are used the Local Agency shall close out that portion of the Award within 45 days after the ARPA Award Expiration Date. Close out requires Local Agency's submission to the State of all deliverables defined in this Agreement, and Local Agency's final reimbursement request or invoice. The State will withhold 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete. If FHWA or US Treasury has not closed this Federal Award within one (1) year and 90 days after the Final Phase Performance End Date due to Local Agency's failure to submit required documentation, then Local Agency may be prohibited from applying for new Federal Awards through the State until such documentation is submitted and accepted.

8. REPORTING - NOTIFICATION

A. Quarterly Reports

In addition to any reports required pursuant to §19 or pursuant to any exhibit, for any contract having a term longer than 3 months, Local Agency shall submit, on a quarterly basis, a written report specifying progress made for each specified performance measure and standard in this Agreement. Such progress report shall be in accordance with the procedures developed and prescribed by the State. Progress reports shall be submitted to the State not later than ten (10) Business Days following the end of each calendar quarter or at such time as otherwise specified by the State. If SLFRF Funds are used the report must be in the format of **Exhibit P**.



**B. Litigation Reporting**

If Local Agency is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Agreement or may affect Local Agency's ability to perform its obligations under this Agreement, Local Agency shall, within 10 days after being served, notify the State of such action and deliver copies of such pleading or document to the State's principal representative identified in §16.

**C. Performance and Final Status**

Local Agency shall submit all financial, performance and other reports to the State no later than 60 calendar days after the Final Phase Performance End Date or sooner termination of this Agreement, containing an Evaluation of Subrecipient's performance and the final status of Subrecipient's obligations hereunder.

**D. Violations Reporting**

Local Agency must disclose, in a timely manner, in writing to the State and FHWA, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal Award. Penalties for noncompliance may include suspension or debarment (2 CFR Part 180 and 31 U.S.C. 3321).

**9. LOCAL AGENCY RECORDS**

**A. Maintenance**

Local Agency shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder. Local Agency shall maintain such records for a period (the "Record Retention Period") pursuant to the requirements of the funding source and for a minimum of three (3) years following the date of submission to the State of the final expenditure report, whichever is longer, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively. If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims, or audit findings have been resolved and final action taken by the State or Federal Awarding Agency. The Federal Awarding Agency, a cognizant agency for audit, oversight or indirect costs, and the State, may notify Local Agency in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three (3) years following final disposition of such property.

**B. Inspection**

Records during the Record Retention Period. Local Agency shall make Local Agency Records available during normal business hours at Local Agency's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two (2) Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

**C. Monitoring**

The State will monitor Local Agency's performance of its obligations under this Agreement using procedures as determined by the State. The State shall monitor Local Agency's performance in a manner that does not unduly interfere with Local Agency's performance of the Work. Local Agency shall allow the State to perform all monitoring required by the Uniform Guidance, based on the State's risk analysis of Local Agency. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Local Agency's performance in a manner that does not unduly interfere with Local Agency's performance of the Work. If Local Agency enters into a subcontract with an entity that would also be considered a Subrecipient, then the subcontract entered into by Local Agency shall contain provisions permitting both Local Agency and the State to perform all monitoring of that Subcontractor in accordance with the Uniform Guidance.

**D. Final Audit Report**

Local Agency shall promptly submit to the State a copy of any final audit report of an audit performed on Local Agency's records that relates to or affects this Agreement or the Work, whether the audit is conducted

by Local Agency or a third party. Additionally, if Local Agency is required to perform a single audit under 2 CFR 200.501, *et seq.*, then Local Agency shall submit a copy of the results of that audit to the State within the same timelines as the submission to the federal government.

## 10. CONFIDENTIAL INFORMATION-STATE RECORDS

### A. Confidentiality

Local Agency shall hold and maintain, and cause all Subcontractors to hold and maintain, any and all State Records that the State provides or makes available to Local Agency for the sole and exclusive benefit of the State, unless those State Records are otherwise publicly available at the time of disclosure or are subject to disclosure by Local Agency under CORA. Local Agency shall not, without prior written approval of the State, use for Local Agency's own benefit, publish, copy, or otherwise disclose to any third party, or permit the use by any third party for its benefit or to the detriment of the State, any State Records, except as otherwise stated in this Agreement. Local Agency shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. Local Agency shall immediately forward any request or demand for State Records to the State's principal representative. If Local Agency or any of its Subcontractors will or may receive the following types of data, Local Agency or its Subcontractors shall provide for the security of such data according to the following: (i) the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Award as an Exhibit, if applicable, (ii) the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, (iii) the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI, and (iv) the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Award, if applicable. Local Agency shall immediately forward any request or demand for State Records to the State's principal representative.

### B. Other Entity Access and Nondisclosure Agreements

Local Agency may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Agreement. Local Agency shall ensure all such agents, employees, assigns, and Subcontractors sign nondisclosure agreements with provisions at least as protective as those in this Agreement, and that the nondisclosure agreements are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Local Agency shall provide copies of those signed nondisclosure agreements to the State upon request.

### C. Use, Security, and Retention

Local Agency shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Local Agency shall provide the State with access, subject to Local Agency's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Agreement, Local Agency shall return State Records provided to Local Agency or destroy such State Records and certify to the State that it has done so, as directed by the State. If Local Agency is prevented by law or regulation from returning or destroying State Confidential Information, Local Agency warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

### D. Incident Notice and Remediation

If Local Agency becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Local Agency can establish that none of Local Agency or any of its agents, employees, assigns, or Subcontractors are the cause or source of the Incident, Local Agency shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Local Agency shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which

may include, but is not limited to, developing, and implementing a remediation plan that is approved by the State at no additional cost to the State.

E. Safeguarding Personally Identifying Information "PII"

If Local Agency or any of its Subcontracts will or may receive PII under this agreement, Local Agency shall provide for the security for such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Local Agency shall be a "Third Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 et seq., C.R.S. In addition, as set forth in § 24-74-102, et. seq., C.R.S., Contractor, including, but not limited to, Contractor's employees, agents and Subcontractors, agrees not to share any PII with any third parties for the purpose of investigating for, participating in, cooperating with, or assisting with Federal immigration enforcement. If Contractor is given direct access to any State databases containing PII, Contractor shall execute, on behalf of itself and its employees, the certification attached hereto as **Exhibit S** on an annual basis Contractor's duty and obligation to certify as set forth in **Exhibit S** shall continue as long as Contractor has direct access to any State databases containing PII. If Contractor uses any Subcontractors to perform services requiring direct access to State databases containing PII, the Contractor shall require such Subcontractors to execute and deliver the certification to the State on an annual basis, so long as the Subcontractor has access to State databases containing PII.

## 11. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Local Agency shall not engage in any business or activities or maintain any relationships that conflict in any way with the full performance of the obligations of Local Agency under this Agreement. Such a conflict of interest would arise when a Local Agency or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Agreement. Officers, employees, and agents of Local Agency may neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts.

B. Apparent Conflicts of Interest

Local Agency acknowledges that, with respect to this Agreement, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Local Agency shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Local Agency's obligations under this Agreement.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Local Agency is uncertain whether a conflict or the appearance of a conflict has arisen, Local Agency shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement.

## 12. INSURANCE

Local Agency shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Agreement. All insurance policies required by this Agreement that are not provided through self-insurance shall be issued by insurance companies with an AM Best rating of A-VIII or better.

A. Local Agency Insurance

Local Agency is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA") and shall maintain at all times during the term of this Agreement such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA.

B. Subcontractor Requirements

Local Agency shall ensure that each Subcontractor that is a public entity within the meaning of the GIA, maintains at all times during the terms of this Agreement, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA. Local Agency shall ensure that each Subcontractor that is not a public entity within the meaning of the GIA, maintains at all times during the terms of this Agreement all of the following insurance policies:

i. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Local Agency or Subcontractor employees acting within the course and scope of their employment.

ii. General Liability

Commercial general liability insurance written on an Insurance Services Office occurrence form, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- a. \$1,000,000 each occurrence;
- b. \$1,000,000 general aggregate;
- c. \$1,000,000 products and completed operations aggregate; and
- d. \$50,000 any 1 fire.

iii. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

iv. Protected Information (this insurance requirement only applies if the Subcontractor has or will have access to State Confidential Information)

Liability insurance covering all loss of State Confidential Information, such as PII, PHI, PCI, Tax Information, and CJI, and claims based on alleged violations of privacy rights through improper use or disclosure of protected information with minimum limits as follows:

- a. \$1,000,000 each occurrence; and
- b. \$2,000,000 general aggregate.

v. Professional Liability Insurance Insurance (this insurance requirement only applies if the Subcontractor is providing professional services including but not limited to engineering, architectural, landscape architectural, professional surveying, industrial hygiene services, or any other commonly understood professional service)

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

- a. \$1,000,000 each occurrence; and
- b. \$1,000,000 general aggregate.

vi. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:

- a. \$1,000,000 each occurrence; and
- b. \$1,000,000 general aggregate.

vii. Cyber/Network Security and Privacy Liability

Liability insurance covering all civil, regulatory and statutory damages, contractual damages, data breach management exposure, and any loss of State Confidential Information, such as PII, PHI, PCI, Tax Information, and CJI, and claims based on alleged violations of breach, violation or infringement of right to privacy rights through improper use or disclosure of protected consumer data protection law,

confidentiality or other legal protection for personal information, as well as State Confidential Information with minimum limits as follows:

- a. \$1,000,000 each occurrence; and
- b. \$2,000,000 general aggregate.

C. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Local Agency and Subcontractors. In the event of cancellation of any commercial general liability policy, the carrier shall provide at least 10 days prior written notice to CDOT.

D. Primacy of Coverage

Coverage required of Local Agency and each Subcontractor shall be primary over any insurance or self-insurance program carried by Local Agency or the State.

E. Cancellation

All commercial insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Local Agency and Local Agency shall forward such notice to the State in accordance with §16 within 7 days of Local Agency's receipt of such notice.

F. Subrogation Waiver

All commercial insurance policies secured or maintained by Local Agency or its Subcontractors in relation to this Agreement shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Local Agency or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

G. Certificates

For each commercial insurance plan provided by Local Agency under this Agreement, Local Agency shall provide to the State certificates evidencing Local Agency's insurance coverage required in this Agreement within seven (7) Business Days following the Effective Date. Local Agency shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Agreement within seven (7) Business Days following the Effective Date, except that, if Local Agency's subcontract is not in effect as of the Effective Date, Local Agency shall provide to the State certificates showing Subcontractor insurance coverage required under this Agreement within seven (7) Business Days following Local Agency's execution of the subcontract. No later than 15 days before the expiration date of Local Agency's or any Subcontractor's coverage, Local Agency shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Agreement, upon request by the State, Local Agency shall, within seven (7) Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this §12.

**13. BREACH**

A. Defined

The failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner, shall be a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization, or similar law, by or against Local Agency, or the appointment of a receiver or similar officer for Local Agency or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, the aggrieved Party shall give written notice of breach to the other Party. If the notified Party does not cure the breach, at its sole expense, within 30 days after the delivery of written notice, the Party may exercise any of the remedies as described in §14 for that Party. Notwithstanding any provision of this Agreement to the contrary, the State, in its discretion, need not provide notice or a cure period and

may immediately terminate this Agreement in whole or in part or institute any other remedy in the Agreement in order to protect the public interest of the State.

#### 14. REMEDIES

##### A. State's Remedies

If Local Agency is in breach under any provision of this Agreement and fails to cure such breach, the State, following the notice and cure period set forth in §13.B, shall have all of the remedies listed in this §14.A. in addition to all other remedies set forth in this Agreement or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

##### i. Termination for Breach

In the event of Local Agency's uncured breach, the State may terminate this entire Agreement or any part of this Agreement. Local Agency shall continue performance of this Agreement to the extent not terminated, if any.

##### a. Obligations and Rights

To the extent specified in any termination notice, Local Agency shall not incur further obligations or render further performance past the effective date of such notice and shall terminate outstanding orders and subcontracts with third parties. However, Local Agency shall complete and deliver to the State all Work not canceled by the termination notice and may incur obligations as necessary to do so within this Agreement's terms. At the request of the State, Local Agency shall assign to the State all of Local Agency's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Local Agency shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Local Agency but in which the State has an interest. At the State's request, Local Agency shall return materials owned by the State in Local Agency's possession at the time of any termination. Local Agency shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

##### b. Payments

Notwithstanding anything to the contrary, the State shall only pay Local Agency for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Local Agency was not in breach or that Local Agency's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Agreement had been terminated in the public interest under §2.C.

##### c. Damages and Withholding

Notwithstanding any other remedial action by the State, Local Agency shall remain liable to the State for any damages sustained by the State in connection with any breach by Local Agency, and the State may withhold payment to Local Agency for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Local Agency is determined. The State may withhold any amount that may be due Local Agency as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

##### ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

##### a. Suspend Performance

Suspend Local Agency's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Local Agency to an adjustment in price or cost or an adjustment in the performance schedule. Local Agency shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Local Agency after the suspension of performance.

##### b. Withhold Payment

Withhold payment to Local Agency until Local Agency corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Local Agency's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal from the Work of any of Local Agency's employees, agents, or Subcontractors from the Work whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Agreement is deemed by the State to be contrary to the public interest or the State's best interest.

e. Intellectual Property

If any Work infringes a patent, copyright, trademark, trade secret, or other intellectual property right, Local Agency shall, as approved by the State (a) secure that right to use such Work for the State or Local Agency; (b) replace the Work with non infringing Work or modify the Work so that it becomes non infringing; or, (c) remove any infringing Work and refund the amount paid for such Work to the State.

B. Local Agency's Remedies

If the State is in breach of any provision of this Agreement and does not cure such breach, Local Agency, following the notice and cure period in §13.B and the dispute resolution process in §15 shall have all remedies available at law and equity.

**15. DISPUTE RESOLUTION**

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Agreement which cannot be resolved by the designated Agreement representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Local Agency for resolution.

B. Resolution of Controversies

If the initial resolution described in §15.A fails to resolve the dispute within 10 Business Days, Contractor shall submit any alleged breach of this Contract by the State to the Procurement Official of CDOT as described in §24-101-301(30), C.R.S. for resolution in accordance with the provisions of §§24-106-109, 24-109-101.1, 24-109-101.5, 24-109-106, 24-109-107, 24-109-201 through 24-109-206, and 24-109-501 through 24-109-505, C.R.S., (the "Resolution Statutes"), except that if Contractor wishes to challenge any decision rendered by the Procurement Official, Contractor's challenge shall be an appeal to the executive director of the Department of Personnel and Administration, or their delegate, under the Resolution Statutes before Contractor pursues any further action as permitted by such statutes. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations.

C. Questions of Fact

Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement which is not disposed of by agreement shall be decided by the Chief Engineer of the Department of Transportation. The decision of the Chief Engineer will be final and conclusive unless, within 30 calendar days after the date of receipt of a copy of such written decision, Local Agency mails or otherwise furnishes to the State a written appeal addressed to the Executive Director of CDOT. In connection with any appeal proceeding under this clause, Local Agency shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, Local Agency shall proceed diligently with the performance of this Agreement in accordance with the Chief Engineer's decision. The decision of the Executive Director or his duly authorized representative for the determination of such appeals shall be final and conclusive and serve as final agency action. This dispute clause does not preclude consideration of questions of law in connection with decisions provided for herein. Nothing in this Agreement, however, shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

## 16. NOTICES AND REPRESENTATIVES

Each individual identified below shall be the principal representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing and shall be delivered **(i)** by hand with receipt required, **(ii)** by certified or registered mail to such Party's principal representative at the address set forth below or **(iii)** as an email with read receipt requested to the principal representative at the email address, if any, set forth below. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth below. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this §16 without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

### For the State

Colorado Department of Transportation (CDOT)
Matt Pettit, Local Agency Coordinator
CDOT Region 2
5615 Wills Blvd.
Pueblo, CO 81008
719-248-0378
matthew.pettit@state.co.us

### For the Local Agency

TOWN OF PALMER LAKE
Jason Dosch, Public Works Supervisor
PO Box 208
Palmer Lake, CO 80133
719-499-3030
jasond@palmer-lake.org

## 17. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

### A. Work Product

Local Agency hereby grants to the State a perpetual, irrevocable, non-exclusive, royalty free license, with the right to sublicense, to make, use, reproduce, distribute, perform, display, create derivatives of and otherwise exploit all intellectual property created by Local Agency or any Subcontractors. Local Agency assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product. Whether or not Local Agency is under contract with the State at the time, Local Agency shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. The Parties intend the Work Product to be works made for hire.

#### i. Copyrights

To the extent that the Work Product (or any portion of the Work Product) would not be considered works made for hire under applicable law, Local Agency hereby assigns to the State, the entire right, title, and interest in and to copyrights in all Work Product and all works based upon, derived from, or incorporating the Work Product; all copyright applications, registrations, extensions, or renewals relating to all Work Product and all works based upon, derived from, or incorporating the Work Product; and all moral rights or similar rights with respect to the Work Product throughout the world. To the extent that Local Agency cannot make any of the assignments required by this section, Local Agency hereby grants to the State a perpetual, irrevocable, royalty-free license to use, modify, copy, publish, display, perform, transfer, distribute, sell, and create derivative works of the Work Product and all works based upon, derived from,



or incorporating the Work Product by all means and methods and in any format now known or invented in the future. The State may assign and license its rights under this license.

ii. Patents

In addition, Local Agency grants to the State (and to recipients of Work Product distributed by or on behalf of the State) a perpetual, worldwide, no-charge, royalty-free, irrevocable patent license to make, have made, use, distribute, sell, offer for sale, import, transfer, and otherwise utilize, operate, modify and propagate the contents of the Work Product. Such license applies only to those patent claims licensable by Local Agency that are necessarily infringed by the Work Product alone, or by the combination of the Work Product with anything else used by the State.

iii. Assignments and Assistance

Whether or not the Local Agency is under Agreement with the State at the time, Local Agency shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. The Parties intend the Work Product to be works made for hire. Local Agency assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Agreement, any pre-existing State Records, State software, research, reports, studies, photographs, negatives, or other documents, drawings, models, materials, data, and information shall be the exclusive property of the State (collectively, "State Materials"). Local Agency shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Local Agency's obligations in this Agreement without the prior written consent of the State. Upon termination of this Agreement for any reason, Local Agency shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Local Agency

Local Agency retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Local Agency including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Local Agency under this Agreement, whether incorporated in a Deliverable or necessary to use a Deliverable (collectively, "Local Agency Property"). Local Agency Property shall be licensed to the State as set forth in this Agreement or a State approved license agreement: (i) entered into as exhibits to this Agreement, (ii) obtained by the State from the applicable third-party vendor, or (iii) in the case of open source software, the license terms set forth in the applicable open source license agreement.

## 18. GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the Parties, their departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the GIA; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, *et seq.* C.R.S. The following applies through June 30, 2022: no term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

## 19. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Local Agency under this Agreement is \$100,000 or greater, either on the Effective Date or at any time thereafter, this §19 shall apply. Local Agency agrees to be governed by and comply with the provisions of §24-106-103, §24-102-206, §24-106-106, §24-106-107 C.R.S. regarding the monitoring of vendor performance and the reporting of contract performance information in the State's contract management system ("Contract Management System" or "CMS"). Local Agency's performance shall be subject to evaluation and review in accordance with the terms and conditions of this Agreement, Colorado statutes governing CMS, and State Fiscal Rules and State Controller policies.

## 20. GENERAL PROVISIONS

### A. Assignment

Local Agency's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Local Agency's rights and obligations approved by the State shall be subject to the provisions of this Agreement

### B. Subcontracts

Local Agency shall not enter into any subcontract in connection with its obligations under this Agreement without the prior, written approval of the State. Local Agency shall submit to the State a copy of each such subcontract upon request by the State. All subcontracts entered into by Local Agency in connection with this Agreement shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Agreement.

### C. Binding Effect

Except as otherwise provided in §20.A, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

### D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

### E. Captions and References

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

### F. Counterparts

This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

### G. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Contract by reference.

### H. Entire Understanding

This Agreement represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.

### I. Jurisdiction and Venue

All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

### J. Modification

Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment to this Agreement, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Agreement, other than contract amendments, shall conform to the policies promulgated by the Colorado State Controller.

### K. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Agreement to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Agreement.

**L. Order of Precedence**

In the event of a conflict or inconsistency between this Agreement and any exhibits or attachment such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

- i. The provisions of the other sections of the main body of this Agreement.
- ii. **Exhibit N**, Federal Treasury Provisions.
- iii. **Exhibit F**, Certification for Federal-Aid Contracts.
- iv. **Exhibit G**, Disadvantaged Business Enterprise.
- v. **Exhibit I**, Federal-Aid Contract Provisions for Construction Contracts.
- vi. **Exhibit J**, Additional Federal Requirements.
- vii. **Exhibit K**, Federal Funding Accountability and Transparency Act of 2006 (FFATA) Supplemental Federal Provisions.
- viii. **Exhibit L**, Sample Sub-Recipient Monitoring and Risk Assessment Form.
- ix. **Exhibit M**, Supplemental Provisions for Federal Awards Subject to The Office of Management and Budget Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards (the "Uniform Guidance").
- x. **Exhibit O**, Agreement with Subrecipient of Federal Recovery Funds.
- xi. **Exhibit R**, Applicable Federal Awards.
- xii. Colorado Special Provisions in the main body of this Agreement.
- xiii. **Exhibit A**, Scope of Work.
- xiv. **Exhibit H**, Local Agency Procedures for Consultant Services.
- xv. **Exhibit B**, Sample Option Letter.
- xvi. **Exhibit C**, Funding Provisions.
- xvii. **Exhibit P**, SLFRF Subrecipient Quarterly Report.
- xviii. **Exhibit Q**, SLFRF Reporting Modification Form.
- xix. **Exhibit D**, Local Agency Resolution.
- xx. **Exhibit E**, Local Agency Contract Administration Checklist.
- xxi. **Exhibit S**, PII Certification.
- xxii. **Exhibit T**, Checklist of Required Exhibits Dependent on Funding Source.
- xxiii. Other exhibits in descending order of their attachment.

**M. Severability**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with the intent of the Agreement.

**N. Survival of Certain Agreement Terms**

Any provision of this Agreement that imposes an obligation on a Party after termination or expiration of the Agreement shall survive the termination or expiration of the Agreement and shall be enforceable by the other Party.

**O. Third Party Beneficiaries**

Except for the Parties' respective successors and assigns described in **§20.C**, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to the Agreement, and do not create any rights for such third parties.

**P. Waiver**

A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

Q. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-106-107 C.R.S., if any, are subject to public release through the CORA.

R. Standard and Manner of Performance

Local Agency shall perform its obligations under this Agreement in accordance with the highest standards of care, skill and diligence in Local Agency's industry, trade, or profession.

S. Licenses, Permits, and Other Authorizations.

Local Agency shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.

T. Compliance with State and Federal Law, Regulations, and Executive Orders

Local Agency shall comply with all State and Federal law, regulations, executive orders, State and Federal Awarding Agency policies, procedures, directives, and reporting requirements at all times during the term of this Agreement.

U. Accessibility

- i. Local Agency shall comply with and the Work Product provided under this Agreement shall be in compliance with all applicable provisions of §§24-85-101, et seq., C.R.S., and the Accessibility Standards for Individuals with a Disability, as established by the Governor's Office of Information Technology (OIT), pursuant to Section §24-85-103 (2.5), C.R.S. Local Agency shall also comply with all State of Colorado technology standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.
- ii. Each Party agrees to be responsible for its own liability incurred as a result of its participation in and performance under this Agreement. In the event any claim is litigated, each Party will be responsible for its own attorneys' fees, expenses of litigation, or other costs. No provision of this Agreement shall be deemed or construed to be a relinquishment or waiver of any kind of the applicable limitations of liability provided to either the Local Agency or the State by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq. and Article XI of the Colorado Constitution. Nothing in the Agreement shall be construed as a waiver of any provision of the State Fiscal Rules.
- iii. The State may require Local Agency's compliance to the State's Accessibility Standards to be determined by a third party selected by the State to attest to Local Agency's Work Product and software is in compliance with §§24-85-101, et seq., C.R.S., and the Accessibility Standards for Individuals with a Disability as established by OIT pursuant to Section §24-85-103 (2.5), C.R.S.

V. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), et seq., C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Local Agency. Local Agency shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Local Agency may wish to have in place in connection with this Agreement.

**21. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)**

These Special Provisions apply to all contracts. Contractor refers to Local Agency and Contract refers to Agreement.

**A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.**

This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

**B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S., applicable Local Agency law, rule or regulation.**

Financial obligations of the Parties payable after the current State Fiscal Year or fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

**C. GOVERNMENTAL IMMUNITY.**

Liability for claims for injuries to persons or property arising from the negligence of the Parties, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

**D. INDEPENDENT CONTRACTOR**

Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Contract. Contractor shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.**

**E. COMPLIANCE WITH LAW.**

Contractor shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

**F. CHOICE OF LAW, JURISDICTION, AND VENUE.**

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

**G. PROHIBITED TERMS.**

Any term included in this Contract that requires the Parties to indemnify or hold Contractor harmless; requires the Parties to agree to binding arbitration; limits Contractor's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109 C.R.S. Any term included in this Contract that limits Contractor's liability that is not void under this section shall apply only in excess of any insurance to be maintained under this Contract, and no insurance policy shall be interpreted as being subject to any limitations of liability of this Contract.

**H. SOFTWARE PIRACY PROHIBITION.**

State or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this Contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy

available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.**

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

**22. FEDERAL REQUIREMENTS**

Local Agency and/or their contractors, subcontractors, and consultants shall at all times during the execution of this Agreement strictly adhere to, and comply with, all applicable federal and State laws, and their implementing regulations, as they currently exist and may hereafter be amended. A summary of applicable federal provisions are attached hereto as **Exhibit F, Exhibit I, Exhibit J, Exhibit K, Exhibit M, Exhibit N and Exhibit O** are hereby incorporated by this reference.

**23. DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

Local Agency will comply with all requirements of **Exhibit G and Exhibit E**, Local Agency Contract Administration Checklist, regarding DBE requirements for the Work, except that if Local Agency desires to use its own DBE program to implement and administer the DBE provisions of 49 C.F.R. Part 26 under this Agreement, it must submit a copy of its program's requirements to the State for review and approval before the execution of this Agreement. If Local Agency uses any State- approved DBE program for this Agreement, Local Agency shall be solely responsible to defend that DBE program and its use of that program against all legal and other challenges or complaints, at its sole cost and expense. Such responsibility includes, without limitation, determinations concerning DBE eligibility requirements and certification, adequate legal and factual bases for DBE goals and good faith efforts. State approval (if provided) of Local Agency's DBE program does not waive or modify the sole responsibility of Local Agency for use of its program.

## **EXHIBIT A**

### **SCOPE OF WORK**

Name of Project: Palmer Lake Spruce Mountain Rd  
Project Number: STM M026-007  
SubAccount #: 25948

#### **1. General Description**

Spruce Mountain Road is a principal arterial that connects Palmer Lake with Larkspur and is heavily used when I-25 backs up. Currently, it is configured as a two-lane road and has no shoulder on either side of the road. Improvements will include a new driving surface as well as a bike lane. Safety improvements include turn lanes onto County Line Road which will improve traffic flow when there is a train. The balance of the 2100 feet will remain two-lane and the shoulders will be widened, and a bike lane added on one side. The roadway itself is very old and still has concrete under the pavement that used to be the Old Denver Hwy, which is creating heaves in the roadway. These improvements will help ease the congestion when the Interstate is backed up.

#### **2. Personnel**

##### **2.1. Responsible Administrator.**

The Local Agency's performance hereunder shall be under the direct supervision of the project manager identified in §18 of the Agreement.

**Project Manager:** Jason Dosch, Public Works Supervisor  
[jasond@palmer-lake.org](mailto:jasond@palmer-lake.org)  
719-499-3030

##### **2.2. Replacement**

The Local Agency shall immediately notify the State if any key personnel cease to serve and seek its approval. Such notice shall specify why the change is necessary, who the proposed replacement is, what their qualifications are, and when the change would take effect. Anytime key personnel cease to serve, the State, in its sole discretion, may direct the Local Agency to suspend performance on the Work until such time as their replacements are approved. All notices sent under this subsection shall be sent in accordance with §18 of the Agreement.

### 3. Administrative Requirements

At all times from the effective date of this Agreement until completion of the Work, the Local Agency shall maintain properly segregated books of State Agreement funds, matching funds, and other funds associated with the Work. All receipts and expenditures associated with said Work shall be documented in a detailed and specific manner and shall accord with the Work Budget set forth herein.

### 4. Monitoring

The State shall monitor this Work on an as-needed basis. The State may choose to audit the business activities performed under this Agreement. The Local Agency shall maintain a complete file of all records, documents, communications, notes and other written materials or electronic media, files or communications, which pertain in any manner to the operation of activities undertaken pursuant to an executed Agreement. Such books and records shall contain documentation of the participant's pertinent activity under this Agreement in a form consistent with good accounting practice.

**If ARPA funds are used, all ARPA funds must be encumbered by December 31, 2024. All work funded by ARPA must be completed by December 31, 2026 and all bills must be submitted to CDOT for payment by January 31, 2027. These bills must be paid by CDOT by March 31, 2027.**

By accepting funds for this Scope of Work, Local Agency acknowledges, understands, and accepts the continuing responsibility for the safety of the traveling public after initial acceptance of the project. **Local Agency is responsible for maintaining and operating the scope of work described in this Exhibit A constructed under this Agreement at its own cost and expense during its useful life.**

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## **EXHIBIT B**

### **SAMPLE IGA OPTION LETTER**

<b>Date</b>	<b>State Fiscal Year</b>	<b>Option Letter No.</b>
<b>Project Code</b>	<b>Original Agreement #</b>	

Vendor Name:

Option to unilaterally add phasing to include Design, Construction, Environmental, Utilities, ROW incidentals or Miscellaneous and to update encumbrance amount(s).

Option to unilaterally transfer funds from one phase to another phase.

Option to unilaterally add phasing to include Design, Construction, Environmental, Utilities, ROW incidentals or Miscellaneous, to update encumbrance amount(s), and to unilaterally transfer funds from one phase to another phase.

Option to unilaterally extend the term of this Agreement and/or update a Work Phase Performance Period and/or modify OMB Guidance.

#### **Option A**

In accordance with the terms of the original Agreement between the State of Colorado, Department of Transportation and the Local Agency, the State hereby exercises the option to authorize the Local Agency to add a phase and to encumber funds for the phase based on changes in funding availability and authorization. The total encumbrance is (or increased) by \$0.00. A new **Exhibit C-1** is made part of the original Agreement and replaces **Exhibit C**.

#### **Option B**

In accordance with the terms of the original Agreement between the State of Colorado, Department of Transportation and the Local Agency, the State hereby exercises the option to transfer funds based on variance in actual phase costs and original phase estimates. A new **Exhibit C-1** is made part of the original Agreement and replaces **Exhibit C**.

#### **Option C**

In accordance with the terms of the original Agreement between the State of Colorado, Department of Transportation and the Local Agency, the State hereby exercises the option to 1) release the Local Agency to begin a phase; 2) to encumber funds for the phase based upon changes in funding availability and authorization; and 3) to transfer funds from phases based on variance in actual phase costs and

original phase estimates. A new **Exhibit C-1** is made part of the original Agreement and replaces **Exhibit C**.

#### **Option D**

In accordance with the terms of the original Agreement between the State of Colorado, Department of Transportation and the Local Agency, the State hereby exercises the option extend the term of this Agreement and/or update a Work Phase Performance Period and/or modify information required under the OMB Uniform Guidance, as outlined in **Exhibit C**. This is made part of the original Agreement and replaces the Expiration Date shown on the Signature and Cover Page. Any updated version of **Exhibit C** shall be attached to any executed Option Letter as **Exhibit C-1** (with subsequent exhibits labeled **C-2**, **C-3**, etc.).

The effective date of this option letter is upon approval of the State Controller or delegate.

**STATE OF COLORADO**  
**Jared S. Polis**  
**Department of Transportation**

By: \_\_\_\_\_  
 Keith Stefanik, P.E., Chief Engineer  
 (For) Shoshana M. Lew, Executive Director

Date: \_\_\_\_\_

#### **ALL AGREEMENTS MUST BE APPROVED BY THE STATE CONTROLLER**

**CRS §24-30-202 requires the State Controller to approve all State Agreements. This Agreement is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If the Local Agency begins performing prior thereto, the State of Colorado is not obligated to pay the Local Agency for such performance or for any goods and/or services provided hereunder.**

**STATE OF COLORADO**  
**STATE CONTROLLER**  
 Robert Jaros, CPA, MBA, JD

By: \_\_\_\_\_  
 Colorado Department of Transportation

Date: \_\_\_\_\_

**EXHIBIT C FUNDING PROVISIONS****Town of Palmer Lake: STM M026-007 (25948)****A. Cost of Work Estimate**

The Local Agency has estimated the total cost the Work to be \$1,499,996.00, which is to be funded as follows:

<b>1. FUNDING</b>		
a.	Federal Funds (82.79% of MPP Award)	\$1,241,847.00
b.	Local Agency Funds (17.21% of MPP Award)	\$258,149.00
<b>TOTAL FUNDS ALL SOURCES</b>		<b>\$1,499,996.00</b>
<b>2. OMB UNIFORM GUIDANCE</b>		
a.	Federal Award Identification Number (FAIN):	TBD
b.	Name of Federal Awarding Agency:	FHWA
c.	Local Agency Unique Entity Identifier	C1GKDZDAJ7U3
d.	Assistance Listing # Highway Planning and Construction	ALN 20.205
e.	Is the Award for R&D?	No
f.	Indirect Cost Rate (if applicable)	N/A
g.	Amount of Federal Funds Obligated by this Action:	\$0.00
h.	Amount of Federal Funds Obligated to Date (including this Action):	\$0.00
<b>3. ESTIMATED PAYMENT TO LOCAL AGENCY</b>		
a.	Federal Funds Budgeted	\$1,241,847.00
b.	Less Estimated Federal Share of CDOT-Incurred Costs	\$0.00
<b>TOTAL ESTIMATED PAYMENT TO LOCAL AGENCY</b>		<b>82.79% \$1,241,847.00</b>
<b>TOTAL ESTIMATED FUNDING BY LOCAL AGENCY</b>		<b>17.21% \$258,149.00</b>
<b>TOTAL PROJECT ESTIMATED FUNDING</b>		<b>100.00% \$1,499,996.00</b>
<b>4. FOR CDOT ENCUMBRANCE PURPOSES</b>		
a.	Total Encumbrance Amount (Federal funds + Local Agency funds)	\$1,499,996.00
b.	Less ROW Acquisition 3111 and/or ROW Relocation 3109	\$0.00
<b>NET TO BE ENCUMBERED BY CDOT IS AS FOLLOWS</b>		<b>\$1,499,996.00</b>

Note: No funds are currently available. Design and Construction funds will become available after execution of an Option letter (Exhibit B) or formal Amendment.

WBS Element 25948.10.30	Performance Period Start*/End Date TBD-TBD	Design 3020	\$0.00
WBS Element 25948.20.10	Performance Period Start*/End Date TBD-TBD	Const. 3301	\$0.00

\*The Local Agency should not begin work until all three (3) of the following are in place: 1) Phase Performance Period Start Date; 2) the execution of the document encumbering funds for the respective phase; and 3) Local Agency receipt of the official Notice to Proceed. Any work performed before these three (3) milestones are achieved will not be reimbursable.

**B. Funding Ratios**

The funding ratio for the federal funds for this Work is 82.79% federal funds to 17.21% Local Agency funds, and this ratio applies only to the \$1,499,996.00 that is eligible for federal funding. All other costs are borne by the Local Agency at 100%. If the total cost of performance of the Work exceeds

\$1,499,996.00, and additional federal funds are not available, the Local Agency shall pay all such excess costs. If the total cost of performance of the Work is less than \$1,499,996.00, then the amounts of Local Agency and federal funds will be decreased in accordance with the funding ratio described in **A1. This applies to the entire scope of Work.**

### **C. Maximum Amount Payable**

The maximum amount payable to the Local Agency under this Agreement shall be \$1,241,847.00. For CDOT accounting purposes, the federal funds of \$1,241,847.00 and the Local Agency funds of \$258,149.00 will be encumbered for a total encumbrance of \$1,499,996.00. The total budget of this project is \$1,499,996.00, unless this amount is increased by an executed amendment before any increased cost is incurred. The total cost of the Work is the best estimate available, based on the design data as approved at the time of execution of this Agreement, and that any cost is subject to revisions agreed to by the parties prior to bid and award. The maximum amount payable will be reduced without amendment when the actual amount of the Local Agency's awarded Agreement is less than the budgeted total of the federal funds and the Local Agency funds. The maximum amount payable will be reduced through the execution of an Option Letter as described in Section 7. E. of this contract. **This applies to the entire scope of Work.**

### **D. Single Audit Act Amendment**

All state and local government and non-profit organizations receiving \$750,000.00 or more from all funding sources defined as federal financial assistance for Single Audit Act Amendment purposes shall comply with the audit requirements of 2 CFR part 200, subpart F (Audit Requirements) see also, 49 CFR 18.20 through 18.26. The Single Audit Act Amendment requirements applicable to the Local Agency receiving federal funds are as follows:

#### **i. Expenditure less than \$750,000.00**

If the Local Agency expends less than \$750,000.00 in Federal funds (all federal sources, not just Highway funds) in its fiscal year then this requirement does not apply.

#### **ii. Expenditure of \$750,000.00 or more-Highway Funds Only**

If the Local Agency expends \$750,000.00 or more, in Federal funds, but only received federal Highway funds (Catalog of Federal Domestic Assistance, CFDA 20.205) then a program specific audit shall be performed. This audit will examine the "financial" procedures and processes for this program area.

#### **iii. Expenditure of \$750,000.00 or more-Multiple Funding Sources**

If the Local Agency expends \$750,000 or more in Federal funds, and the Federal funds are from multiple sources (FTA, HUD, NPS, etc.) then the Single Audit Act applies, which is an audit on the entire organization/entity.

#### **iv. Independent CPA**

Single Audit shall only be conducted by an independent CPA, not by an auditor on staff. An audit is an allowable direct or indirect cost.

**EXHIBIT D**

**LOCAL AGENCY RESOLUTION (IF APPLICABLE)**

# EXHIBIT E

## Local Agency Contract Administration Checklist

Item 20.

<b>COLORADO DEPARTMENT OF TRANSPORTATION</b>			
<b>LOCAL AGENCY CONTRACT ADMINISTRATION CHECKLIST</b>			
Project No. <b>STM M026-007</b>	STIP No. <b>SPP6726</b>	Project Code <b>25948</b>	Region <b>02</b>
Project Location <b>Town of Palmer Lake</b>			Date <b>03/26/2023</b>
Project Description <b>Palmer Lake Spruce Mountain Road Project</b>			
Local Agency <b>Town of Palmer Lake</b>	Local Agency Project Manager <b>Jason Dosch</b>		
CDOT Resident Engineer <b>Lachelle Davis</b>	CDOT Project Manager <b>Matthew Pettit</b>		
<p><b>INSTRUCTIONS:</b></p> <p>This checklist shall be used to establish the contractual administrative responsibilities of the individual parties to this agreement. The checklist becomes an attachment to the Local Agency Agreement. Section numbers (NO.) correspond to the applicable chapters of the <i>CDOT Local Agency Desk Reference (Local Agency Manual)</i>. LAWR numbers correspond to the applicable flowchart in the Local Agency Web Resource.</p> <p>The checklist shall be prepared by placing an X under the responsible party, opposite each of the tasks. The X denotes the party responsible for initiating and executing the task. Only one responsible party should be selected. When neither CDOT nor the Local Agency is responsible for a task, not applicable (NA) shall be noted. In addition, # will denote that CDOT must concur or approve.</p> <p>Tasks that will be performed by Headquarters staff are indicated with an X in the CDOT column under Responsible Party. The Regions, in accordance with established policies and procedures, will determine who will perform all other tasks that are the responsibility of CDOT.</p> <p>The checklist shall be prepared by the CDOT Resident Engineer or the CDOT Project Manager, in cooperation with the Local Agency Project Manager, and submitted to the Region Program Engineer. If contract administration responsibilities change, the CDOT Resident Engineer, in cooperation with the Local Agency Project Manager, will prepare and distribute a revised checklist.</p> <p>Note: Failure to comply with applicable Federal and State requirements may result in the loss of Federal or State participation in funding.</p>			

LA WR	NO.	DESCRIPTION OF TASK	RESPONSIBLE PARTY	
			LA	CDOT
		<b>TIP / STIP AND LONG-RANGE PLANS</b>		
	2.1	Review Project to ensure it is consistent with STIP and amendments thereto		X
		<b>FEDERAL FUNDING OBLIGATION AND AUTHORIZATION</b>		
	4.1	Authorize funding by phases (CDOT Form 418 - Federal-aid Program Data. Requires FHWA concurrence/involvement). <i>Please write in "NA", if Not Applicable.</i>		x
		<b>PROJECT DEVELOPMENT</b>		
	5.1	Determine Delivery Method on Infrastructure Projects	X	
1	5.2	Prepare Design Data - CDOT Form 463		X
	5.3	Prepare Local Agency/CDOT Inter-Governmental Agreement (see also Chapter 3)		X
2	5.4	Conduct Consultant Selection/Execute Consultant Agreement <ul style="list-style-type: none"> <li>Project Development</li> <li>Construction Contract Administration (including Fabrication Inspection Services)</li> </ul>	X X	
3,3A	5.5	Conduct Design Scoping Review Meeting	X	
3,6	5.6	Conduct Public Involvement	X	
3	5.7	Conduct Field Inspection Review (FIR)	X	#

LA WR	NO.	DESCRIPTION OF TASK	RESPONSIBLE PARTY	
			LA	CDOT
4	5.8	Conduct Environmental Processes (may require FHWA concurrence/involvement)	X	#
5	5.9	Acquire Right-of-Way (may require FHWA concurrence/involvement)	X	#
3	5.10	Obtain Utility and Railroad Agreements	X	#
3	5.11	Conduct Final Office Review (FOR)	X	#
3A	5.12	Justify Force Account Work by the Local Agency	X	#
3B	5.13	Justify Proprietary, Sole Source, or Local Agency Furnished Items	X	#
3	5.14	Document Design Exceptions - CDOT Form 464	X	#
3	5.15	Prepare Plans, Specifications, Construction Cost Estimates and Submittals	X	#
	5.16	Ensure Authorization of Funds for Construction		X
	5.17	Electronic Signatures	X	#
	5.18	Records Management	X	#
<b>PROJECT DEVELOPMENT CIVIL RIGHTS AND LABOR COMPLIANCE</b>				
3	6.1	Set Disadvantaged Business Enterprise (DBE) Goals for Consultant and Construction Contracts (CDOT Region EEO/Civil Rights Specialist).		x
	6.2	Determine Applicability of Davis-Bacon Act This project <input type="checkbox"/> is <input checked="" type="checkbox"/> is not exempt from Davis-Bacon requirements as determined by the functional classification of the project location (Projects located on local roads and rural minor collectors may be exempt.)  <b>Lachelle Davis</b> <b>03/29/2023</b> CDOT Resident Engineer Date		x
	6.3	Set On-the-Job Training Goals (CDOT Region EEO/Civil Rights Specialist) "NA", if Not Applicable		x
3	6.4	Title VI Assurances	X	#
6,7		Ensure the correct Federal Wage Decision, all required Disadvantaged Business Enterprise/On-the-Job Training special provisions and FHWA Form 1273 are included in the Contract (CDOT Resident Engineer)	X	#
<b>ADVERTISE, BID AND AWARD of CONSTRUCTION PROJECTS</b>				
6,7	7.1	Obtain Approval for Advertisement Period of Less Than Three Weeks	X	#
7	7.2	Advertise for Bids	X	#
7	7.3	Distribute "Advertisement Set" of Plans and Specifications	X	
7	7.4	Review Worksite and Plan Details with Prospective Bidders While Project Is Under Advertisement	X	
7	7.5	Open Bids	X	
7	7.6	Process Bids for Compliance		
		Check CDOT Form 1415 – Commitment Confirmation when the low bidder meets DBE goals. <i>Please write in "NA", if Not Applicable.</i>		x
		Evaluate CDOT Form 1416 - Good Faith Effort Report and determine if the Contractor has made a good faith effort when the low bidder does not meet DBE goals. "NA", if Not Applicable.		x
		Submit required documentation for CDOT award concurrence	X	
	7.7	Concurrence from CDOT to Award		x
	7.8	Approve Rejection of Low Bidder		x
7,8	7.9	Award Contract	X	#
8	7.10	Provide "Award" and "Record" Sets of Plans and Specifications	X	
<b>CONSTRUCTION MANAGEMENT</b>				
8	8.1	Issue Notice to Proceed to the Contractor	X	#
8	8.2	Project Safety	X	
8	8.3	Conduct Conferences:		
		Pre-construction Conference (Appendix B)	X	
		• Fabrication Inspection Notifications	X	
		Pre-survey		
		• Construction staking	X	
		• Monumentation	X	
		Partnering (Optional)	X	
		Structural Concrete Pre-Pour (Agenda is in CDOT Construction Manual)	X	

LA WR	NO.	DESCRIPTION OF TASK	RESPONSIBLE PARTY	
			LA	CDOT
		Concrete Pavement Pre-Paving (Agenda is in <i>CDOT Construction Manual</i> )	X	
		HMA Pre-Paving (Agenda is in <i>CDOT Construction Manual</i> )	X	
8	8.4	Develop and distribute Public Notice of Planned Construction to media and local residents	X	
9	8.5	Supervise Construction		
		A Professional Engineer (PE) registered in Colorado, who will be "in responsible charge of construction supervision." Jason Dosch _____ 719-499-3030 Local Agency Professional Engineer or Phone number CDOT Resident Engineer	X	
		Provide competent, experienced staff who will ensure the Contract work is constructed in accordance with the plans and specifications	X	
		Construction inspection and documentation	X	#
		Fabrication Inspection and documentation	X	
9	8.6	Approve Shop Drawings	X	#
9	8.7	Perform Traffic Control Inspections	X	
9	8.8	Perform Construction Surveying	X	
9	8.9	Monument Right-of-Way	X	
9,9A	8.10	Prepare and Approve Interim and Final Contractor Pay Estimates. Collect and review CDOT Form 1418 (or equivalent)  Provide the name and phone number of the person authorized for this task.  Jason Dosch _____ 719-499-3030 Local Agency Representative Phone number	X	#
9	8.11	Prepare and Approve Interim and Final Utility and Railroad Billings	N/A	
9B	8.12	Prepare and Authorize Change Orders	X	#
9B	8.13	Submit Change Order Package to CDOT	X	
9A	8.14	Prepare Local Agency Reimbursement Requests	X	
9	8.15	Monitor Project Financial Status	X	
9	8.16	Prepare and Submit Monthly Progress Reports	X	
9	8.17	Resolve Contractor Claims and Disputes	X	
	8.18	Conduct Routine and Random Project Reviews  Provide the name and phone number of the person responsible for this task.  Lachelle Davis _____ 719-595-9741 CDOT Resident Engineer Phone number		X
9	8.19	Ongoing Oversight of DBE Participation	X	
<b>MATERIALS</b>				
9,9C	9.1	Discuss Materials at Pre-Construction Meeting • Buy America documentation required <b>prior to</b> installation of steel	X	#
9,9C	9.2	Complete CDOT Form 250 - Materials Documentation Record • Generate form, which includes determining the minimum number of required tests and applicable material submittals for all materials placed on the project • Update the form as work progresses • Complete and distribute form after work is completed	X X	X #
9C	9.3	Perform Project Acceptance Samples and Tests	X	
9C	9.4	Perform Laboratory Verification Tests	X	
9C	9.5	Accept Manufactured Products  Inspection of structural components: • Fabrication of structural steel and pre-stressed concrete structural components • Bridge modular expansion devices (0" to 6" or greater) • Fabrication of bearing devices	X X X	#



LA WR	NO.	DESCRIPTION OF TASK	RESPONSIBLE PARTY	
			LA	CDOT
9C	9.6	Approve Sources of Materials	X	#
9C	9.7	Independent Assurance Testing (IAT). Local Agency Procedures <input type="checkbox"/> CDOT Procedures <input type="checkbox"/> <ul style="list-style-type: none"> <li>• Generate IAT schedule</li> <li>• Schedule and provide notification</li> <li>• Conduct IAT</li> </ul>	X X	X
9C	9.8	Approve mix designs <ul style="list-style-type: none"> <li>• Concrete</li> <li>• Hot mix asphalt</li> </ul>	X X	
9C	9.9	Check Final Materials Documentation	X	
9C	9.10	Complete and Distribute Final Materials Documentation	X	#
<b>CONSTRUCTION CIVIL RIGHTS AND LABOR COMPLIANCE</b>				
9	10.1	Fulfill Project Bulletin Board and Pre-Construction Packet Requirements	X	
8,9	10.2	Process CDOT Form 205 - Sublet Permit Application Review and sign completed CDOT Form 205 for each subcontractor, and submit to EEO/Civil Rights Specialist	X	
9	10.3	Conduct Equal Employment Opportunity and Labor Compliance Verification Employee Interviews. Complete CDOT Form 280	X	
9	10.4	Monitor Disadvantaged Business Enterprise Participation to Ensure Compliance with the "Commercially Useful Function" Requirements	X	
9	10.5	Conduct Interviews When Project Utilizes On-the-Job Trainees. <ul style="list-style-type: none"> <li>• Complete CDOT Form 1337 – Contractor Commitment to Meet OJT Requirements.</li> <li>• Complete CDOT Form 838 – OJT Trainee / Apprentice Record.</li> <li>• Complete CDOT Form 200 - OJT Training Questionnaire</li> </ul>	X X X	
9	10.6	Check Certified Payrolls (Contact the Region EEO/Civil Rights Specialists for training requirements.)	X	
9	10.7	Submit FHWA Form 1391 - Highway Construction Contractor's Annual EEO Report	X	
<b>FINALS</b>				
	11.1	Conduct Final Project Inspection. Complete and submit CDOT Form 1212 - Final Acceptance Report (Resident Engineer with mandatory Local Agency participation.)		X
10	11.2	Write Final Project Acceptance Letter	X	
10	11.3	Advertise for Final Settlement	X	
11	11.4	Prepare and Distribute Final As-Constructed Plans	X	
11	11.5	Prepare EEO Certification and Collect EEO Forms	X	
11	11.6	Check Final Quantities, Plans, and Pay Estimate; Check Project Documentation; and submit Final Certifications	X	
11	11.7	Check Material Documentation and Accept Final Material Certification (See Chapter 9)	X	
11	11.8	Obtain CDOT Form 1419 from the Contractor and Submit to the CDOT Project Manager	X	
	11.9	(FHWA Form 47 discontinued)		
	11.10	Complete and Submit CDOT Form 1212 – Final Acceptance Report (by CDOT)		X
11	11.11	Process Final Payment	X	
	11.12	Complete and Submit CDOT Form 950 - Project Closure		X
11	11.13	Retain Project Records	X	
11	11.14	Retain Final Version of Local Agency Contract Administration Checklist	X	

cc: CDOT Resident Engineer/Project Manager  
CDOT Region Program Engineer  
CDOT Region EEO/Civil Rights Specialist

CDOT Region Materials Engineer  
CDOT Contracts and Market Analysis Branch  
Local Agency Project Manager

**EXHIBIT F**  
**CERTIFICATION FOR FEDERAL-AID CONTRACTS**

The Local Agency certifies, by signing this Agreement, to the best of its knowledge and belief, that:

No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, Agreement, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer of Congress, or an employee of a Member of Congress in connection with this Federal contract, Agreement, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

## **EXHIBIT G**

### **DISADVANTAGED BUSINESS ENTERPRISES**

#### SECTION 1. Policy

It is the policy of the Colorado Department of Transportation (CDOT) that Disadvantaged Business Enterprises (DBEs) shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement, pursuant to 49 CFR Part 26. Accordingly, CDOT's federally approved DBE Program Plan shall apply to this agreement.

#### SECTION 2. Subrecipient and Participant Obligation.

The Local Agency and its subrecipients agrees to ensure that DBEs certified through the Colorado Unified Certification Program have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this agreement.

All participants on contracts and subcontracts financed in whole or in part with Federal funds provided under this Agreement shall take all necessary and reasonable steps in accordance with the CDOT's federally approved DBE Program Plan to ensure that DBEs have the maximum opportunity to compete for and perform contracts.

Local Agency subrecipients and their contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of CDOT and federally assisted contracts.

#### SECTION 3. DBE Program.

The Local Agency subrecipient shall be responsible for complying with CDOT's FHWA-approved DBE Program Plan.

Local Agency requirements can be found at:

<https://www.codot.gov/business/civilrights>

## **EXHIBIT H**

### **LOCAL AGENCY PROCEDURES FOR CONSULTANT SERVICES**

Title 23 Code of Federal Regulations (CFR) 172 applies to a federally funded Local Agency project agreement administered by CDOT that involves professional consultant services. 23 CFR 172.1 states “The policies and procedures involve federally funded contracts for engineering and design related services for projects subject to the provisions of 23 U.S.C. 112(a) and are issued to ensure that a qualified consultant is obtained through an equitable selection process, that prescribed work is properly accomplished in a timely manner, and at fair and reasonable cost” and according to 23 CFR 172.5 “Price shall not be used as a factor in the analysis and selection phase.” Therefore, local agencies must comply with these CFR requirements when obtaining professional consultant services under a federally funded consultant contract administered by CDOT.

CDOT has formulated its procedures in Procedural Directive (P.D.) 400.1 and the related operations guidebook titled "Obtaining Professional Consultant Services". This directive and guidebook incorporate requirements from both Federal and State regulations, i.e., 23 CFR 172 and CRS §24-30-1401 et seq. Copies of the directive and the guidebook may be obtained upon request from CDOT's Agreements and Consultant Management Unit. [Local agencies should have their own written procedures on file for each method of procurement that addresses the items in 23 CFR 172].

Because the procedures and laws described in the Procedural Directive and the guidebook are quite lengthy, the subsequent steps serve as a short-hand guide to CDOT procedures that a Local Agency must follow in obtaining professional consultant services. This guidance follows the format of 23 CFR 172. The steps are:

1. The contracting Local Agency shall document the need for obtaining professional services.
2. Prior to solicitation for consultant services, the contracting Local Agency shall develop a detailed scope of work and a list of evaluation factors and their relative importance. The evaluation factors are those identified in C.R.S. 24-30-1403. Also, a detailed cost estimate should be prepared for use during negotiations.
3. The contracting agency must advertise for contracts in conformity with the requirements of C.R.S. 24-30-1405. The public notice period, when such notice is required, is a minimum of 15 days prior to the selection of the three most qualified firms and the advertising should be done in one or more daily newspapers of general circulation.
4. The Local Agency shall not advertise any federal aid contract without prior review by the CDOT Regional Civil Rights Office (RCRO) to determine whether the contract shall be subject to a DBE contract goal. If the RCRO determines a goal is necessary, then the Local Agency shall include the goal and the applicable provisions within the advertisement. The Local Agency shall not award a contract to any Contractor or Consultant without the confirmation by the CDOT Civil Rights and Business Resource Center that the Contractor or Consultant has demonstrated good faith efforts. The Local Agency shall work with the CDOT RCRO to ensure compliance with the established terms during the performance of the contract.
5. The Local Agency shall require that all contractors pay subcontractors for satisfactory performance of work no later than 30 days after the receipt of payment for that work from the contractor. For construction projects, this time period shall be reduced to seven days in accordance with Colorado Revised Statute 24-91-103(2). If the Local Agency withholds retainage from contractors and/or allows contractors to withhold retainage from subcontractors, such retainage provisions must comply with 49 CFR 26.29.
6. Payments to all Subconsultants shall be made within thirty days of receipt of payment from [the Local Agency] or no later than ninety days from the date of the submission of a complete invoice from the Subconsultant, whichever occurs first. If the Consultant has good cause to dispute an amount invoiced by a Subconsultant, the Consultant shall notify [the Local Agency] no later than the required date for payment. Such notification shall include the amount disputed and justification for the withholding. The Consultant shall maintain records of payment that show amounts paid to all Subconsultants. Good cause does not include the Consultant's failure to submit an invoice to the Local Agency or to deposit payments made.
7. The analysis and selection of the consultants shall be done in accordance with CRS §24-30-1403. This section of the regulation identifies the criteria to be used in the evaluation of CDOT pre-qualified prime consultants and their team. It also shows which criteria are used to short-list and to make a final selection.

The short-list is based on the following evaluation factors:

- a. Qualifications,

- b. Approach to the Work,
- c. Ability to furnish professional services.
- d. Anticipated design concepts, and
- e. Alternative methods of approach for furnishing the professional services. Evaluation factors for final selection are the consultant's:

- a. Abilities of their personnel,
  - b. Past performance,
  - c. Willingness to meet the time and budget requirement,
  - d. Location,
  - e. Current and projected work load,
  - f. Volume of previously awarded contracts, and
  - g. Involvement of minority consultants.
8. Once a consultant is selected, the Local Agency enters into negotiations with the consultant to obtain a fair and reasonable price for the anticipated work. Pre-negotiation audits are prepared for contracts expected to be greater than \$50,000. Federal reimbursements for costs are limited to those costs allowable under the cost principles of 48 CFR 31. Fixed fees (profit) are determined with consideration given to size, complexity, duration, and degree of risk involved in the work. Profit is in the range of six to 15 percent of the total direct and indirect costs.
9. A qualified Local Agency employee shall be responsible and in charge of the Work to ensure that the work being pursued is complete, accurate, and consistent with the terms, conditions, and specifications of the contract. At the end of Work, the Local Agency prepares a performance evaluation (a CDOT form is available) on the consultant.

CRS §§24-30-1401 THROUGH 24-30-1408, 23 CFR PART 172, AND P.D. 400.1, PROVIDE ADDITIONAL DETAILS FOR COMPLYING WITH THE PRECEEDING EIGHT (8) STEPS.

**EXHIBIT I**

Item 20.

**REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS**

- I. General
- II. Nondiscrimination
- III. Non-segregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion
- XI. Certification Regarding Use of Contract Funds for Lobbying
- XII. Use of United States-Flag Vessels:

**ATTACHMENTS**

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

**I. GENERAL**

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under title 23, United States Code, as required in 23 CFR 633.102(b) (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services). 23 CFR 633.102(e).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider. 23 CFR 633.102(e).

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services) in accordance with 23 CFR 633.102. The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in solicitation-for-bids or request-for-proposals documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract). 23 CFR 633.102(b).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work

performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract. 23 CFR 633.102(d).

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. 23 U.S.C. 114(b). The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors. 23 U.S.C. 101(a).

**II. NONDISCRIMINATION** (23 CFR 230.107(a); 23 CFR Part 230, Subpart A, Appendix A; EO 11246)

The provisions of this section related to 23 CFR Part 230, Subpart A, Appendix A are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR Part 60, 29 CFR Parts 1625-1627, 23 U.S.C. 140, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), and related regulations including 49 CFR Parts 21, 26, and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR Part 60, and 29 CFR Parts 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with 23 U.S.C. 140, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), and related regulations including 49 CFR Parts 21, 26, and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR Part 230, Subpart A, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

**1. Equal Employment Opportunity:** Equal Employment Opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (see 28 CFR Part 35, 29 CFR Part 1630, 29 CFR Parts 1625-1627, 41 CFR Part 60 and 49 CFR Part 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140, shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR Part 35 and 29 CFR Part 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract. 23 CFR 230.409 (g)(4) & (5).

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, sexual orientation, gender identity, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

**2. EEO Officer:** The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

**3. Dissemination of Policy:** All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action or are substantially involved in such action, will be made fully cognizant of and will implement the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer or other knowledgeable company official.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

**4. Recruitment:** When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

**5. Personnel Actions:** Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to ensure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action

within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

#### **6. Training and Promotion:**

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs (i.e., apprenticeship and on-the-job training programs for the geographical area of contract performance). In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

**7. Unions:** If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. 23 CFR 230.409. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide

sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

#### **8. Reasonable Accommodation for Applicants /**

**Employees with Disabilities:** The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established thereunder. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

#### **9. Selection of Subcontractors, Procurement of Materials**

**and Leasing of Equipment:** The contractor shall not discriminate on the grounds of race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors, suppliers, and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

#### **10. Assurances Required:**

a. The requirements of 49 CFR Part 26 and the State DOT's FHWA-approved Disadvantaged Business Enterprise (DBE) program are incorporated by reference.

b. The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future bidding as non-responsible.

c. The Title VI and nondiscrimination provisions of U.S. DOT Order 1050.2A at Appendixes A and E are incorporated by reference. 49 CFR Part 21.

**11. Records and Reports:** The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:



(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women.

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on [Form FHWA-1391](#). The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

### III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of more than \$10,000. 41 CFR 60-1.5.

As prescribed by 41 CFR 60-1.8, the contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location under the contractor's control where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

### IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size), in accordance with 29 CFR 5.5. The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. 23 U.S.C. 113. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. 23 U.S.C. 101. Where applicable law requires that projects be treated as a project on a Federal-aid highway, the provisions of this subpart will apply regardless of the location of the project. Examples include: Surface Transportation Block Grant Program projects funded under 23 U.S.C. 133 [excluding recreational trails projects], the Nationally Significant Freight and Highway

Projects funded under 23 U.S.C. 117, and National Highway Freight Program projects funded under 23 U.S.C. 167.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

#### 1. Minimum wages (29 CFR 5.5)

a. *Wage rates and fringe benefits.* All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act ([29 CFR part 3](#))), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in paragraphs (d) and (e) of 29 CFR 5.5, the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act ([40 U.S.C. 3141\(2\)\(B\)](#)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.e. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in paragraph 4. of this section. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph 1.c. of this section) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. *Frequently recurring classifications.* (1) In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in [29 CFR part 1](#), a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to paragraph 1.c. of this section, provided that:

(i) The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;

(ii) The classification is used in the area by the construction industry; and

(iii) The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

(2) The Administrator will establish wage rates for such classifications in accordance with paragraph 1.c.(1)(iii) of this section. Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

c. *Conformance.* (1) The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is used in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.

(3) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to [DBAconformance@dol.gov](mailto:DBAconformance@dol.gov). The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(4) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to [DBAconformance@dol.gov](mailto:DBAconformance@dol.gov), refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(5) The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division

under paragraphs 1.c.(3) and (4) of this section. The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to paragraph 1.c.(3) or (4) of this section must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

d. *Fringe benefits not expressed as an hourly rate.* Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.

e. *Unfunded plans.* If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in § 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

f. *Interest.* In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

## 2. Withholding (29 CFR 5.5)

a. *Withholding requirements.* The contracting agency may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in this section for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in § 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in paragraph 3.d. of this section, the contracting agency may on its own initiative and after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

b. *Priority to withheld funds.* The Department has priority to funds withheld or to be withheld in accordance with paragraph

2.a. of this section or Section V, paragraph 3.a., or both, over claims to those funds by:

- (1) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- (2) A contracting agency for its procurement costs;
- (3) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- (4) A contractor's assignee(s);
- (5) A contractor's successor(s); or
- (6) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901](#)–3907.

### 3. Records and certified payrolls (29 CFR 5.5)

*a. Basic record requirements (1) Length of record retention.* All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.

*(2) Information required.* Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.

*(3) Additional records relating to fringe benefits.* Whenever the Secretary of Labor has found under paragraph 1.e. of this section that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

*(4) Additional records relating to apprenticeship.* Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

*b. Certified payroll requirements (1) Frequency and method of submission.* The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the contracting

agency. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system.

*(2) Information required.* The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under paragraph 3.a.(2) of this section, except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/sites/dolgov/files/WHDL/legacy/files/wh347.pdf> or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the contracting agency.

*(3) Statement of Compliance.* Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

(i) That the certified payroll for the payroll period contains the information required to be provided under paragraph 3.b. of this section, the appropriate information and basic records are being maintained under paragraph 3.a. of this section, and such information and records are correct and complete;

(ii) That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in [29 CFR part 3](#); and

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

*(4) Use of Optional Form WH-347.* The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(3) of this section.

(5) *Signature.* The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

(6) *Falsification.* The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under [18 U.S.C. 1001](#) and [31 U.S.C. 3729](#).

(7) *Length of certified payroll retention.* The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

c. *Contracts, subcontracts, and related documents.* The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

d. *Required disclosures and access* (1) *Required record disclosures and access to workers.* The contractor or subcontractor must make the records required under paragraphs 3.a. through 3.c. of this section, and any other documents that the contracting agency, the State DOT, the FHWA, or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by § 5.1, available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

(2) *Sanctions for non-compliance with records and worker access requirements.* If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to § 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under [29 CFR part 6](#) any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

(3) *Required information disclosures.* Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address

of each covered worker, and must provide them upon request to the contracting agency, the State DOT, the FHWA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

#### **4. Apprentices and equal employment opportunity (29 CFR 5.5)**

a. *Apprentices (1) Rate of pay.* Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(2) *Fringe benefits.* Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

(3) *Apprenticeship ratio.* The allowable ratio of apprentices to journeymen on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to paragraph 4.a.(4) of this section. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in paragraph 4.a.(1) of this section, must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(4) *Reciprocity of ratios and wage rates.* Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

b. *Equal employment opportunity.* The use of apprentices and journeymen under this part must be in conformity with



the equal employment opportunity requirements of Executive Order 11246, as amended, and [29 CFR part 30](#).

c. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. 23 CFR 230.111(e)(2). The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeyworkers shall not be greater than permitted by the terms of the particular program.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract as provided in 29 CFR 5.5.

**6. Subcontracts.** The contractor or subcontractor must insert FHWA-1273 in any subcontracts, along with the applicable wage determination(s) and such other clauses or contract modifications as the contracting agency may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate. 29 CFR 5.5.

**7. Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract as provided in 29 CFR 5.5.

**9. Disputes concerning labor standards.** As provided in 29 CFR 5.5, disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

**10. Certification of eligibility.** a. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of [40 U.S.C. 3144\(b\)](#) or § 5.12(a).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of [40 U.S.C. 3144\(b\)](#) or § 5.12(a).

c. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, [18 U.S.C. 1001](#).

**11. Anti-retaliation.** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

a. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#);

b. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#);

c. Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#); or

d. Informing any other person about their rights under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#).

## V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

Pursuant to 29 CFR 5.5(b), the following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchpersons and guards.

**1. Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek. 29 CFR 5.5.

**2. Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph 1. of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or

mechanic, including watchpersons and guards, employed in violation of the clause set forth in paragraph 1. of this section, in the sum currently provided in 29 CFR 5.5(b)(2)\* for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph 1. of this section.

\* \$31 as of January 15, 2023 (See 88 FR 88 FR 2210) as may be adjusted annually by the Department of Labor, pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990.

### 3. Withholding for unpaid wages and liquidated damages

a. *Withholding process.* The FHWA or the contracting agency may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this section on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in § 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

b. *Priority to withheld funds.* The Department has priority to funds withheld or to be withheld in accordance with Section IV paragraph 2.a. or paragraph 3.a. of this section, or both, over claims to those funds by:

- (1) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- (2) A contracting agency for its procurement costs;
- (3) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- (4) A contractor's assignee(s);
- (5) A contractor's successor(s); or
- (6) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901](#)–3907.

**4. Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses set forth in paragraphs 1. through 5. of this section and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 1. through 5. In the

event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

**5. Anti-retaliation.** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- a. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in this part;
- b. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or this part;
- c. Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or this part; or
- d. Informing any other person about their rights under CWHSSA or this part.

## VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System pursuant to 23 CFR 635.116.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" in paragraph 1 of Section VI refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions: (based on longstanding interpretation)

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;

- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract. 23 CFR 635.102.

2. Pursuant to 23 CFR 635.116(a), the contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. Pursuant to 23 CFR 635.116(c), the contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract. (based on long-standing interpretation of 23 CFR 635.116).

5. The 30-percent self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements. 23 CFR 635.116(d).

## **VII. SAFETY: ACCIDENT PREVENTION**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR Part 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. 23 CFR 635.108.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and

health standards (29 CFR Part 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704). 29 CFR 1926.10.

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

## **VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR Part 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 11, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

## **IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT (42 U.S.C. 7606; 2 CFR 200.88; EO 11738)**

This provision is applicable to all Federal-aid construction contracts in excess of \$150,000 and to all related subcontracts. 48 CFR 2.101; 2 CFR 200.327.

By submission of this bid/proposal or the execution of this contract or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, subcontractor, supplier, or vendor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal Highway Administration and the Regional Office of the Environmental Protection Agency. 2 CFR Part 200, Appendix II.

The contractor agrees to include or cause to be included the requirements of this Section in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements. 2 CFR 200.327.

## **X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more – as defined in 2 CFR Parts 180 and 1200. 2 CFR 180.220 and 1200.220.

### **1. Instructions for Certification – First Tier Participants:**

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction. 2 CFR 180.320.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default. 2 CFR 180.325.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances. 2 CFR 180.345 and 180.350.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180, Subpart I, 180.900-180.1020, and 1200. "First Tier Covered Transactions" refers to any covered transaction between a recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction. 2 CFR 180.330.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold. 2 CFR 180.220 and 180.300.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. 2 CFR 180.300; 180.320, and 180.325. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. 2 CFR 180.335. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (<https://www.sam.gov/>). 2 CFR 180.300, 180.320, and 180.325.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default. 2 CFR 180.325.

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## 2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency, 2 CFR 180.335;.

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property, 2 CFR 180.800;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification, 2 CFR 180.700 and 180.800; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default. 2 CFR 180.335(d).

(5) Are not a corporation that has been convicted of a felony violation under any Federal law within the two-year period preceding this proposal (USDOT Order 4200.6 implementing appropriations act requirements); and

(6) Are not a corporation with any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability (USDOT Order 4200.6 implementing appropriations act requirements).

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant should attach an explanation to this proposal. 2 CFR 180.335 and 180.340.

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### 3. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders, and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200). 2 CFR 180.220 and 1200.220.

a. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which

this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances. 2 CFR 180.365.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180, Subpart I, 180.900 – 180.1020, and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a recipient or subrecipient of Federal funds and a participant (such as the prime or general contractor). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated. 2 CFR 1200.220 and 1200.332.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold. 2 CFR 180.220 and 1200.220.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (<https://www.sam.gov/>), which is compiled by the General Services Administration. 2 CFR 180.300, 180.320, 180.330, and 180.335.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily

excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment. 2 CFR 180.325.

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#### **4. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:**

a. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals:

(1) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency, 2 CFR 180.355;

(2) is a corporation that has been convicted of a felony violation under any Federal law within the two-year period preceding this proposal (USDOT Order 4200.6 implementing appropriations act requirements); and

(3) is a corporation with any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability. (USDOT Order 4200.6 implementing appropriations act requirements)

b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant should attach an explanation to this proposal.

\* \* \* \* \*

#### **XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000. 49 CFR Part 20, App. A.

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or

cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

#### **XII. USE OF UNITED STATES-FLAG VESSELS:**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, or any other covered transaction. 46 CFR Part 381.

This requirement applies to material or equipment that is acquired for a specific Federal-aid highway project. 46 CFR 381.7. It is not applicable to goods or materials that come into inventories independent of an FHWA funded-contract.

When oceanic shipments (or shipments across the Great Lakes) are necessary for materials or equipment acquired for a specific Federal-aid construction project, the bidder, proposer, contractor, subcontractor, or vendor agrees:

1. To utilize privately owned United States-flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to this contract, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels. 46 CFR 381.7.

2. To furnish within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (b)(1) of this section to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Office of Cargo and Commercial Sealift (MAR-620), Maritime Administration, Washington, DC 20590. (MARAD requires copies of the ocean carrier's (master) bills of lading, certified onboard, dated, with rates and charges. These bills of lading may contain business sensitive information and therefore may be submitted directly to MARAD by the Ocean Transportation Intermediary on behalf of the contractor). 46 CFR 381.7.

**ATTACHMENT A - EMPLOYMENT AND MATERIALS  
PREFERENCE FOR APPALACHIAN DEVELOPMENT  
HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS  
ROAD CONTRACTS (23 CFR 633, Subpart B, Appendix B)**

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

## **EXHIBIT J**

### **ADDITIONAL FEDERAL REQUIREMENTS**

Federal laws and regulations that may be applicable to the Work include:

#### **Executive Order 11246**

Executive Order 11246 of September 24, 1965 entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967 and as supplemented in Department of Labor regulations (41 CFR Chapter 60) (All construction contracts awarded in excess of \$10,000 by the Local Agencies and their contractors or the Local Agencies).

#### **Copeland "Anti-Kickback" Act**

The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (All contracts and sub-Agreements for construction or repair).

#### **Davis-Bacon Act**

The Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by Department of Labor regulations (29 CFR Part 5) (Construction contracts in excess of \$2,000 awarded by the Local Agencies and the Local Agencies when required by Federal Agreement program legislation. This act requires that all laborers and mechanics employed by contractors or sub-contractors to work on construction projects financed by federal assistance must be paid wages not less than those established for the locality of the project by the Secretary of Labor).

#### **Contract Work Hours and Safety Standards Act**

Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts awarded by the Local Agency's in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers).

#### **Clean Air Act**

Standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h), section 508 of the Clean Water Act (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15) (contracts, subcontracts, and sub-Agreements of amounts more than \$100,000).

#### **Energy Policy and Conservation Act**

Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163).

#### **OMB Circulars**

Office of Management and Budget Circulars A-87, A-21 or A-122, and A-102 or A-110, whichever is applicable.

#### **Hatch Act**

The Hatch Act (5 USC 1501-1508) and Public Law 95-454 Section 4728. These statutes state that federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

#### **Nondiscrimination**

The Local Agency shall not exclude from participation in, deny the benefits of, or subject to discrimination any person in the United States on the ground of race, color national origin, sex, age or disability. Prior to the receipt of any Federal financial assistance from CDOT, the Local Agency shall execute the attached Standard DOT Title VI assurance. As appropriate, the Local Agency shall include Appendix A, B, or C to the Standard DOT Title VI assurance in any contract utilizing federal funds, land, or other aid. The Local Agency shall also include the following in all contract advertisements:

*The [Local Agency], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (79 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, DBEs will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for any award.*

**ADA**

In any contract utilizing federal funds, land, or other federal aid, the Local Agency shall require the federal-aid recipient or contractor to provide a statement of written assurance that they will comply with Section 504 and not discriminate on the basis of disability.

**Uniform Relocation Assistance and Real Property Acquisition Policies Act**

The Uniform Relocation Assistance and Real Property Acquisition Policies Act, as amended (Public Law 91-646, as amended and Public Law 100-17, 101 Stat. 246-256). (If the contractor is acquiring real property and displacing households or businesses in the performance of the Agreement).

**Drug-Free Workplace Act**

The Drug-Free Workplace Act (Public Law 100-690 Title V, subtitle D, 41 USC 701 et seq.).

**Age Discrimination Act of 1975**

The Age Discrimination Act of 1975, 42 U.S.C. Sections 6101 et. seq. and its implementing regulation, 45 C.F.R. Part 91; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, as amended, and implementing regulation 45 C.F.R. Part 84.

**23 C.F.R. Part 172**

23 C.F.R. Part 172, concerning "Administration of Engineering and Design Related Contracts".

**23 C.F.R Part 633**

23 C.F.R Part 633, concerning "Required Contract Provisions for Federal-Aid Construction Contracts".

**23 C.F.R. Part 635**

23 C.F.R. Part 635, concerning "Construction and Maintenance Provisions".

**Title VI of the Civil Rights Act of 1964 and 162(a) of the Federal Aid Highway Act of 1973**

Title VI of the Civil Rights Act of 1964 and 162(a) of the Federal Aid Highway Act of 1973. The requirements for which are shown in the Nondiscrimination Provisions, which are attached hereto and made a part hereof.

**Nondiscrimination Provisions:**

In compliance with Title VI of the Civil Rights Act of 1964 and with Section 162(a) of the Federal Aid Highway Act of 1973, the Contractor, for itself, its assignees, and successors in interest, agree as follows:

**i. Compliance with Regulations**

The Contractor will comply with the Regulations of the Department of Transportation relative to nondiscrimination in Federally assisted programs of the Department of Transportation (Title 49, Code of Federal Regulations, Part 21, hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this Agreement.

**ii. Nondiscrimination**

The Contractor, with regard to the work performed by it after award and prior to completion of the contract work, will not discriminate on the ground of race, color, sex, mental or physical handicap or national origin in the selection and retention of Subcontractors, including procurement of materials and leases of equipment. The Contractor will not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix C of the Regulations.

**iii. Solicitations for Subcontracts, Including Procurement of Materials and Equipment**

In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurement of materials or equipment, each potential Subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, sex, mental or physical handicap or national origin.

**iv. Information and Reports**

The Contractor will provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of the Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the State, or the FHWA as appropriate and shall set forth what efforts have been made to obtain the information.

**v. Sanctions for Noncompliance**

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Agreement, the State shall impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to: **a.** Withholding of payments to the Contractor under the contract until the Contractor complies, and/or **b.** Cancellation, termination or suspension of the contract, in whole or in part.

**Incorporation of Provisions §22**

The Contractor will include the provisions of this Exhibit J in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, orders, or instructions issued pursuant thereto. The Contractor will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that, in the event the Contractor becomes involved in, or is threatened with, litigation with a Subcontractor or supplier as a result of such direction, the Contractor may request the State to enter into such litigation to protect the interest of the State and in addition, the Contractor may request the FHWA to enter into such litigation to protect the interests of the United States.

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## SAMPLE

**The United States Department of Transportation (USDOT) Standard Title VI/Non-Discrimination****Assurances for Local Agencies****DOT Order No. 1050.2A**

The [Local Agency] (herein referred to as the "Recipient"), **HEREBY AGREES THAT**, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the Colorado Department of Transportation and the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and Federal Aviation Administration (FAA), is subject to and will comply with the following:

**Statutory/Regulatory Authorities**

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation-Effectuation Of Title VI Of The Civil Rights Act Of 1964);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

**General Assurances**

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

*"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including the FHWA, FTA, or FAA.*

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non- discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

**Specific Assurances**

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted FHWA, FTA, and FAA assisted programs:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in §§ 21.23(b) and 21.23(e) of 49 C.F.R. § 21 will be (with regard to an "activity") facilitated or will be (with regard to a "facility") operated or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests for Proposals for work, or material subject to the Acts and the Regulations made in connection with all FHWA, FTA and FAA programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source:
3. "The [Local Agency] in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity

4. to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."
5. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Acts and the Regulations.
6. The Recipient will insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
7. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
8. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
9. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
  - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
10. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
  - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
  - b. the period during which the Recipient retains ownership or possession of the property.
11. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
12. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the [Local Agency] also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing the FHWA, FTA, and FAA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by CDOT, FHWA, FTA, or FAA. You must keep records, reports, and submit the material for review



upon request to CDOT, FHWA, FTA, or FAA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

[Local Agency] gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the FHWA, FTA, and FAA. This ASSURANCE is binding on [Local Agency], other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the FHWA, FTA, and FAA funded programs. The person(s) signing below is authorized to sign this ASSURANCE on behalf of the Recipient.

\_\_\_\_\_  
(Name of Recipient)

by \_\_\_\_\_  
(Signature of Authorized Official)

DATED \_\_\_\_\_

## APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, FHWA, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the [Local Agency], CDOT or FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the [Local Agency], CDOT or FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the non-discrimination provisions of this contract, the [Local Agency] will impose such contract sanctions as it, CDOT or FHWA may determine to be appropriate, including, but not limited to:
  - a. withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the [Local Agency], CDOT or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

## APPENDIX B

### CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the [Local Agency] will accept title to the lands and maintain the project constructed thereon in accordance with (*Name of Appropriate Legislative Authority*), the Regulations for the Administration of (*Name of Appropriate Program*), and the policies and procedures prescribed by the FHWA of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the [Local Agency] all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

#### (HABENDUM CLAUSE)

**TO HAVE AND TO HOLD** said lands and interests therein unto [Local Agency] and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the [Local Agency] its successors and assigns.

The [Local Agency], in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]\* (2) that the [Local Agency] will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended [, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].\*

(\*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

## APPENDIX C

### CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the [Local Agency] pursuant to the provisions of Assurance 7(a):

- A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:
  - 1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, [Local Agency] will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued. \*
- C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the [Local Agency] will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the [Local Agency] and its assigns. \*

(\*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

## APPENDIX D

### CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by [Local Agency] pursuant to the provisions of Assurance 7(b):

- A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non- discrimination covenants, [Local Agency] will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued. \*
- C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, [Local Agency] will there upon revert to and vest in and become the absolute property of [Local Agency] of Transportation and its assigns. \*

(\*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

## APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

### **Pertinent Non-Discrimination Authorities:**

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

## **EXHIBIT K**

### **FFATA SUPPLEMENTAL FEDERAL PROVISIONS**

**State of Colorado  
Supplemental Provisions for  
Federally Funded Contracts, Grants, and Purchase Orders  
Subject to  
The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended  
Revised as of 3-20-13**

The contract, grant, or purchase order to which these Supplemental Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions, the Special Provisions, the contract or any attachments or exhibits incorporated into and made a part of the contract, the provisions of these Supplemental Provisions shall control.

**1. Definitions.** For the purposes of these Supplemental Provisions, the following terms shall have the meanings ascribed to them below.

**1.1. “Award”** means an award of Federal financial assistance that a non-Federal Entity receives or administers in the form of:

- 1.1.1.** Grants;
- 1.1.2.** Contracts;
- 1.1.3.** Cooperative agreements, which do not include cooperative research and development agreements (CRDA) pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710);
- 1.1.4.** Loans;
- 1.1.5.** Loan Guarantees;
- 1.1.6.** Subsidies;
- 1.1.7.** Insurance;
- 1.1.8.** Food commodities;
- 1.1.9.** Direct appropriations;
- 1.1.10.** Assessed and voluntary contributions; and
- 1.1.11.** Other financial assistance transactions that authorize the expenditure of Federal funds by non-Federal Entities.

Award *does not* include:

- 1.1.12.** Technical assistance, which provides services in lieu of money;
- 1.1.13.** A transfer of title to Federally-owned property provided in lieu of money; even if the award is called a grant;
- 1.1.14.** Any award classified for security purposes; or
- 1.1.15.** Any award funded in whole or in part with Recovery funds, as defined in section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-5).

**1.2. “Contract”** means the contract to which these Supplemental Provisions are attached and includes all Award types in §1.1.1 through 1.1.11 above.

**1.3. “Contractor”** means the party or parties to a Contract funded, in whole or in part, with Federal financial assistance, other than the Prime Recipient, and includes grantees, subgrantees, Subrecipients, and borrowers. For purposes of Transparency Act reporting, Contractor does not include Vendors.

**1.4. “Data Universal Numbering System (DUNS) Number”** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify a business entity. Dun and Bradstreet’s website may be found at: <http://fedgov.dnb.com/webform>.

**1.5. “Entity”** means all of the following as defined at 2 CFR part 25, subpartC;

- 1.5.1.** A governmental organization, which is a State, local government, or Indian Tribe;
- 1.5.2.** A foreign public entity;
- 1.5.3.** A domestic or foreign non-profit organization;

- 1.5.4. A domestic or foreign for-profit organization; and
- 1.5.5. A Federal agency, but only a Subrecipient under an Award or Subaward to a non-Federal entity.
- 1.6. **“Executive”** means an officer, managing partner or any other employee in a management position.
- 1.7. **“Federal Award Identification Number (FAIN)”** means an Award number assigned by a Federal agency to a Prime Recipient.
- 1.8. **“FFATA”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109- 282), as amended by §6202 of Public Law 110-252. FFATA, as amended, also is referred to as the “Transparency Act.”
- 1.9. **“Prime Recipient”** means a Colorado State agency or institution of higher education that receives an Award.
- 1.10. **“Subaward”** means a legal instrument pursuant to which a Prime Recipient of Award funds awards all or a portion of such funds to a Subrecipient, in exchange for the Subrecipient’s support in the performance of all or any portion of the substantive project or program for which the Award was granted.
- 1.11. **“Subrecipient”** means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term “Subrecipient” includes and may be referred to as Subgrantee.
- 1.12. **“Subrecipient Parent DUNS Number”** means the subrecipient parent organization’s 9-digit Data Universal Numbering System (DUNS) number that appears in the subrecipient’s System for Award Management (SAM) profile, if applicable.
- 1.13. **“Supplemental Provisions”** means these Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders subject to the Federal Funding Accountability and Transparency Act of 2006, As Amended, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institution of higher education.
- 1.14. **“System for Award Management (SAM)”** means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>.
- 1.15. **“Total Compensation”** means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year and includes the following:
- 1.15.1. Salary and bonus;
  - 1.15.2. Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;
  - 1.15.3. Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;
  - 1.15.4. Change in present value of defined benefit and actuarial pension plans;
  - 1.15.5. Above-market earnings on deferred compensation which is not tax-qualified;
  - 1.15.6. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.
- 1.16. **“Transparency Act”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. The Transparency Act also is referred to as FFATA.
- 1.17 **“Vendor”** means a dealer, distributor, merchant or other seller providing property or services required for a project or program funded by an Award. A Vendor is not a Prime Recipient or a Subrecipient and is not subject to the terms and conditions of the Federal award. Program compliance requirements do not pass through to a Vendor.



2. **Compliance.** Contractor shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, including but not limited to these Supplemental Provisions. Any revisions to such provisions or regulations shall automatically become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Contractor of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.
  
3. **System for Award Management (SAM) and Data Universal Numbering System (DUNS) Requirements.**
  - 3.1. **SAM.** Contractor shall maintain the currency of its information in SAM until the Contractor submits the final financial report required under the Award or receives final payment, whichever is later. Contractor shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.
  - 3.2. **DUNS.** Contractor shall provide its DUNS number to its Prime Recipient, and shall update Contractor's information in Dun & Bradstreet, Inc. at least annually after the initial registration, and more frequently if required by changes in Contractor's information.
  
4. **Total Compensation.** Contractor shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:
  - 4.1. The total Federal funding authorized to date under the Award is \$25,000 or more; and
  - 4.2. In the preceding fiscal year, Contractor received:
    - 4.2.1. 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
    - 4.2.2. \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
  - 4.3. The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.
  
5. **Reporting.** Contractor shall report data elements to SAM and to the Prime Recipient as required in §7 below if Contractor is a Subrecipient for the Award pursuant to the Transparency Act. No direct payment shall be made to Contractor for providing any reports required under these Supplemental Provisions and the cost of producing such reports shall be included in the Contract price. The reporting requirements in §7 below are based on guidance from the US Office of Management and Budget (OMB), and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Contract and shall become part of Contractor's obligations under this Contract, as provided in §2 above. The Colorado Office of the State Controller will provide summaries of revised OMB reporting requirements at <http://www.colorado.gov/dpa/dfp/sco/FFATA.htm>.
  
6. **Effective Date and Dollar Threshold for Reporting.** The effective date of these Supplemental Provisions apply to new Awards as of October 1, 2010. Reporting requirements in §7 below apply to new Awards as of October 1, 2010, if the initial award is \$25,000 or more. If the initial Award is below \$25,000 but subsequent Award modifications result in a total Award of \$25,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$25,000. If the initial Award is \$25,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the Award shall continue to be subject to the reporting requirements.
  
7. **Subrecipient Reporting Requirements.** If Contractor is a Subrecipient, Contractor shall report as set forth below.

**7.1 To SAM.** A Subrecipient shall register in SAM and report the following data elements in SAM *for each* Federal Award Identification Number no later than the end of the month following the month in which the Subaward was made:

- 7.1.1** Subrecipient DUNS Number;
- 7.1.2** Subrecipient DUNS Number + 4 if more than one electronic funds transfer (EFT) account;
- 7.1.3** Subrecipient Parent DUNS Number;
- 7.1.4** Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;
- 7.1.5** Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and
- 7.1.6** Subrecipient's Total Compensation of top 5 most highly compensated Executives if criteria in §4 above met.

**7.2 To Prime Recipient.** A Subrecipient shall report to its Prime Recipient, upon the effective date of the Contract, the following data elements:

- 7.2.1** Subrecipient's DUNS Number as registered in SAM.
- 7.2.2** Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.


## **8. Exemptions.**

- 8.1.** These Supplemental Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.
- 8.2** A Contractor with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.
- 8.3** Effective October 1, 2010, "Award" currently means a grant, cooperative agreement, or other arrangement as defined in Section 1.1 of these Special Provisions. On future dates "Award" may include other items to be specified by OMB in policy memoranda available at the OMB Web site; Award also will include other types of Awards subject to the Transparency Act.
- 8.4** There are no Transparency Act reporting requirements for Vendors.

**Event of Default.** Failure to comply with these Supplemental Provisions shall constitute an event of default under the Contract and the State of Colorado may terminate the Contract upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract, at law or in equity.


## EXHIBIT L

### SAMPLE SUBRECIPIENT MONITORING AND RISK ASSESSMENT

 <b>CDOT SUBRECIPIENT RISK ASSESSMENT</b>		Date:	
Name of Entity (Subrecipient):			
Name of Project / Program:			
Estimated Award Period:			
Entity Executive Director or VP:			
Entity Chief Financial Officer:			
Entity Representative for this Self Assessment:			
<b>Instructions: (See "Instructions" tab for more information)</b> 1. Check only one box for each question. All questions are required to be answered. 2. Utilize the "Comment" section below the last question for additional responses. 3. When complete, check the box at the bottom of the form to authorize.		Yes	No
		N/A	
<b>EXPERIENCE ASSESSMENT</b>		Yes	No
		N/A	
1	Is your entity new to operating or managing federal funds (has not done so within the past three years)?	<input type="checkbox"/>	<input type="checkbox"/>
2	Is this funding program new for your entity (managed for less than three years)? <i>Examples of funding programs include CMAQ, TAP, STP-M, etc.</i>	<input type="checkbox"/>	<input type="checkbox"/>
3	Does your staff assigned to the program have at least three full years of experience with this federal program?	<input type="checkbox"/>	<input type="checkbox"/>
<b>MONITORING/AUDIT ASSESSMENT</b>		Yes	No
		N/A	
4	Has your entity had an on-site project or grant review from an external entity (e.g., CDOT, FHWA) within the last three years?	<input type="checkbox"/>	<input type="checkbox"/>
5 a)	Were there non-compliance issues in this prior review?	<input type="checkbox"/>	<input type="checkbox"/>
5 b)	What were the number and extent of issues in prior review?	<input type="checkbox"/> 1 to 2	<input type="checkbox"/> >3
<b>OPERATION ASSESSMENT</b>		Yes	No
		N/A	
6	Does your entity have a time and effort reporting system in place to account for 100% of all employees' time, that can provide a breakdown of the actual time spent on each funded project? <i>If No, in the comment section please explain how you intend to document 100% of hours worked by employees and breakdown of time spent on each funding project.</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FINANCIAL ASSESSMENT</b>		Yes	No
		N/A	
7 a)	Does your entity have an indirect cost rate that is approved and current?	<input type="checkbox"/>	<input type="checkbox"/>
7 b)	If Yes, who approved the rate, and what date was it approved?		
8	Is this grant/award 10% or more of your entity's overall funding?	<input type="checkbox"/> >10%	<input type="checkbox"/> <10%
9	Has your entity returned lapsed* funds? *Funds "lapse" when they are no longer available for obligation.	<input type="checkbox"/>	<input type="checkbox"/>
10	Has your entity had difficulty meeting local match requirements in the last three years?	<input type="checkbox"/>	<input type="checkbox"/>
11	What is the total federal funding your entity has been awarded for the last federal fiscal year, and what is your entity's fiscal year end?		

INTERNAL CONTROLS ASSESSMENT		Yes	No	N/A
12	Has your entity had any significant changes in key personnel or accounting system(s) in the last year? (e.g., Controller, Exec Director, Program Mgr, Accounting Mgr, etc.) If Yes, in the comment section, please identify the accounting system(s), and / or list personnel positions and identify any that are vacant.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	Does your entity have financial procedures and controls in place to accommodate a federal-aid project?	<input type="checkbox"/>	<input type="checkbox"/>	
14	Does your accounting system identify the receipts and expenditures of program funds separately for each award?	<input type="checkbox"/>	<input type="checkbox"/>	
15	Will your accounting system provide for the recording of expenditures for each award by the budget cost categories shown in the approved budget?	<input type="checkbox"/>	<input type="checkbox"/>	
16	Does your agency have a review process for all expenditures that will ensure that all costs are reasonable, allowable and allocated correctly to each funding source? If Yes, in the comment section, please explain your current process for reviewing costs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	How many total FTE perform accounting functions within your organization?	<input type="checkbox"/> $\geq 6$	<input type="checkbox"/> 2 to 5	<input type="checkbox"/> $< 2$
IMPACT ASSESSMENT		Yes	No	N/A
18	For this upcoming federal award or in the immediate future, does your entity have any potential conflicts of interest* in accordance with applicable Federal awarding agency policy? If Yes, please disclose these conflicts in writing, along with supporting information, and submit with this form. ( *Any practices, activities or relationships that reasonably appear to be in conflict with the full performance of the Subrecipient's obligations to the State.)	<input type="checkbox"/>	<input type="checkbox"/>	
19	For this award, has your entity disclosed to CDOT, in writing, violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award? Response options: <b>YES</b> = Check if have one or more violation(s) and have either disclosed previously to CDOT or as part of this form. In the comment section, list all violations with names of supporting documentation and submit with this form. <b>NO</b> = Check if have one or more violation(s) and have not disclosed previously or will not disclose as part of this form. Explain in the comment section. <b>N/A</b> = Check if have no violations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PROGRAM MANAGEMENT ASSESSMENT		Yes	No	N/A
20	Does your entity have a written process/procedure or certification statement approved by your governing board ensuring critical project personnel are capable of effectively managing Federal-aid projects? If Yes, please submit with this form.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21	Does your entity have written procurement policies or certification statement for consultant selection approved by your governing board in compliance with 23 CFR 172*? If Yes, please submit with this form. ( *The Brooks Act requires agencies to promote open competition by advertising, ranking, selecting, and negotiating contracts based on demonstrated competence and qualifications, at a fair and reasonable price.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	a) Is your staff familiar with the relevant CDOT manuals and federal program requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b) Does your entity have a written policy or a certification statement approved by your governing board assuring federal-aid projects will receive adequate inspections? If Yes, please submit with this form.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	c) Does your entity have a written process or a certification statement approved by your governing board assuring a contractor's work will be completed in conformance with approved plans and specifications? If Yes, please submit with this form.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

d) Does your entity have a written policy or certification statement approved by your governing board assuring that materials installed on the projects are sampled and tested per approved processes. <i>If Yes, please submit with this form.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Does your entity have a written policy or certification statement approved by your governing board assuring that only US manufactured steel will be incorporated into the project ( <i>Buy America requirements</i> )? <i>If Yes, please submit with this form.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Comments</b> - As needed, include the question number and provide comments related to the above questions. Insert additional rows as needed.</p>			
<p><input type="checkbox"/> By checking this box, the Executive Director, VP or Chief Financial Officer of this entity certifies that all information provided on this form is true and correct.</p>			


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v2.0 (081816)



## **EXHIBIT M**

### **OMB UNIFORM GUIDANCE FOR FEDERAL AWARDS**

**Subject to  
The Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and  
Audit Requirements for Federal Awards (“Uniform Guidance”),  
Federal Register, Vol. 78, No. 248, 78590**

The agreement to which these Uniform Guidance Supplemental Provisions are attached has been funded, in whole or in part, with an award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions, the Special Provisions, the agreement or any attachments or exhibits incorporated into and made a part of the agreement, the provisions of these Uniform Guidance Supplemental Provisions shall control. In the event of a conflict between the provisions of these Supplemental Provisions and the FFATA Supplemental Provisions, the FFATA Supplemental Provisions shall control.

**1. Definitions.** For the purposes of these Supplemental Provisions, the following terms shall have the meanings ascribed to them below.

- 1.1. “Award”** means an award by a Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Award unless the terms and conditions of the Federal Award specifically indicate otherwise. 2 CFR §200.38
- 1.2. “Federal Award”** means an award of Federal financial assistance or a cost-reimbursement contract under the Federal Acquisition Requirements by a Federal Awarding Agency to a Recipient. “Federal Award” also means an agreement setting forth the terms and conditions of the Federal Award. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- 1.3. “Federal Awarding Agency”** means a Federal agency providing a Federal Award to a Recipient. 2 CFR §200.37
- 1.4. “FFATA”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252.
- 1.5. “Grant” or “Grant Agreement”** means an agreement setting forth the terms and conditions of an Award. The term does not include an agreement that provides only direct Federal cash assistance to an individual, a subsidy, a loan, a loan guarantee, insurance, or acquires property or services for the direct benefit of use of the Federal Awarding Agency or Recipient. 2 CFR §200.51.
- 1.6. “OMB”** means the Executive Office of the President, Office of Management and Budget.
- 1.7. “Recipient”** means a Colorado State department, agency or institution of higher education that receives a Federal Award from a Federal Awarding Agency to carry out an activity under a Federal program. The term does not include Subrecipients. 2 CFR §200.86
- 1.8. “State”** means the State of Colorado, acting by and through its departments, agencies and institutions of higher education.
- 1.9. “Subrecipient”** means a non-Federal entity receiving an Award from a Recipient to carry out part of a Federal program. The term does not include an individual who is a beneficiary of such program.
- 1.10. “Uniform Guidance”** means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122, OMB Circulars A-89, A-102, and A-133, and the guidance in Circular A-50 on Single Audit Act follow-up. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.

- 1.11. “Uniform Guidance Supplemental Provisions”** means these Supplemental Provisions for Federal Awards subject to the OMB Uniform Guidance, as may be revised pursuant to ongoing guidance from relevant Federal agencies or the Colorado State Controller.
- 2. Compliance.** Subrecipient shall comply with all applicable provisions of the Uniform Guidance, including but not limited to these Uniform Guidance Supplemental Provisions. Any revisions to such provisions automatically shall become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Subrecipient of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.
- 3. Procurement Standards.**
- 3.1 Procurement Procedures.** Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation,  
§§200.318 through 200.326 thereof.
- 3.2 Procurement of Recovered Materials.** If Subrecipient is a State Agency or an agency of a political subdivision of a state, its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- 4. Access to Records.** Subrecipient shall permit Recipient and auditors to have access to Subrecipient’s records and financial statements as necessary for Recipient to meet the requirements of §200.331 (Requirements for pass through entities), §§200.300 (Statutory and national policy requirements) through 200.309 (Period of performance), and Subpart F-Audit Requirements of the Uniform Guidance. 2 CFR §200.331(a)(5).
- 5. Single Audit Requirements.** If Subrecipient expends \$750,000 or more in Federal Awards during Subrecipient’s fiscal year, Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR §200.501.
- 5.1 Election.** Subrecipient shall have a single audit conducted in accordance with Uniform Guidance §200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with §200.507 (Program-specific audits). Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program’s statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program-specific audit.
- 5.2 Exemption.** If Subrecipient expends less than \$750,000 in Federal Awards during its fiscal year, Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR §200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government

Accountability Office.

- 5.3 Subrecipient Compliance Responsibility.** Subrecipient shall procure or otherwise arrange for the audit required by Part F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with Uniform Guidance §200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Part F-Audit Requirements.

- 6. Contract Provisions for Subrecipient Contracts.** Subrecipient shall comply with and shall include all of the following applicable provisions in all subcontracts entered into by it pursuant to this Grant Agreement.

- 6.1 Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 shall include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

“During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments

under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled,



terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however*, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.”

**6.2 Davis-Bacon Act.** Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40

U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or Subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

**6.3 Rights to Inventions Made Under a Contract or Agreement.** If the Federal Award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” Subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

**6.4 Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251- 1387), as amended.** Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection

Agency (EPA).

**6.5 Debarment and Suspension (Executive Orders 12549 and 12689).** A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAMExclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**6.6 Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

**7. Certifications.** Unless prohibited by Federal statutes or regulations, Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR §200.208. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to the State at the end of the Award that the project or activity was completed or the level of effort was expended. 2 CFR §200.201(3). If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

**7.1 Event of Default.** Failure to comply with these Uniform Guidance Supplemental Provisions shall constitute an event of default under the Grant Agreement (2 CFR §200.339) and the State may terminate the Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Grant, at law or in equity.

**8. Effective Date.** The effective date of the Uniform Guidance is December 26, 2013. 2 CFR §200.110. The procurement standards set forth in Uniform Guidance §§200.317-200.326 are applicable to new Awards made by Recipient as of December 26, 2015. The standards set forth in Uniform Guidance Subpart F-Audit Requirements are applicable to audits of fiscal years beginning on or after December 26, 2014.

**9. Performance Measurement.** The Uniform Guidance requires completion of OMB-approved standard information collection forms (the PPR). The form focuses on outcomes, as related to the Federal Award Performance Goals that awarding Federal agencies are required to detail in the Awards.

Section 200.301 provides guidance to Federal agencies to measure performance in a way that will help the Federal awarding agency and other non-Federal entities to improve program outcomes.

The Federal awarding agency is required to provide recipients with clear performance goals, indicators, and milestones (200.210). Also, must require the recipient to relate financial data to performance accomplishments of the Federal award.

## **Exhibit N**

### **Federal Treasury Provisions**

#### **1. APPLICABILITY OF PROVISIONS.**

- 1.1. The Grant to which these Federal Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Federal Provisions, the Special Provisions, the body of the Grant, or any attachments or exhibits incorporated into and made a part of the Grant, the provisions of these Federal Provisions shall control.
- 1.2. The State of Colorado is accountable to Treasury for oversight of their subrecipients, including ensuring their subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury's Final Rule, and reporting requirements, as applicable.
- 1.3. Additionally, any subrecipient that issues a subaward to another entity (2<sup>nd</sup> tier subrecipient), must hold the 2<sup>nd</sup> tier subrecipient accountable to these provisions and adhere to reporting requirements.
- 1.4. These Federal Provisions are subject to the Award as defined in §2 of these Federal Provisions, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institutions of higher education.

#### **2. DEFINITIONS.**

- 2.1. For the purposes of these Federal Provisions, the following terms shall have the meanings ascribed to them below.
  - 2.1.1. "Award" means an award of Federal financial assistance, and the Grant setting forth the terms and conditions of that financial assistance, that a non-Federal Entity receives or administers.
  - 2.1.2. "Entity" means:
    - 2.1.2.1. a Non-Federal Entity;
    - 2.1.2.2. a foreign public entity;
    - 2.1.2.3. a foreign organization;
    - 2.1.2.4. a non-profit organization;
    - 2.1.2.5. a domestic for-profit organization (for 2 CFR parts 25 and 170 only);
    - 2.1.2.6. a foreign non-profit organization (only for 2 CFR part 170) only);
    - 2.1.2.7. a Federal agency, but only as a Subrecipient under an Award or Subaward to a non-Federal entity (or 2 CFR 200.1); or
    - 2.1.2.8. a foreign for-profit organization (for 2 CFR part 170 only).
  - 2.1.3. "Executive" means an officer, managing partner or any other employee in a management position.
  - 2.1.4. "Expenditure Category (EC)" means the category of eligible uses as defined by the US Department of Treasury in "Appendix 1 of the Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at [www.treasury.gov](http://www.treasury.gov).

- 2.1.5. “Federal Awarding Agency” means a Federal agency providing a Federal Award to a Recipient as described in 2 CFR 200.1
- 2.1.6. “Grant” means the Grant to which these Federal Provisions are attached.
- 2.1.7. “Grantee” means the party or parties identified as such in the Grant to which these Federal Provisions are attached.
- 2.1.8. “Non-Federal Entity” means a State, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal Award as a Recipient or a Subrecipient.
- 2.1.9. “Nonprofit Organization” means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:
- 2.1.9.1. Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
  - 2.1.9.2. Is not organized primarily for profit; and
  - 2.1.9.3. Uses net proceeds to maintain, improve, or expand the operations of the organization.
- 2.1.10. “OMB” means the Executive Office of the President, Office of Management and Budget.
- 2.1.11. “Pass-through Entity” means a non-Federal Entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- 2.1.12. “Prime Recipient” means the Colorado State agency or institution of higher education identified as the Grantor in the Grant to which these Federal Provisions are attached.
- 2.1.13. “Subaward” means an award by a Prime Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Subaward unless the terms and conditions of the Federal Award specifically indicate otherwise in accordance with 2 CFR 200.101. The term does not include payments to a Contractor or payments to an individual that is a beneficiary of a Federal program.
- 2.1.14. “Subrecipient” or “Subgrantee” means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term does not include an individual who is a beneficiary of a federal program.
- 2.1.15. “System for Award Management (SAM)” means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>. “Total Compensation” means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year (see 48 CFR 52.204-10, as prescribed in 48 CFR 4.1403(a)) and includes the following:
- 2.1.15.1. Salary and bonus;
  - 2.1.15.2. Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the

fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;

- 2.1.15.3. Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;
- 2.1.15.4. Change in present value of defined benefit and actuarial pension plans;
- 2.1.15.5. Above-market earnings on deferred compensation which is not tax-qualified;
- 2.1.15.6. Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.
- 2.1.16. “Transparency Act” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252.
- 2.1.17. “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.
- 2.1.18. “Unique Entity ID” means the Unique Entity ID established by the federal government for a Grantee at <https://sam.gov/content/home>.

### **3. COMPLIANCE.**

- 3.1. Grantee shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, all applicable provisions of the Uniform Guidance, and all applicable Federal Laws and regulations required by this Federal Award Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. The State of Colorado, at its discretion, may provide written notification to Grantee of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.
- 3.2. Per US Treasury Final Award requirements, grantee programs or services must not include a term or conditions that undermines efforts to stop COVID-19 or discourages compliance with recommendations and CDC guidelines.

### **4. SYSTEM FOR AWARD MANAGEMENT (SAM) AND UNIQUE ENTITY ID (UEI) REQUIREMENTS.**

- 4.1. SAM. Grantee shall maintain the currency of its information in SAM until the Grantee submits the final financial report required under the Award or receives final payment, whichever is later. Grantee shall review and update SAM information at least annually.
- 4.2. UEI. Grantee shall provide its Unique Entity ID to its Prime Recipient, and shall update Grantee’s information in Sam.gov at least annually.

### **5. TOTAL COMPENSATION.**

- 5.1. Grantee shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:
  - 5.1.1. The total Federal funding authorized to date under the Award is \$30,000 or more; and
  - 5.1.2. In the preceding fiscal year, Grantee received:

- 5.1.2.1. 80% or more of its annual gross revenues from Federal procurement Agreements and Subcontractors and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
- 5.1.2.2. \$30,000,000 or more in annual gross revenues from Federal procurement Agreements and Subcontractors and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
- 5.1.2.3. 5.1.2.3 The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

## **6. REPORTING.**

- 6.1. If Grantee is a Subrecipient of the Award pursuant to the Transparency Act, Grantee shall report data elements to SAM and to the Prime Recipient as required in this Exhibit. No direct payment shall be made to Grantee for providing any reports required under these Federal Provisions and the cost of producing such reports shall be included in the Grant price. The reporting requirements in this Exhibit are based on guidance from the OMB, and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Grant and shall become part of Grantee's obligations under this Grant.

## **7. EFFECTIVE DATE AND DOLLAR THRESHOLD FOR FEDERAL REPORTING.**

- 7.1. Reporting requirements in §8 below apply to new Awards as of October 1, 2010, if the initial award is \$30,000 or more. If the initial Award is below \$30,000 but subsequent Award modifications result in a total Award of \$30,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$30,000. If the initial Award is \$30,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the Award shall continue to be subject to the reporting requirements. If the total award is below \$30,000 no reporting required; if more than \$30,000 and less than \$50,000 then FFATA reporting is required; and, \$50,000 and above SLFRF reporting is required.
- 7.2. The procurement standards in §9 below are applicable to new Awards made by Prime Recipient as of December 26, 2015. The standards set forth in §11 below are applicable to audits of fiscal years beginning on or after December 26, 2014.

## **8. SUBRECIPIENT REPORTING REQUIREMENTS.**

- 8.1. Grantee shall report as set forth below.
  - 8.1.1. Grantee shall use the SLFRF Subrecipient Quarterly Report Workbook as referenced in Exhibit P to report to the State Agency within ten (10) days following each quarter ended September, December, March and June. Additional information on specific requirements are detailed in the SLFRF Subrecipient Quarterly Report Workbooks and "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at [www.treasury.gov](http://www.treasury.gov).

## **EC 1 – Public Health**

### **All Public Health Projects**

- a) Description of structure and objectives
- b) Description of relation to COVID-19
- c) Identification of impacted and/or disproportionately impacted communities
- d) Capital Expenditures
  - i. Presence of capital expenditure in project
  - ii. Total projected capital expenditure
  - iii. Type of capital expenditure
  - iv. Written justification
  - v. Labor reporting

### **COVID-19 Interventions and Mental Health (1.4, 1.11, 1.12, 1.13)**

- a) Amount of total project used for evidence-based programs
- b) Evaluation plan description

### **COVID-19 Small Business Economic Assistance (1.8)**

- a) Number of small businesses served

### **COVID-19 Assistance to Non-Profits (1.9)**

- a) Number of non-profits served

### **COVID-19 Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (1.10)**

- a) Sector of employer
- b) Purpose of funds

## **EC 2 – Negative Economic Impacts**

### **All Negative Economic Impacts Projects**

- a) Description of project structure and objectives
- b) Description of project's response to COVID-19
- c) Identification of impacted and/or disproportionately impacted communities
- d) Amount of total project used for evidence-based programs and description of evaluation plan (*not required for 2.5, 2.8, 2.21-2.24, 2.27-2.29, 2.31, 2.34-2.36*)
- e) Number of workers enrolled in sectoral job training programs
- f) Number of workers completing sectoral job training programs
- g) Number of people participating in summer youth employment programs
- h) Capital Expenditures
  - i. Presence of capital expenditure in project
  - ii. Total projected capital expenditure
  - iii. Type of capital expenditure
  - iv. Written justification
  - v. Labor reporting

### **Household Assistance (2.1-2.8)**

- a) Number of households served

- b) Number of people or households receiving eviction prevention services (2.2 & 2.5 only) *(Federal guidance may change this requirement in July 2022)*
- c) Number of affordable housing units preserved or developed (2.2 & 2.5 only) *(Federal guidance may change this requirement in July 2022)*

### **Healthy Childhood Environments (2.11-2.13)**

- a) Number of children served by childcare and early learning *(Federal guidance may change this requirement in July 2022)*
- b) Number of families served by home visiting *(Federal guidance may change this requirement in July 2022)*

### **Education Assistance (2.14, 2.24-2.27)**

- a) National Center for Education Statistics (“NCES”) School ID or NCES District ID
- b) Number of students participating in evidence-based programs *(Federal guidance may change this requirement in July 2022)*

### **Housing Support (2.15, 2.16, 2.18)**

- a) Number of people or households receiving eviction prevention services *(Federal guidance may change this requirement in July 2022)*
- b) Number of affordable housing units preserved or developed *(Federal guidance may change this requirement in July 2022)*

### **Small Business Economic Assistance (2.29-2.33)**

- a) Number of small businesses served

### **Assistance to Non-Profits (2.34)**

- a) Number of non-profits served

### **Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (2.35-2.36)**

- a) Sector of employer
- b) Purpose of funds
- c) If other than travel, tourism and hospitality (2.36) – description of hardship

## **EC 3 – Public Health – Negative Economic Impact: Public Sector Capacity**

### **Payroll for Public Health and Safety Employees (EC 3.1)**

- a) Number of government FTEs responding to COVID-19

### **Rehiring Public Sector Staff (EC 3.2)**

- a) Number of FTEs rehired by governments

## **EC 4 – Premium Pay**

### **All Premium Pay Projects**

- a) List of sectors designated as critical by the chief executive of the jurisdiction, if beyond those listed in the final rule
- b) Numbers of workers served
- c) Employer sector for all subawards to third-party employers
- d) Written narrative justification of how premium pay is responsive to essential work during the public health emergency for non-exempt workers or those making over 150 percent of the state/county’s average annual wage



- e) Number of workers to be served with premium pay in K-12 schools

## **EC 5 – Infrastructure Projects**

### **All Infrastructure Projects**

- a) Projected/actual construction start date (month/year)
- b) Projected/actual initiation of operations date (month/year)
- c) Location (for broadband, geospatial data of locations to be served)
- d) Projects over \$10 million
  - i. Prevailing wage certification or detailed project employment and local impact report
  - ii. Project labor agreement certification or project workforce continuity plan
  - iii. Prioritization of local hires
  - iv. Community benefit agreement description, if applicable

### **Water and sewer projects (EC 5.1-5.18)**

- a) National Pollutant Discharge Elimination System (NPDES) Permit Number (if applicable; for projects aligned with the Clean Water State Revolving Fund)
- b) Public Water System (PWS) ID number (if applicable; for projects aligned with the Drinking Water State Revolving Fund)
- c) Median Household Income of service area
- d) Lowest Quintile Income of the service area

### **Broadband projects (EC 5.19-5.21)**

- a) Confirm that the project is designed to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds.
  - i. If the project is not designed to reliably meet or exceed symmetrical 100 Mbps download and upload speeds, explain why not, and
  - ii. Confirm that the project is designed to, upon completion, meet or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.
- b) Additional programmatic data will be required for broadband projects and will be defined in a subsequent version of the US Treasury Reporting Guidance, including, but not limited to (*Federal guidance may change this requirement in July 2022*):
  - i. Number of households (broken out by households on Tribal lands and those not on Tribal lands) that have gained increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, with the number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download and number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload
  - ii. Number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) that have projected increased access to broadband meeting the minimum speed standards in areas that previously

lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization, with the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.

- iii. Narrative identifying speeds/pricing tiers to be offered, including the speed/pricing of its affordability offering, technology to be deployed, miles of fiber, cost per mile, cost per passing, number of households (broken out by households on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download, number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload, and number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization. Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.

### **All Expenditure Categories**

- a) Program income earned and expended to cover eligible project costs
- 8.1.2. A Subrecipient shall report the following data elements to Prime Recipient no later than five days after the end of the month following the month in which the Subaward was made.
- 8.1.2.1. Subrecipient Unique Entity ID;
  - 8.1.2.2. Subrecipient Unique Entity ID if more than one electronic funds transfer (EFT) account;
  - 8.1.2.3. Subrecipient parent's organization Unique Entity ID;
  - 8.1.2.4. Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;

- 8.1.2.5. Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and
  - 8.1.2.6. Subrecipient's Total Compensation of top 5 most highly compensated Executives if the criteria in §4 above met.
- 8.1.3. To Prime Recipient. A Subrecipient shall report to its Prime Recipient, the following data elements:
- 8.1.3.1. Subrecipient's Unique Entity ID as registered in SAM.
  - 8.1.3.2. Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.
  - 8.1.3.3. Narrative identifying methodology for serving disadvantaged communities. See the "Project Demographic Distribution" section in the "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at [www.treasury.gov](http://www.treasury.gov). This requirement is applicable to all projects in Expenditure Categories 1 and 2.
  - 8.1.3.4. Narrative identifying funds allocated towards evidenced-based interventions and the evidence base. See the "Use of Evidence" section in the "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at [www.treasury.gov](http://www.treasury.gov). See section 8.1.1 for relevant Expenditure Categories.
  - 8.1.3.5. Narrative describing the structure and objectives of the assistance program and in what manner the aid responds to the public health and negative economic impacts of COVID-19. This requirement is applicable to Expenditure Categories 1 and 2. For aid to travel, tourism, and hospitality or other impacted industries (EC 2.11-2.12), also provide the sector of employer, purpose of funds, and if not travel, tourism and hospitality a description of the pandemic impact on the industry.
  - 8.1.3.6. Narrative identifying the sector served and designated as critical to the health and well-being of residents by the chief executive of the jurisdiction and the number of workers expected to be served. For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, other than those where the eligible worker receiving premium pay is earning (with the premium pay included) below 150 percent of their residing state or county's average annual wage for all occupations, as defined by the Bureau of Labor Statistics Occupational Employment and Wage Statistics, whichever is higher, OR the eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions, include justification of how the premium pay or grant is responsive to workers performing essential work during the public health emergency. This could include a description of the essential workers' duties, health or financial risks faced due to COVID-19 but should not include personally identifiable information. This requirement applies to EC 4.1, and 4.2.
  - 8.1.3.7. For infrastructure projects (EC 5), or capital expenditures in any expenditure category, narrative identifying the projected construction start date (month/year), projected initiation of operations date (month/year), and location (for broadband, geospatial location data). For projects over \$10 million:
  - 8.1.3.8. Certification that all laborers and mechanics employed by Contractors and Subcontractors in the performance of such project are paid wages at rates not less

than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis-Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the Agreement work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as "baby Davis-Bacon Acts"). If such certification is not provided, a recipient must provide a project employment and local impact report detailing (1) the number of employees of Contractors and sub-contractors working on the project; (2) the number of employees on the project hired directly and hired through a third party; (3) the wages and benefits of workers on the project by classification; and (4) whether those wages are at rates less than those prevailing. Recipients must maintain sufficient records to substantiate this information upon request.

- 8.1.3.8.1. A Subrecipient may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the recipient does not provide such certification, the recipient must provide a project workforce continuity plan, detailing: (1) how the Subrecipient will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project; (2) how the Subrecipient will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project; and (3) how the Subrecipient will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities; (4) whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market; and (5) whether the project has completed a project labor agreement.
- 8.1.3.8.2. Whether the project prioritizes local hires.
- 8.1.3.8.3. Whether the project has a Community Benefit Agreement, with a description of any such agreement.
- 8.1.4. Subrecipient also agrees to comply with any reporting requirements established by the US Treasury, Governor's Office and Office of the State Controller. The State of Colorado may need additional reporting requirements after this agreement is executed. If there are additional reporting requirements, the State will provide notice of such additional reporting requirements via Exhibit Q – SLFRF Reporting Modification Form.

## **9. PROCUREMENT STANDARDS.**

- 9.1. Procurement Procedures. A Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and applicable regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, 2 CFR 200.318 through 200.327 thereof.
- 9.2. Domestic preference for procurements (2 CFR 200.322). As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all Agreements and purchase orders for work or products under this award.
- 9.3. Procurement of Recovered Materials. If a Subrecipient is a State Agency or an agency of a political subdivision of the State, its Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

## **10. ACCESS TO RECORDS.**

- 10.1. A Subrecipient shall permit Prime Recipient and its auditors to have access to Subrecipient's records and financial statements as necessary for Recipient to meet the requirements of 2 CFR 200.332 (Requirements for pass-through entities), 2 CFR 200.300 (Statutory and national policy requirements) through 2 CFR 200.309 (Period of performance), and Subpart F-Audit Requirements of the Uniform Guidance.

## **11. SINGLE AUDIT REQUIREMENTS.**

- 11.1. If a Subrecipient expends \$750,000 or more in Federal Awards during the Subrecipient's fiscal year, the Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR 200.501.

- 11.1.1. Election. A Subrecipient shall have a single audit conducted in accordance with Uniform Guidance 2 CFR 200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with 2 CFR 200.507 (Program-specific audits). The Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Prime Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program-specific audit.
- 11.1.2. Exemption. If a Subrecipient expends less than \$750,000 in Federal Awards during its fiscal year, the Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.
- 11.1.3. Subrecipient Compliance Responsibility. A Subrecipient shall procure or otherwise arrange for the audit required by Subpart F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with 2 CFR 200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Subpart F-Audit Requirements.

## **12. GRANT PROVISIONS FOR SUBRECIPIENT AGREEMENTS.**

- 12.1. In addition to other provisions required by the Federal Awarding Agency or the Prime Recipient, Grantees that are Subrecipients shall comply with the following provisions. Subrecipients shall include all of the following applicable provisions in all Subcontractors entered into by it pursuant to this Grant.
  - 12.1.1. [Applicable to federally assisted construction Agreements.] Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all Agreements that meet the definition of "federally assisted construction Agreement" in 41 CFR Part 60-1.3 shall include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, Office of Federal Agreement Compliance Programs, Equal Employment Opportunity, Department of Labor.
  - 12.1.2. [Applicable to on-site employees working on government-funded construction, alteration and repair projects.] Davis-Bacon Act. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).

- 12.1.3. Rights to Inventions Made Under a grant or agreement. If the Federal Award meets the definition of “funding agreement” under 37 CFR 401.2 (a) and the Prime Recipient or Subrecipient wishes to enter into an Agreement with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the Prime Recipient or Subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Agreements and Cooperative Agreements,” and any implementing regulations issued by the Federal Awarding Agency.
- 12.1.4. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Agreements and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal awardees to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal Awarding Agency and the Regional Office of the Environmental Protection Agency (EPA).
- 12.1.5. Debarment and Suspension (Executive Orders 12549 and 12689). A Agreement award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in SAM, in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 12.1.6. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal Agreement, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- 12.1.7. Never Contract with the Enemy (2 CFR 200.215). Federal awarding agencies and recipients are subject to the regulations implementing “Never Contract with the Enemy” in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered Agreements, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.
- 12.1.8. Prohibition on certain telecommunications and video surveillance services or equipment (2 CFR 200.216). Grantee is prohibited from obligating or expending loan or grant funds on certain telecommunications and video surveillance services or equipment pursuant to 2 CFR 200.216.

- 12.1.9. Title VI of the Civil Rights Act. The Subgrantee, Contractor, Subcontractor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made part of this Agreement or agreement.

### **13. CERTIFICATIONS.**

- 13.1. Subrecipient Certification. Subrecipient shall sign a "State of Colorado Agreement with Recipient of Federal Recovery Funds" Certification Form in Exhibit E and submit to State Agency with signed grant agreement.
- 13.2. Unless prohibited by Federal statutes or regulations, Prime Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR 200.208. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to the State at the end of the Award that the project or activity was completed or the level of effort was expended. 2 CFR 200.201(3). If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

### **14. EXEMPTIONS.**

- 14.1. These Federal Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.
- 14.2. A Grantee with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

### **15. EVENT OF DEFAULT AND TERMINATION.**

- 15.1. Failure to comply with these Federal Provisions shall constitute an event of default under the Grant and the State of Colorado may terminate the Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30-day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Grant, at law or in equity.
- 15.2. Termination (2 CFR 200.340). The Federal Award may be terminated in whole or in part as follows:
- 15.2.1. By the Federal Awarding Agency or Pass-through Entity, if a Non-Federal Entity fails to comply with the terms and conditions of a Federal Award;
- 15.2.2. By the Federal awarding agency or Pass-through Entity, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities;



- 15.2.3. By the Federal awarding agency or Pass-through Entity with the consent of the Non-Federal Entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated;
- 15.2.4. By the Non-Federal Entity upon sending to the Federal Awarding Agency or Pass-through Entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal Awarding Agency or Pass-through Entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or Subaward will not accomplish the purposes for which the Federal Award was made, the Federal Awarding Agency or Pass-through Entity may terminate the Federal Award in its entirety; or
- 15.2.5. By the Federal Awarding Agency or Pass-through Entity pursuant to termination provisions included in the Federal Award.

**EXHIBIT O****AGREEMENT WITH SUBSUBRECIPIENT OF FEDERAL RECOVERY FUNDS**

Section 602(b) of the Social Security Act (the Act), as added by section 9901 of the American Rescue Plan Act (ARPA), Pub. L. No. 117-2 (March 11, 2021), authorizes the Department of the Treasury (Treasury) to make payments to certain Subrecipients from the Coronavirus State Fiscal Recovery Fund. The State of Colorado has signed and certified a separate agreement with Treasury as a condition of receiving such payments from the Treasury. This agreement is between your organization and the State and your organization is signing and certifying the same terms and conditions included in the State's separate agreement with Treasury. Your organization is referred to as a Subrecipient.

As a condition of your organization receiving federal recovery funds from the State, the authorized representative below hereby (i) certifies that your organization will carry out the activities listed in section 602(c) of the Act and (ii) agrees to the terms attached hereto. Your organization also agrees to use the federal recovery funds as specified in bills passed by the General Assembly and signed by the Governor.

Under penalty of perjury, the undersigned official certifies that the authorized representative has read and understood the organization's obligations in the Assurances of Compliance and Civil Rights Requirements, that any information submitted in conjunction with this assurances document is accurate and complete, and that the organization is in compliance with the nondiscrimination requirements.

Subrecipient Name \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

## AGREEMENT WITH SUBRECIPIENT OF FEDERAL RECOVERY FUNDS TERMS AND CONDITIONS

1. Use of Funds.
  - a. Subrecipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 602(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance.
  - b. Subrecipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Subrecipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.
3. Reporting. Subrecipient agrees to comply with any reporting obligations established by Treasury as they relate to this award. Subrecipient also agrees to comply with any reporting requirements established by the Governor's Office and Office of the State Controller.
4. Maintenance of and Access to Records
  - a. Subrecipient shall maintain records and financial documents sufficient to evidence compliance with section 602(c), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
  - b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Subrecipient in order to conduct audits or other investigations.
  - c. Records shall be maintained by Subrecipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.
5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.
6. Administrative Costs. Subrecipient may use funds provided under this award to cover both direct and indirect costs. Subrecipient shall follow guidance on administrative costs issued by the Governor's Office and Office of the State Controller.
7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Subrecipient.
8. Conflicts of Interest. The State of Colorado understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy

is applicable to each activity funded under this award. Subrecipient and Contractors must disclose in writing to the Office of the State Controller or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112. The Office of the State Controller shall disclose such conflict to Treasury.

9. Compliance with Applicable Law and Regulations.

a. Subrecipient agrees to comply with the requirements of section 602 of the Act, regulations adopted by Treasury pursuant to section 602(f) of the Act, and guidance issued by Treasury regarding the foregoing. Subrecipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Subrecipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.

b. Federal regulations applicable to this award include, without limitation, the following:

- i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
- ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
- iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
- iv. OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (Agreements and Subcontractors described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
  - i. Subrecipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
  - ii. Government wide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
  - iii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
  - iv. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

- v. Generally applicable federal environmental laws and regulations.
- c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
  - ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
  - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
  - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
  - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.
10. Remedial Actions. In the event of Subrecipient's noncompliance with section 602 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 602(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 602(e) of the Act and any additional payments may be subject to withholding as provided in sections 602(b)(6)(A)(ii)(III) of the Act, as applicable.
11. Hatch Act. Subrecipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
12. False Statements. Subrecipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or Agreements, and/or any other remedy available by law.

13. Publications. Any publications produced with funds from this award must display the following language: “This project [is being] [was] supported, in whole or in part, by federal award number SLFRF0126 awarded to the State of Colorado by the U.S. Department of the Treasury.”

14. Debts Owed the Federal Government.

- a. Any funds paid to the Subrecipient (1) in excess of the amount to which the Subrecipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by the Subrecipient shall constitute a debt to the federal government.
- b. Any debts determined to be owed to the federal government must be paid promptly by Subrecipient. A debt is delinquent if it has not been paid by the date specified in Treasury’s initial written demand for payment, unless other satisfactory arrangements have been made or if the Subrecipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

15. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Subrecipient or third persons for the actions of Subrecipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any Agreement, or Subcontractor under this award.
- b. The acceptance of this award by Subrecipient does not in any way establish an agency relationship between the United States and Subrecipient.

16. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal Agreement or grant, a gross waste of federal funds, an abuse of authority relating to a federal Agreement or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal Agreement (including the competition for or negotiation of an Agreement) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
  - i. A member of Congress or a representative of a committee of Congress;
  - ii. An Inspector General;

- iii. The Government Accountability Office;
- iv. A Treasury employee responsible for Agreement or grant oversight or management;
- v. An authorized official of the Department of Justice or other law enforcement agency;
- vi. A court or grand jury; or
- vii. A management official or other employee of Subrecipient, Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

c. Subrecipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Subrecipient should encourage its Contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

1. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subrecipient should encourage its employees, Subrecipients, and Contractorsto adopt and enforce policies that ban text messaging while driving, and Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

## ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS

### ASSURANCES OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the Department of the Treasury, the Subrecipient provides the assurances stated herein. The federal financial assistance may include federal grants, loans and Agreements to provide assistance to the Subrecipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass Agreements of guarantee or insurance, regulated programs, licenses, procurement Agreements by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Subrecipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Subrecipient's program(s) and activity(ies), so long as any portion of the Subrecipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Subrecipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d *et seq.*), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.
2. Subrecipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subrecipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Subrecipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subrecipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subrecipient's programs, services, and activities.
3. Subrecipient agrees to consider the need for language services for LEP persons when Subrecipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit <http://www.lep.gov>.



4. Subrecipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Subrecipient and Subrecipient's successors, transferees, and assignees for the period in which such assistance is provided.
5. Subrecipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every Agreement or agreement subject to Title VI and its regulations between the Subrecipient and the Subrecipient's sub-grantees, Contractors, Subcontractors, successors, transferees, and assignees:

*The sub-grantee, Contractor, Subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits Subrecipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement or agreement.*

6. Subrecipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Subrecipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Subrecipient for the period during which it retains ownership or possession of the property.
7. Subrecipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Subrecipient shall comply with information requests, on-site compliance reviews and reporting requirements.
8. Subrecipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Subrecipient also must inform the Department of the Treasury if Subrecipient has received no complaints under Title VI.
9. Subrecipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Subrecipient and the administrative agency that made the finding. If the Subrecipient settles a case or matter alleging such discrimination, the Subrecipient must provide documentation of the settlement. If Subrecipient has not been the subject of any court or administrative agency finding of

discrimination, please so state.

10. If the Subrecipient makes sub-awards to other agencies or other entities, the Subrecipient is responsible for ensuring that sub-Subrecipients also comply with Title VI and other applicable authorities covered in this document State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that that they are effectively monitoring the civil rights compliance of sub- Subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

**EXHIBIT P****SLFRF SUBRECIPIENT QUARTERLY REPORT****1. SLFRF SUBRECIPIENT QUARTERLY REPORT WORKBOOK**

- 1.1 The SLFRF Subrecipient Quarterly Report Workbook must be submitted to the State Agency within ten (10) days following each quarter ended September, December, March and June. The SLFRF Subrecipient Quarterly Report Workbook can be found at:

<https://osc.colorado.gov/american-rescue-plan-act> (see SLFRF Grant Agreement Templates tab)

**EXHIBIT Q****SAMPLE SLFRF REPORTING MODIFICATION FORM**

Local Agency:			Agreement No:	
Project Title:			Project No:	
Project Duration:	To:		From:	
State Agency:	CDOT			

This form serves as notification that there has been a change to the reporting requirements set forth in the original SLFRF Grant Agreement.

The following reporting requirements have been (add/ remove additional rows as necessary):

Updated Reporting Requirement (Add/Delete/Modify)	Project Number	Reporting Requirement

By signing this form, the Local Agency agrees to and acknowledges the changes to the reporting requirements set forth in the original SLFRF Grant Agreement. All other terms and conditions of the original SLFRF Grant Agreement, with any approved modifications, remain in full force and effect. Grantee shall submit this form to the State Agency within 10 business days of the date sent by that Agency.

\_\_\_\_\_  
Local Agency

\_\_\_\_\_  
Date

\_\_\_\_\_  
CDOT Program Manager

\_\_\_\_\_  
Date

**EXHIBIT R**  
**APPLICABLE FEDERAL AWARDS**

**FEDERAL AWARD(S) APPLICABLE TO THIS GRANT AWARD**

Federal Awarding Office	US Department of the Treasury
Grant Program	Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Number	21.027
Federal Award Number	SLFRP0126
Federal Award Date *	May 18, 2021
Federal Award End Date	December 31, 2024
Federal Statutory Authority	Title VI of the Social Security Act, Section 602
Total Amount of Federal Award (this is <u>not</u> the amount of this grant agreement)	\$3,828,761,790

\* Funds may not be available through the Federal Award End Date subject to the provisions in §2 and §5 below.

**EXHIBIT S**  
**PII Certification**

**STATE OF COLORADO**

**LOCAL AGENCY CERTIFICATION FOR ACCESS TO PII THROUGH A  
DATABASE OR AUTOMATED NETWORK**

Pursuant to § 24-74-105, C.R.S., I, \_\_\_\_\_, on behalf of \_\_\_\_\_ (legal name of Local Agency) (the “Local Agency”), hereby certify under the penalty of perjury that the Local Agency has not and will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.

I hereby represent and certify that I have full legal authority to execute this certification on behalf of the Local Agency.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT T**

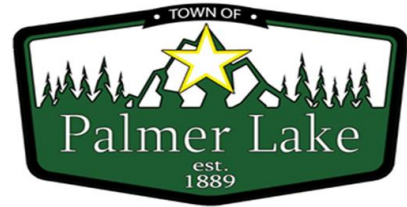
### **CHECKLIST OF REQUIRED EXHIBITS DEPENDENT ON FUNDING SOURCE**

Checklist for required exhibits due to funding sources. Required Exhibits are dependent on the source of funding. This is a guide to assist in the incorporation and completion of Exhibits in relation to funding sources.

<b>Exhibit</b>	<b>Funding only from FHWA</b>	<b>Funding only from ARPA</b>	<b>FHWA and ARPA Funding</b>
<b>EXHIBIT A,</b> SCOPE OF WORK	✓	✓	✓
<b>EXHIBIT B,</b> SAMPLE OPTION LETTER	✓	✓	✓
<b>EXHIBIT C,</b> FUNDING PROVISIONS	✓	✓	✓
<b>EXHIBIT D,</b> LOCAL AGENCY RESOLUTION (IF APPLICABLE)	✓	✓	✓
<b>EXHIBIT E,</b> LOCAL AGENCY AGREEMENT ADMINISTRATION CHECKLIST	✓	✓	✓
<b>EXHIBIT F,</b> CERTIFICATION FOR FEDERAL-AID AGREEMENTS	✓		✓
<b>EXHIBIT G,</b> DISADVANTAGED BUSINESS ENTERPRISE	✓		✓
<b>EXHIBIT H,</b> LOCAL AGENCY PROCEDURES FOR CONSULTANT SERVICES	✓		✓
<b>EXHIBIT I,</b> FEDERAL-AID AGREEMENT PROVISIONS FOR CONSTRUCTION AGREEMENTS	✓		✓
<b>EXHIBIT J,</b> ADDITIONAL FEDERAL REQUIREMENTS	✓		✓
<b>EXHIBIT K,</b> FFATA SUPPLEMENTAL FEDERAL PROVISIONS	✓	✓	✓
<b>EXHIBIT L,</b> SAMPLE SUBRECIPIENT MONITORING AND RISK ASSESSMENT FORM	✓	✓	✓
<b>EXHIBIT M,</b> OMB UNIFORM GUIDANCE FOR FEDERAL AWARDS	✓		✓

<b>EXHIBIT N,</b> FEDERAL TREASURY PROVISIONS		✓	✓
<b>EXHIBIT O,</b> AGREEMENT WITH SUBRECIPIENT OF FEDERAL RECOVERY FUNDS		✓	✓
<b>EXHIBIT P,</b> SLFRF SUBRECIPIENT QUARTERLY REPORT		✓	✓
<b>EXHIBIT Q,</b> SLFRF REPORTING MODIFICATION FORM		✓	✓
<b>EXHIBIT R,</b> APPLICABLE FEDERAL AWARDS		✓	✓
<b>EXHIBIT S,</b> PII CERTIFICATAION	✓	✓	✓
<b>EXHIBIT T,</b> CHECKLIST OF REQUIRED EXHIBITS DEPENDENT ON FUNDING SOURCE	✓	✓	✓





**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Authorize a Professional Service Agreement with GMS for the Design of the Pedestrian Walkway
<b>Presented by:</b> Town Administrator /Clerk		

**Background**

GMS Consulting was previously awarded as the qualified firm to complete the design of the pedestrian walkway for the Multimodal (MMOF) funds of \$150,000 awarded to the town for the design.

Enclosed is the proposal at a cost of \$218,000. The additional funds are necessary due to the “on-system” project with CDOT. It includes additional coordination for CDOT review and likely required 3<sup>rd</sup> party biologist and environmental engineer for environmental clearances. The design will involve additional meetings and review by the state than typical town projects.

The 2024 budget will support the additional \$68,000 with the use of fund balance.

**Recommended Action**

Approve the Resolution to authorize a professional service agreement with GMS for the design work.

**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 81-2023**

**A RESOLUTION TO AUTHORIZE A PROFESSIONAL SERVICES AGREEMENT WITH  
GMS INC CONSULTING ENGINEERS FOR ENGINEERING DESIGN OF THE  
PEDESTRIAN WALKWAY, PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town Board of Trustees has authority over agreements for the Town; and

**WHEREAS**, the Town was awarded Multimodal Transportation and Mitigation Options Fund for the design of a pedestrian walkway in the downtown corridor; and

**WHEREAS**, GMS Inc., was chosen as the qualified engineer; and

**WHEREAS**, GMS Inc., provided an estimate for the design work and requires a professional services agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE  
TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes a professional services agreement for design of the pedestrian walkway as outlined in the enclosed exhibit.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD  
OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER  
2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

**Town of Palmer Lake, Colorado**  
**AGREEMENT FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is made and entered into this \_\_\_\_\_, 2023, by and between the Town of Palmer Lake, State of Colorado (hereinafter referred to as the "Town"), and GMS Inc., Consulting Engineers (hereinafter referred to as "Consultant").

**RECITALS:**

- A. The Town seeks professional services.
- B. Consultant has held itself out to the Town as having the requisite expertise and experience to perform the required services for the Project.

NOW, THEREFORE, it is hereby agreed, for the consideration hereinafter set forth, that Consultant shall provide to the Town professional consulting services for the Project.

**I. SCOPE OF SERVICES**

Consultant shall furnish all labor and materials to perform the services required for the complete and prompt execution and performance of all duties, obligations and responsibilities for the Project, which are described or reasonably implied from **Exhibit A**, which is attached hereto and incorporated herein by this reference.

**II. THE TOWN'S OBLIGATIONS/CONFIDENTIALITY**

The Town shall provide Consultant with reports and such other data as may be available to the Town and reasonably required by Consultant to perform hereunder. No project information shall be disclosed by Consultant to third parties without prior written consent of the Town or pursuant to a lawful court order directing such disclosure. All documents provided by the Town to Consultant shall be returned to the Town. Consultant is authorized by the Town to retain copies of such data and materials at Consultant's expense.

**III. OWNERSHIP OF INSTRUMENTS OF SERVICE**

The Town acknowledges that the Consultant's documents are an instrument of professional service. Nevertheless, the documents prepared under this Agreement shall become the property of the Town upon completion of the services. Any reuse of the Consultant's documents is at the Town's own risk.

**IV. COMPENSATION**

- A. In consideration for the completion of the services specified herein by Consultant, the Town shall pay Consultant an amount not to exceed Two Hundred Eighteen Thousand Dollars (\$218,000.00). Payment shall be made in accordance with the schedule of charges in **Exhibit A**, which is attached hereto and incorporated herein by this reference. Invoices will be itemized and include hourly breakdown for all personnel and other charges. The maximum fee

specified herein shall include all fees and expenses incurred by Consultant in performing all services hereunder.

B. Consultant may submit monthly or periodic statements requesting payment. Such request shall be based upon the amount and value of the services performed by Consultant under this Agreement, except as otherwise supplemented or accompanied by such supporting data as may be required by the Town.

1. All invoices, including Consultant's verified payment request, shall be submitted by Consultant to the Town no later than the twenty-fourth (24th) day of each month for payment, pursuant to the terms of this Agreement. In the event Consultant fails to submit any invoice on or before the twenty-fourth (24th) day of any given month, Consultant defers its right to payment, pursuant to said late invoice, until the twenty-fourth (24th) day of the following month.
2. Progress payments may be claimed on a monthly basis for reimbursable costs actually incurred to date as supported by detailed statements, including hourly breakdowns for all personnel and other charges. The amounts of all such monthly payments shall be paid within thirty (30) days after the timely receipt of invoice, as provided by this Agreement.

C. The Town has the right to ask for clarification on any Consultant invoice after receipt of the invoice by the Town.

D. In the event payment for services rendered has not been made within forty-five (45) days from the receipt of the invoice for any uncontested billing, interest will accrue at the rate of eight percent (8%) per annum compounded annually. In the event payment has not been made within ninety (90) days from the receipt of the invoice for any uncontested billing, Consultant may, after giving seven (7) days' written notice and without penalty or liability of any nature, suspend all authorized services specified herein. In the event payment in full is not received within thirty (30) days of giving the seven (7) days' written notice, Consultant may terminate this Agreement. Upon receipt of payment in full for services rendered, Consultant will continue with all authorized services.

E. Final payment shall be made within sixty (60) calendar days after all data and reports (which are suitable for reproduction and distribution by the Town) required by this Agreement have been turned over to and approved by the Town and upon receipt by the Town of Consultant's written notification that services required herein by Consultant have been fully completed in accordance with this Agreement and all data and reports for the Project.

## **V. COMMENCEMENT AND COMPLETION OF SERVICES**

Within seven (7) days of receipt from the Town of a Notice to Proceed, Consultant shall commence services on all its obligations as set forth in the Scope of Services or that portion of such obligations as is specified in said Notice. Except as may be changed in writing by the Town, the Project shall be complete and Consultant shall furnish the Town the specified deliverables, as provided in **Exhibit A**.

## **VI. CHANGES IN SCOPE OF SERVICES**

A change in the Scope of Services shall constitute any material change or amendment of services which is different from or additional to the Scope of Services specified in Section I of this Agreement. No such change, including any additional compensation, shall be effective or paid, unless authorized by written amendment executed by the Town. If Consultant proceeds without such written authorization, then Consultant shall be deemed to have waived any claim for additional compensation, including a claim based on the theory of unjust enrichment, quantum merit or implied contract. Except as expressly provided herein, no agent, employee or representative of the Town shall have the authority to enter into any changes or modifications, either directly or implied by a course of action, relating to the terms and scope of this Agreement.

## **VII. PROFESSIONAL RESPONSIBILITY**

A. Consultant hereby warrants that it is qualified to assume the responsibilities and render the services described herein and has all requisite corporate authority and professional licenses in good standing, as required by law.

B. The services performed by Consultant shall be in accordance with generally accepted professional practices and the level of competency presently maintained by other practicing professional firms in the same or similar type of services in the applicable community.

C. Consultant shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by Consultant under this Agreement. Consultant shall, without additional compensation, correct or resolve any errors or deficiencies in his designs, drawings, specifications, reports, and other services, which fall below the standard of professional practice, and reimburse the Town for construction costs caused by errors and omissions which fall below the standard of professional practice.

D. Approval by the Town of drawings, designs, specifications, reports and incidental services or materials furnished hereunder shall not in any way relieve Consultant of responsibility for technical adequacy of the services. Neither the Town's review, approval or acceptance of, nor payment for, any of the services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Consultant shall be and remain liable in accordance with applicable performance of any of the services furnished under this Agreement.

E. The rights and remedies of the Town provided for under this Agreement are in addition to any other rights and remedies provided by law.

## **VIII. COMPLIANCE WITH LAW**

The services to be performed by Consultant hereunder shall be done in compliance with applicable laws, ordinances, rules and regulations.

## **IX. INDEMNIFICATION**

A. **INDEMNIFICATION – GENERAL:** The Town cannot and by this Agreement does not agree to indemnify, hold harmless, exonerate or assume the defense of the Consultant or any other person or entity whatsoever, for any purpose whatsoever. Provided that the claims, demands, suits, actions or proceedings of any kind are not the result of professional negligence, the Consultant shall defend, indemnify and hold harmless the Town, its mayor and Town council, officials, officers, directors, agents and employees from any and all claims, demands, suits, actions or proceedings of any kind or nature whatsoever, including worker's compensation claims, in any way resulting from or arising from the services rendered by Consultant, its employees, agents or subconsultants, or others for whom the Consultant is legally liable, under this Agreement; provided, however, that the Consultant need not indemnify or save harmless the Town, its mayor and Town council, its officers, agents and employees from damages to the extent caused by the negligence of the Town's mayor and Town council, officials, officers, directors, agents and employees.

B. **INDEMNIFICATION FOR PROFESSIONAL NEGLIGENCE:** The Consultant shall indemnify and hold harmless the Town, its mayor and Town council, and any of its officials, officers, directors, and employees from and against damages, liability, losses, costs and expenses, including reasonable attorneys fees, but only to the extent caused by the negligent acts, errors or omissions of the Consultant, its employees, subconsultants, or others for whom the Consultant is legally liable, in the performance of professional services under this Agreement. The Consultant is not obligated under this subparagraph IX.B. to indemnify the Town for the negligent acts of the Town, its mayor or Town council, or any of its officials, officers, directors, agents and employees.

C. **INDEMNIFICATION – COSTS:** Consultant agrees, to the extent provided in Paragraph A., above, to investigate, handle, respond to, and to provide defense for and defend against any such liability, claims or demands at the sole expense of Consultant or, at the option of the Town, agrees to pay the Town or reimburse the Town for the defense costs incurred by the Town in connection with any such liability, claims or demands. Consultant also agrees, to the extent provided in Paragraph A. above, to bear all other costs and expenses related thereto, including court costs and attorney fees, whether or not any such liability, claims or demands alleged are groundless, false or fraudulent. If it is determined by the final judgment of a court of any competent jurisdiction that such injury, loss or damage was caused in whole or in part by the act, omission or other fault of the Town, its mayor and Town council, officials, officers, directors, agents and employees, the Town shall reimburse Consultant for the portion of the judgment attributable to such act, omission or other fault of the Town, its mayor and Town council, officials, officers, directors, agents and employees.

## **X. INSURANCE**

A. Consultant agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands and other obligations assumed by Consultant, pursuant to Section IX, Indemnification, above. Such insurance shall be in addition to any other insurance requirements imposed by this Agreement or by law. Consultant shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to

Section IX, Indemnification, above, by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations or types.

B. Consultant shall procure and maintain and shall cause any subconsultant of Consultant to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the Town. All coverages shall be continuously maintained to cover all liability, claims, demands and other obligations assumed by Consultant, pursuant to Section IX, Indemnification, above. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Worker's compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of services under this Agreement, and Employer's Liability insurance with minimum limits of Five Hundred Thousand Dollars (\$500,000) each claim, Five Hundred Thousand Dollars (\$500,000) disease - policy limit, and Five Hundred Thousand Dollars (\$500,000) disease - each employee.
2. Commercial general liability insurance with minimum combined single limits of One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products and completed operations. The policy shall contain a severability of interests provision.
3. Professional liability insurance with minimum limits of One Million Dollars (\$1,000,000) each claim and Two Million Dollars (\$2,000,000) annual aggregate, and Consultant shall maintain such coverage for at least three (3) years from the termination of this Agreement.
4. The policy required by Paragraph 2, above shall be endorsed to include the Town and the Town's officers, employees and consultants as additional insureds. Every policy required above shall be primary insurance, with the exception of Professional Liability and Worker's Compensation, and any insurance carried by the Town, its officers, its employees or its consultants shall be excess and not contributory insurance to that provided by Consultant. No additional insured endorsement to the policy required by Paragraph 1, above shall contain any exclusion for bodily injury or property damage arising from completed operations. Consultant shall be solely responsible for any deductible losses under any policy required above.
5. The certificate of insurance provided for the Town shall be completed by Consultant's insurance agent as evidence that policies providing the required coverages, conditions and minimum limits are in full force and effect, and shall be reviewed and approved by the Town prior to commencement of the Agreement.

No other form of certificate shall be used. The certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be cancelled or terminated until at least thirty (30) days' prior written notice has been given to the Town. The completed certificate of insurance shall be sent to:

Dawn A. Collins, Town Administrator / Clerk  
 Town of Palmer Lake  
 42 Valley Crescent  
 P.O. Box 208  
 Palmer Lake, Colorado 80133

6. Failure on the part of Consultant to procure or maintain policies providing the required coverages, conditions and minimum limits shall constitute a material breach of agreement upon which the Town may immediately terminate this Agreement or, at its discretion, the Town may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the Town shall be repaid by Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Consultant from the Town.
7. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.
8. The parties hereto understand and agree that the Town, its officers and its employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations (presently One Hundred Fifty Thousand Dollars (\$150,000) per person and Six Hundred Thousand Dollars (\$600,000) per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, Colo. Rev. Stat. §24-10-101, et seq., 10 Colo. Rev. Stat., as from time to time amended, or otherwise available to the Town, its officers or its employees.

#### **XI. NONASSIGNABILITY**

Neither this Agreement nor any of the rights or obligations of the parties hereto shall be assigned by either party without the written consent of the other.

#### **XII. TERMINATION**

This Agreement shall terminate at such time as the services in Section I are completed and the requirements of this Agreement are satisfied, or upon the Town's providing Consultant with seven (7) days' advance written notice, whichever occurs first. In the event the Agreement is terminated by the Town's issuance of said written notice of intent to terminate, the Town shall pay Consultant for all services previously authorized and completed prior to the date of termination. If, however, Consultant has substantially or materially breached the standards and terms of this Agreement, the Town shall have any remedy or right of set-off available at law and equity. If the Agreement is terminated for any reason other than cause prior to completion of the



Project, any use of documents by the Town thereafter shall be at the Town's sole risk, unless otherwise consented to by Consultant.

### **XIII. CONFLICT OF INTEREST**

The Consultant shall disclose any personal or private interest related to property or business within the Town. Upon disclosure of any such personal or private interest, the Town shall determine if the interest constitutes a conflict of interest. If the Town determines that a conflict of interest exists, the Town may treat such conflict of interest as a default and terminate this Agreement.

### **XIV. VENUE**

This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in the County of El Paso, State of Colorado.

### **XV. INDEPENDENT CONTRACTOR**

Consultant is an independent contractor. Notwithstanding any provision appearing in this Agreement, all personnel assigned by Consultant to perform services under the terms of this Agreement shall be, and remain at all times, employees or agents of Consultant for all purposes. Consultant shall make no representation that it is the employee of the Town for any purposes.

**THE PARTIES HERETO UNDERSTAND THAT THE CONSULTANT IS NOT ENTITLED TO WORKERS' COMPENSATION BENEFITS OR UNEMPLOYMENT COMPENSATION BENEFITS AND IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONEYS EARNED PURSUANT TO THIS AGREEMENT.**

### **XVI. NO WAIVER**

Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the Town shall not constitute a waiver of any of the other terms or obligations of this Agreement.

### **XVII. ENTIRE AGREEMENT**

This Agreement and the attached Exhibit A is the entire Agreement between Consultant and the Town, superseding all prior oral or written communications. None of the provisions of this Agreement may be amended, modified or changed, except as specified herein.

### **XVIII. NOTICE**

Any notice or communication between Consultant and the Town which may be required, or which may be given, under the terms of this Agreement shall be in writing, and shall be deemed to have been sufficiently given when directly presented or sent pre-paid, first class United States mail, addressed as follows:

The Town: Dawn A. Collins, Town Administrator / Clerk  
 Town of Palmer Lake  
 42 Valley Crescent  
 P.O. Box 208  
 Palmer Lake, Colorado 80133

Copy to: Matthew Z. Krob, Town Attorney  
 KROB LAW OFFICE, LLC  
 8400 E. Prentice Ave., Penthouse  
 Greenwood Village, CO 80111

Consultant: GMS, Inc., Consulting Engineers  
 611 North Weber, Ste 300  
 Colorado Springs, CO 80903-1074

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in triplicate, as of the date first written above.

**TOWN OF PALMER LAKE, COLORADO**

By: \_\_\_\_\_  
 Glant Havenar, Mayor

**CONSULTANT**

By: \_\_\_\_\_  
 Title: \_\_\_\_\_

STATE OF  
 COLORADO )  
 ) ss.  
 COUNTY OF )  
 EL PASO )

Subscribed and sworn to before me by \_\_\_\_\_ **(CONSULTANT)** and \_\_\_\_\_ **(TOWN)**, who appeared personally before me this \_\_\_\_ day of \_\_\_\_\_, and who did swear, affirm, certify, depose, and warrant that he/she/they have signed the hereinabove instrument as his/her/their sui juris act and who is/are legally authorized to sign the hereinabove instrument and do hereby attach documentary evidence of his/her/their authority if acting on behalf of any fictitious legal entity of public or private law.

\_\_\_\_\_  
 Notary

My Commission Expires: \_\_\_\_\_ (SEAL)

**GMS, INC.**  
**CONSULTING ENGINEERS**  
**611 NORTH WEBER, SUITE 300**  
**COLORADO SPRINGS, COLORADO 80903-1074**

TELEPHONE (719) 475-2935  
 TELEFAX (719) 475-2938

EDWARD D. MEYER, P.E.  
 ROGER J. SAMS, P.E.  
 JASON D. MEYER, P.E.  
 DAVID R. FRISCH, P.L.S.

THOMAS A. McCLERNAN, P.E.  
 MARK A. MORTON, P.E.  
 KEN L. WHITE, P.L.S.

December 8, 2023

Ms. Dawn Collins, Town Administrator/Clerk  
 Town of Palmer Lake  
 42 Valley Crescent  
 Palmer Lake, CO 80133

***Via Electronic Mail: [dawn@palmer-lake.org](mailto:dawn@palmer-lake.org)***  
***No Hard Copy to Follow***

RE: Town of Palmer Lake  
 Highway 105 Sidewalk Improvements Project  
 Proposal for Consulting Services

Dear Ms. Collins:

Thank you for considering GMS, Inc. for the design of the Town's Highway 105 Sidewalk Improvements project. The project will be a great benefit to the Town of Palmer Lake by improving pedestrian safety and mobility through the downtown area and bolstering downtown businesses with enhanced access and customer traffic. Based on the details of our previous conversations, and our meeting with the local Colorado Department of Transportation (CDOT) representative, we are pleased to offer the following proposal for GMS, Inc. to complete the design scope of services for the project.

**Firm Overview:**

GMS, Inc. has over 45 years of extensive experience providing engineering, planning, surveying, funding administration, GIS consulting, and construction management/administration to our clients throughout Colorado. The GMS, Inc. team has focused primarily on servicing local governmental agencies, including cities, towns, counties, and special districts, on their water, wastewater, stormwater, drainage, and roadway infrastructure needs. The staff of GMS, Inc. is presently composed of 26 individuals.

- Seven licensed professional engineers
- Two licensed professional land surveyors
- Five staff engineers
- Two staff surveyors
- Five design technicians/resident project representatives
- Five administrative and technical support staff

Our experienced staff makes our firm extremely unique compared to other firms of similar size and background, coupled with the longevity of over 45 years in business. GMS, Inc. has been fortunate to create a professional employment environment where a significant number of staff personnel have committed many years to decades, and in some cases their entire professional lifetime, to providing services to GMS, Inc. clients.



Ms. Dawn Collins, Town Administrator/Clerk  
December 8, 2023  
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GMS, Inc. has an extensive background in civil engineering design for numerous towns, municipalities, special districts and non-profit agencies throughout Colorado. Several GMS, Inc. projects are similar to the Highway 105 Sidewalk Improvements project and range from roadway designs, to parking facility designs, to streetscape designs with retaining walls and drainage accommodations. Our project experience also extends into the realm of CDOT project administration services, such as those required on the Palmer Lake Elementary School project currently in design. Our past and current CDOT projects include similar Main Street revitalization type projects for both on-system and off-system locations. Extensive coordination with CDOT representatives is required for these types of projects throughout the design process, particularly for on-system projects such as this Highway 105 Sidewalk Improvements project. We have successfully managed the appropriate CDOT processes in order to navigate the various team meetings and design reviews which are required to obtain the clearances and design approvals for the projects.

### **Scope of Work:**

GMS, Inc. will complete the design and preparation of Construction Drawings and the Project Manual, which will include bidding documents, contract documents and the project specifications. These documents will be prepared in accordance with the appropriate CDOT templates and formatting requirements. GMS, Inc. will also facilitate the myriad of CDOT processes, procedures and requirements through the design process, which generally encompass the following major categories:

- Project administration and coordination with various CDOT teams
- Scoping meeting
- Field inspection review (FIR) meeting
- Final office review (FOR) meeting
- Right-of-way (ROW) plans, including easements
- ROW clearances
- Utility clearances
- Environmental clearances, including the necessary biological and historical clearances
- Final approval request letters

CDOT representatives have agreed to perform the field survey along the immediate corridor of work. GMS, Inc. will have a limited scope of field survey work to complete outside of the CDOT survey boundaries, and will coordinate with CDOT survey personnel to incorporate their data into the design documents. A review of the drainage conditions and the completion of the appropriate drainage calculations and summaries will also be completed under the scope of work, as well as the appropriate geotechnical investigations and engineering. This proposal represents design services only. It does not extend into contract administration or construction administration services.

The design documents will be presented to Town staff at a workshop for review and discussion. Any comments, additions or revisions which result from the workshop can be incorporated into the final project documents.



Ms. Dawn Collins, Town Administrator/Clerk  
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**Scope of Fees:**

In order to properly quantify the scope of services and level of effort required for the various CDOT related items, we contacted the Town's local CDOT representative Matthew Pettit. Mr. Pettit was able to join us in a meeting to review the processes, requirements and expectations of CDOT for this particular project and assist us in accurately determining the scope of work necessary. Based on that meeting, GMS, Inc. will perform the above Scope of Work for the Lump Sum Fee of \$218,000.

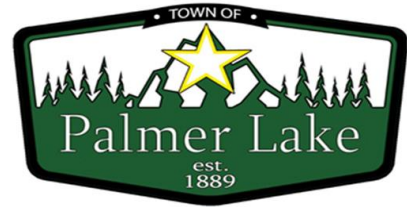
We appreciate the opportunity to submit this proposal to provide consulting engineering services for the Town of Palmer Lake. If the proposal is acceptable to the Town, please indicate that to us and we will proceed with a Professional Services Agreement for the scope of work described above. In the interim, should you have any questions or desire to discuss any details of this proposal, please feel free to contact us at your convenience.

Sincerely,



Mark A. Morton, P.E.

MAM/cag



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Authorize Agreement with Dukes Electric to Install Pedestrian Bridge Lighting
<b>Presented by:</b> Town Administrator /Clerk		

### Background

Staff worked with the Parks Commission for lighting plan options for the pedestrian bridge. One condition to the lighting was respective review and approval by UP Railway.

Per the request of the Board, enclosed are the various proposals:

Dukes Electric	\$24,800
Vossen Electric	\$22,240
Mr. Electric	\$18,067

The overhead design option from Dukes Electric was approved by the UP Railroad. Thus, although it is not the lowest proposal, it is the design option approved by the railroad to install overhead lighting on the pedestrian bridge.

### Recommended Action

It is town staff's recommendation to authorize Dukes to install the lighting on the pedestrian bridge as previously approved by the railroad. A request will be made to Awake Palmer Lake to assist with funding.

# **TOWN OF PALMER LAKE, COLORADO**

## **RESOLUTION NO. 82 - 2023**

### **A RESOLUTION TO AUTHORIZE THE INSTALLATION OF LIGHTING FOR THE PEDESTRIAN BRIDGE, PALMER LAKE, COLORADO**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Parks Commission has explored lighting options for the pedestrian bridge meeting the railway requirements; and

**WHEREAS**, the lighting plan by Dukes Electric meets town code requirements and was accepted and approved by the railway; and

**WHEREAS**, staff recommends the lighting plan from Dukes Electric for installation on the pedestrian bridge as approved by the railway.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes the installation of lighting on the pedestrian bridge by Dukes Electric for a total of \$24,800 as described in the attached proposal.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

# Dukes Electric, Inc.

## PROPOSAL

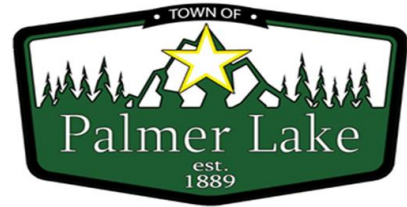
Dukes Electric, Inc  
P.O. Box 453  
Monument, CO 80132  
Phone: 719.499.8962

Submitted To:	Phone:	Date:
Town of Palmer Lake	719. 481.2953	11.05.23
Address:	Job Name:	
42 Valley Crescent/ P.O. Box 208	Palmer Lake Bridge	
City, and Zip Code:	Job Location:	
Palmer Lake, Co 80133	199 Hwy 105	

1. East Side of Bridge:
  - a. (2) 20amp GFI circuits in Lockable Metal Cover.
2. West Side of Bridge:
  - a. (2) 20amp GFI circuits in Lockable Metal Cover.
3. Overhead Lights
  - a. (5) Overhead Lights (Lamar # EC 19404)
  - b. Controlled By Photo Cell
4. Circuit Wiring:
  - a. Circuits Raceway Across Bridge will be in 1" Ridge Metal Conduit (GRC).
  - b. Circuit Wiring will be # 8 THHN C.U. Across Bridge to East Side Outlets.
  - c. Circuit Wiring will be # 10 THHN C.U. to West Side Outlets.
  - d. Circuit Wiring will be # 10 THHN C.U. to Lights.
5. Under Ground Wiring:
  - a. (2) 1" PVC Conduits from Service to Bridge Column.
  - b. Trenching and Backfill.
6. Sub Total: \$22,300.00
7. Engineering/ Permit: 2,500.00  
\$24,800.00

**AMOUNT DUE: \$24,800.00**





**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Resolution to Authorize Demolition of Elephant Rock Structures
<b>Presented by:</b>  Town Administrator /Clerk		

### Background

As directed by the Board, staff has worked with contractors to explore the necessary actions to demo the structures (6 cabins, 1 long building) on elephant rock property. The following is needed –

- 1) It is required to assess the structures for asbestos. This activity began soliciting a few quotes. We received two – one for a minimum of \$9100 and one for \$4095. Staff will get this completed this year by LTS Resource LLC for \$4095. Testing and results will take about two weeks.
- 2) Depending on the asbestos test results, abatement of the asbestos will be required. Staff is requesting the same activity be completed by seeking 2-3 quotes for the abatement.
- 3) Once the abatement is completed, the Fire Department has training activity they would like to conduct with personnel.
- 4) Subsequent to the completed training, the structures then may be demolished. Similarly, staff has received one preliminary quote (about \$74,000) and expects a second quote shortly.

Once this activity begins, staff is prepared to follow it through with appropriate bids to come before the Board to authorize a service agreement for abatement and demolition, as needed.

### Recommended Action

Approve the resolution to authorize the demolition activity.

# TOWN OF PALMER LAKE, COLORADO

## RESOLUTION NO. 83 - 2023

### A RESOLUTION TO AUTHORIZE THE DEMOLITION PROCESS FOR SPECIFIC ELEPHANT ROCK STRUCTURES, HWY 105, PALMER LAKE, COLORADO

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Town Board directed staff to develop a plan to remove certain structures from the elephant rock property; and

**WHEREAS**, in doing so, learned the necessity to test for asbestos and likely abatement before department training and/or demolition; and

**WHEREAS**, staff solicited quotes from contractors for activity and will initiate asbestos testing for \$4095 from the 2023 budget funds; and

**WHEREAS**, the activity to follow testing is likely abatement, personnel training, and subsequently complete demolition.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The Town Board of Trustees hereby authorizes staff to complete the demolition of six cabins and one long structure on elephant rock property with asbestos abatement and demolition costs to come back to the Board.

2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution 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 Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14th DAY OF DECEMBER 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

**PALMER LAKE, COLORADO****ORDINANCE NO. 24 - 2023****AN ORDINANCE ADOPTING A SIGN CODE AND REPEALING AND REPLACING  
CHAPTER 17.76 OF THE TOWN OF PALMER LAKE TOWN CODE REGULATING  
SIGNS WITHIN THE TOWN OF PALMER LAKE**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado;

**WHEREAS**, the Town had previously adopted regulations related to signage, with such regulations being contained in Chapter 14.50;

**WHEREAS**, recent developments in case law established a need for the Town's current sign code be amended in order to preserve the health, safety and general welfare of the citizens and businesses of Palmer Lake; and,

**WHEREAS**, following a moratorium on the submission of sign permit applications and erecting and installation of signs within the Town in order to draft an amended sign code, the Planning Commission reviewed and provided comments to the proposed sign code.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN BOARD OF  
TRUSTEES OF THE TOWN OF PALMER LAKE AS FOLLOWS:**

1. Chapter 17.76 of Title 17 of the Town of Palmer Lake Town Code is hereby amended by repealing and replacing the entirety of Chapter 17.76 to read in its entirety as depicted on the attached Exhibit A.
2. Severability. 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 Board of Trustees hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing ordinances or parts of ordinances covering the same matters embraced in this ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this ordinance.

**INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE  
BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14TH DAY OF  
DECEMBER, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator, Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor

## 17.76 Signs

17.76.010 PURPOSE & INTENT	1
17.76.020. GENERAL PROVISIONS AND RESTRICTIONS	2
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### 17.76.010 PURPOSE & INTENT

- (a) Purpose. Signs can obstruct views, distract motorists, displace alternative uses for land, and pose other problems that legitimately call for regulation. The regulations in this Chapter are intended to coordinate the use, placement, physical dimensions, design, and maintenance of all signs within the Town.
- (1) The following regulations recognize that signs are a necessary means of visual communication for the convenience of the public and provide flexibility within the sign review/approval process to allow for unique circumstances and creativity.
  - (2) These regulations recognize and ensure the right of those concerned to identify businesses, services, and other activities by the use of signs, and limit commercial signs to those which are accessory, and incidental to the use on the premises where such signs are located.
  - (3) These regulations provide a reasonable balance between the right of an individual to identify his or her business and the right of the public to be protected against the visual discord resulting from the unrestricted proliferation of commercial signs and devices.
  - (4) This Chapter allows adequate communication through signage while encouraging aesthetic quality in the design, location, size, and purpose of all signs. This Chapter must be interpreted in a manner consistent with the First Amendment guarantee of free speech and decisions by the Colorado Supreme Court and the United States Supreme Court.
  - (5) The intent of this Chapter is to establish limitations on signs in order to ensure they are appropriate to the land, building, or use to which they are appurtenant and are adequate for their intended purpose while balancing the individual and community interests identified in this Chapter. A sign placed on land or a building for the purpose of



December 14, 2023, AMENDED FINAL SIGN CODE

identification, protection, or directing persons to a use conducted is deemed to be an integral but accessory and subordinate part of the principal use of land or building.

- (6) This Chapter is not intended to and does not apply to signs erected, maintained, or otherwise posted, owned, or leased by the state, the federal government, or the Town. This includes Colorado Department of Transportation (CDOT) tourist-oriented signs governed by Section 43-1-420, Colorado Revised Statutes (C.R.S.), as amended, and in accordance with all rules and regulations of CDOT. The inclusion of "government" in describing some signs does not intend to subject the government to regulation but instead helps illustrate the type of sign that falls within the immunities of the government from regulation.
- (b) The intent of these regulations is:
  - (7) To maintain and enhance the aesthetic environment of the Town.
  - (8) To provide a means for organizations and businesses to effectively advertise or communicate to the public.
  - (9) To assist in wayfinding.
  - (10) To lessen visual clutter caused by improper placement, excessive illumination, or animation.
  - (11) To establish sign size depending on the use in relation to the scale of the lot's frontage from which the sign is viewed.
  - (12) To encourage signs that are responsive to the aesthetics and character of their particular locations and uses and the surrounding neighborhood and are compatible with the building's architectural design.
  - (13) To protect the public from damage or injury caused by signs that are poorly designed or maintained and from distractions or hazards to pedestrians or motorists caused by indiscriminate placement or use of signs.
  - (14) To develop minimum standards to safeguard life, health, property, and public welfare by regulation of structural requirements for all signs.
  - (15) To bring nonconforming signs into compliance with these regulations when the use of the property changes or is discontinued, when a new business license is issued, or as a condition of approval of a land use action approved by the Town, such as a rezoning, variance, or other land use action.
  - (16) Provide fair and consistent permitting and enforcement.

## 17.76.020. GENERAL PROVISIONS AND RESTRICTIONS

- (a) **Compliance required.** It is unlawful to display, construct, erect, alter, use, or maintain any sign, except in conformance with the provisions of this title. It is unlawful to alter, maintain, enlarge, use, or display any such sign erected or constructed before the enactment of this Chapter, except in conformance with the provisions herein set forth.



- (b) **Sign Permit required.** All non-exempt signs must receive a sign permit.
- (c) **Owner Consent.** No sign shall be placed on private property without the written consent of the property owner or the owner's authorized agent. This applies to permitted signs as well as temporary and exempt signs.
- (d) **Sign Installation.** All signs shall be structurally sound and designed to resist any and all code-specified gravity and lateral loads. Sign structures and sign faces shall be installed in compliance with all building and electrical codes.
- (e) **Signs along Highway 105.** CDOT does not necessarily recognize the same sign standards as the Town. It is the responsibility of the property owner and applicant to determine the CDOT regulations as they apply to the property and ensure compliance with those regulations.
- (f) **Nonconforming Signs.**
  - (1) Nonconforming signs in existence on the effective date of this Chapter will be identified by the Town. Owners of these signs will be notified of the existence of the regulations in this Chapter and the provisions thereof.
  - (2) Existing signs for which a sign permit was issued pursuant to the previous provisions of this Chapter, and which have become non-conforming because of subsequent amendments to said Chapter, shall be maintained in good condition and are considered legally non-conforming signs. No such sign shall be:
    - a. Structurally changed or altered, except to meet safety requirements.
    - b. If a sign is modified or altered beyond that allowed and noted above, the non-conforming sign shall be brought into compliance.
  - (3) The right to retain any legally nonconforming sign shall be terminated by any one of the following:
    - a. Abandonment of the legally nonconforming sign for a continuous period of thirty (30) days.
    - b. Any dimensional changes of the legally nonconforming sign after the effective date of this Chapter.
  - (4) Obsolete or deceptive signs are not entitled to continue in existence as legally nonconforming signs.
  - (5) All legally nonconforming signs must conform with Sign Maintenance Standards.
- (g) **Sign Maintenance.** The Owner of the sign and the owner of the premises on which the sign is located shall be jointly liable to maintain the sign, including any illumination. Signs shall be kept painted, in good repair, and in compliance with all building and electrical codes including supporting structures. Banners shall not be torn. Repairs to signs shall be of an equal or better quality of materials and design as the original sign. The Town may inspect any sign and order the painting, repair, alteration, or removal of a hazardous sign. Except in cases of health or safety hazards, which shall be addressed immediately, the sign owner and/or owner of the premises shall have thirty (30) days to comply with the maintenance orders or the sign shall be removed at the owner's expense. Should the owner fail to remedy a health or safety hazard, the Town may, in its sole discretion, abate the health or safety hazard and bill the owner of the sign and/or the owner of the premises for such abatement.



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- (h) **Retail and Medical Marijuana Businesses** All signage associated with a medical marijuana business shall meet the standards established in this Sign Code and Chapter 5.20 Marijuana (Medical and Retail) as well as any and all other applicable regulations from the Federal or State level.
- (i) **Sexually Oriented Businesses** All signage associated with a sexually-oriented business shall meet the standards established in this Sign Code and Chapter 5.32, Sexually-oriented Businesses as well as any and all other applicable regulations from the Federal or State level.
- (j) **Severability.** If any subsection of this Sign Code is found to be invalid by a court of competent jurisdiction, all remaining provisions shall be deemed valid.

### 17.76.030 PROHIBITED AND EXEMPT SIGNS

- (a) **Prohibited Signs.** The following signs are prohibited in all zoning districts and deemed inconsistent with the purposes and standards in this Chapter. Signs for which no valid permit has been issued by the Town of Palmer Lake and which are not exempt from this Chapter are explicitly prohibited.
  - (1) Distracting Signs
  - (2) Animated Signs.
  - (3) Flashing signs
  - (4) Searchlights and revolving beacons.
  - (5) Electronic Signs
  - (6) Roof signs
  - (7) Inflated signs or balloons.
  - (8) Any sign designed to wave, flap, or rotate including attention-getting devices, wave banners except for government and service flags as provided for in this Chapter.
  - (17) Visual Obstructions.
    - a. Any sign that is erected in such a location as to cause visual obstruction or interference with motor vehicle traffic, pedestrian traffic, or traffic-control devices, including any sign that obstructs clear vision in any direction from any street intersection or driveway.
    - b. Any sign located in such a way as to substantially deny an adjoining property owner's visual access to an existing sign.
    - c. Right-of-Way Signs.
    - d. Any sign other than traffic control devices erected, constructed, or maintained within, over, or upon the right-of-way of any public road, street, or highway, except in the case of a sign for which a permit has been issued in accordance with the requirements of this Article.
  - (18) Off-Premises Signs unless otherwise permitted in this Chapter.





December 14, 2023, AMENDED FINAL SIGN CODE

- (19) Any sign with light sources that are not shielded such that the bulbs, floodlights, or tubes are visible off the property on which the sign is located.
- (20) Any sign that is painted upon retaining walls, rocks, vegetation, or other natural features.
- (21) Any Projected Image Sign emitting a sound or virtually projected image onto a surface.
- (22) Any sign which interferes with the free passage from or obstructs any fire escape, downspout, window, door, stairway, ladder, or opening intended as a means of ingress or egress or window or opening providing light or air.
- (23) Unsafe Signs. Any sign or sign structure which:
  - a. Is structurally unsafe.
  - b. Constitutes a hazard to safety or health because of inadequate maintenance or dilapidation.
  - c. Is not kept in good repair.
  - d. Is not designed or constructed in a professional manner.
  - e. Is capable of causing electrical shocks to persons likely to come in contact with it.
  - f. Presents a danger to the health, safety, or welfare of the Town or its citizens.
  - g. Obstructs a driver's view or line of sight; or on public right-of-way without proper authorization from the Town of Palmer Lake or CDOT.
- (24) Portable Signs (except for sandwich board signs).
  - a. Portable signs or signs not permanently affixed or attached to the ground or to any structure, except for real estate or yard signs attached to posts driven into the ground.
  - b. Commercial signs mounted, attached, or painted on motor vehicles, trailers, or boats used as advertising, but excluding vehicles used in the normal course of business, whether parked or not, including signs painted on or attached to semi-trailers or cargo containers, when exhibited on private property adjacent to a public right-of-way and advertising business or services offered on the property. Vehicle-mounted commercial signs on property used for special events are exempt from the requirements of this Section during the special event only. Upon the conclusion of the special event, such signs must be dismantled.
  - c. Inflatable signs or tethered balloons.
- (25) Obsolete or Discontinued Commercial Use Signs. Whenever a business, industry, service, or other use is discontinued, all signs advertising the discontinued use shall be removed or obscured within sixty (60) days after the discontinuance of such use. Signs advertising discontinued commercial uses are misleading, unnecessarily contribute to visual clutter, and can obstruct views and distract motorists. Such signs shall constitute a nuisance as defined in Chapter 8.04. Nuisance and Abatement Procedure.



- (26) Abandoned Signs. A sign which is located on property that becomes vacant and unoccupied for a period of sixty (60) days or more, or a sign which pertains to a time, event, or purpose which no longer applies, shall be considered abandoned.
- (27) Roof signs.
- (28) Billboards.
- (29) Pylon Signs.
- (30) Handbills and posted advertisements are not allowed without written permission of the Planning Commission and shall not be attached to trees, fences, utility poles, street furniture, or automobiles.
- (31) Exterior neon signs, digital signs, and LED light tubes are prohibited.
- (32) Signs specifying price are not allowed unless advertising the price of vehicle fuel or gasoline at a gas station or convenience store that dispenses fuel for vehicles.
- (33) Signs using reflective surfaces are prohibited except for official government or traffic signs.
- (b) **Exempt Signs:** The following signs are exempt from permitting but must not exceed the height and size specified in the Sign Type Standards section of this Sign Code.
- (1) The existing Town of Palmer Lake Electronic Message Board.
  - (2) Flags of any state, nation, or government including service flags, if the latter is flown in conjunction with any of the preceding flags. No single flag may exceed four (4) feet by six (6) feet in size and flags may not exceed twenty-four (24) square feet in cumulative area. Flags may not exceed fifty (50) square feet in size and no flagpole shall be higher than twenty (20) feet.
  - (3) Official Town of Palmer Lake, El Paso County, State of Colorado, or Federal government/traffic signs.
  - (4) Signs not legible or visible from a public right-of-way or adjacent property.
  - (5) Signs on athletic fields and scoreboards intended for on-premises viewing. Scoreboards shall not exceed twenty (20) feet in height and one hundred fifty (150) square feet in size.
  - (6) Commemorative plaques.
  - (7) Displayed merchandise shall not be considered a sign.
  - (8) The display of street numbers. Street numbers must be affixed to the structure they are meant to identify.
  - (9) Signs not exceeding three (3) square feet in area that are customarily associated with residential uses, such as property identification names and numbers, signs on mailboxes or newspaper tubes, and signs posted on private property warning the public against trespassing or danger from animals.
  - (10) Informational signs indicating as a courtesy "credit cards accepted," hours, open/closed, retail vehicle fuel price, or similar with a cumulative total area of six (6) square feet or less.



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- (11) Building Directory Signs with a cumulative total area of eight (8) square feet or less.
- (12) Public notices or signs relating to an emergency or hazard.
- (13) Yard signs: Up to two temporary yard signs no go greater than three (3) square feet in area each, for a total of six (6) square feet per lot.
- (14) Real estate signs. Temporary signs on an individual real estate parcel currently offered for sale, lease, or rent, provided that there is only one (1) sign per street frontage and is not greater than eight (8) square feet in area in a residential district and thirty-two (32) square feet in area in nonresidential districts, and the sign is located on the offered property behind the street right-of-way line. All such temporary signs shall be removed within seven (7) days after the real estate closing or lease transaction for the subject parcel or expiration of the listing, whichever occurs first.
- (15) Restaurant Menu Signs provided there is no more than one per establishment not to exceed four (4) square feet.

#### **17.76.040 SIGN PERMITS AND ADMINISTRATIVE PROCEDURES**

##### **a) Sign Permits.**

- (1) Permits are not required to repair or maintain existing signs which wholly comply with this Sign Code.
- (2) A Sign permit requires an application submittal, non-refundable fee, and review and approval by the Planning Commission.
- (3) No work shall commence on signs requiring a permit until said permit has been issued by the Town.
- (4) Upon receipt of a sign permit, the sign permit expires if not erected within one year.

##### **b) Permanent Sign Permit Application: The applicant shall provide the following information:**

- (1) Name, address, and telephone number of the applicant and property owner.
- (2) Written consent of the property owner.
- (3) A Sign Plan composed of a scaled drawing(s) indicating the following:
  - a. Site Plan showing on-site drives, parking, buildings, sign type(s), proposed sign location(s) with dimensions to property lines and required sign landscaping.
  - b. When the Sign Permit Application is for common site signage in a multiple tenant commercial project then this information must be shown on the Sign Plan. The applicant has the option of applying for a Master Sign Plan.
  - c. A summary of all sign sizes, quantities, and areas corresponding to Sign Type Standards criteria.
  - d. Sign drawing(s) showing size, shape, design layout, an elevation of the sign on the building, materials, content, and mounting method.
  - e. Light fixture specifications and illumination values.
  - f. If the submittal is for a tenant on a multi-tenant site, provide a copy of the property owner's sign permit for the Common Site Signage.
  - g. Such additional information as requested by the Town Administrator.



- h. The date when the applicant intends to erect the sign(s).
- c) **Master Sign Plan.** Any mixed-use development or multi-tenant building complex containing 3 or more units shall submit a master sign plan that consists of a coordinated, shared signage plan for the entire development.
  - (1) Signs in the master sign plan shall have mutually unifying elements, which may include uniformity in materials, color, size, height, letter style, sign type, shape, lighting, location on buildings, and design motif.
  - (2) A master sign plan application shall include all of the following:
    - a. A table allocating sign area to each tenant, lot, or pad site;
    - b. A description and/or illustration of the materials to be used in wall signage; and
    - c. Elevations and materials for any standard signs for the site.
  - (3) In reviewing an applicant's submittal of a master sign plan in conformance with the provisions of this Chapter, the Planning Commission may vary the following standards:
    - a. Sign area for individual signs, and maximum sign area for all allowable signs;
    - b. Sign height for individual signs.
    - c. Sign setback or separation signs; and
    - d. Maximum number of signs, types of signs, or approved wall areas for purposes of sign location.
    - e. In exchange for a creative and quality design, one (1) of the above-listed standards may be altered up to twenty-five percent (25%) at the discretion of the Planning Commission. The Planning Commission may approve a greater change in a dimensional standard based on the applicant demonstrating that the change is warranted by a master sign plan and development that represents an exceptional design, the use of quality materials, increased landscaping, and/or other amenities.
- d) **Sign Permit Process and application.**
  - (1) The Sign Permit Application submittal will be reviewed for completeness. When deemed complete it will be reviewed for compliance with applicable Town ordinances and the applicant will be notified of any discrepancies. If it is determined that the sign is not in conformance with these requirements, the Town Administrator shall recommend changes necessary to bring the sign into such conformance. If the applicant does not make such changes and prefers to submit the design as originally submitted, the Town Administrator shall forward the application to Planning Commission for review.
  - (2) The Sign Permit Application must be submitted to the Administrator at least ten (10) days prior to the scheduled Planning Commission meeting to be considered.
  - (3) Within thirty (30) days of submission of a completed application, allowing for one continuation of the application review for additional information or modification, the Planning Commission shall approve, approve with conditions, or deny the application. If the permit is denied, the Town Administrator shall provide a written explanation of the reasons for the denial by the Planning Commission.
  - (4) Approval Criteria: A sign permit application submittal shall comply with the following:



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- a. The Sign(s) conforms to the requirements of all applicable codes.
  - b. The Sign does not interfere with pedestrian or vehicular safety and is not located within the clear vision triangle area per the adopted Town Roadway Specifications.
  - c. The Sign conforms to the design standards of this Chapter.
  - d. The Planning Commission may approve minimal variations in size and quantity standards if the applicant demonstrates exceptional design and/or compliance with the Purpose and Intent of this Chapter.
  - e. The Planning Commission shall evaluate sign compliance and work with the applicant to resolve any issues or concerns.
  - f. Commission may approve as submitted, approve with conditions, deny the application, or request revisions or additional information for further consideration.
- e) Approval of Deviations from Sign Code.
- (1) Applicability. Deviations of the standards set forth in this Chapter may be granted only in accordance with this Section.
  - (2) Process:
    - a. Applicant submits a complete sign deviation application and pays all applicable fees.
    - b. The Town Clerk shall set a time for the Planning Commission to consider the request at a public hearing.
    - c. Notice of the public hearing shall be provided as outlined in C.R.S.24-65.5-103 - Notice requirements.
  - (3) A Deviations may be granted following review and approval by the Planning Commission of the following:
    - a. A written narrative describing the nature of the sign variance request as well as the hardship placed on the applicant resulting in the request.
    - b. Applicant demonstrates that strict application of this Chapter would produce-peculiar and exceptional practical difficulties or undue hardships upon the property owner.
    - c. Such difficulties or hardship is not shared generally by other properties in the same zoning district and the same vicinity but are peculiar to the subject property.
    - d. The authorization of such variance will not result in substantial detriment to adjacent property or the public good, materially change the character of the district, or substantially impair the intent and purpose of the Chapter.
    - e. The granting of such variance is based upon demonstrable and exceptional hardship as distinguished from variance for convenience, profit, or caprice.
- f) Appeal of Denial of Sign Application or Deviation Request.
- (1) The Planning Commission may deny a sign application or deviation request for any one of the following reasons:
    - a. The applicable provisions of this Code have not been met.
    - b. The required application fees have not been paid.



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- c. The application is incomplete or contains false, misleading, or fraudulent statements.
  - d. The deviation request does not satisfy the requirements necessary for a deviation from the Sign Code.
- (2) Upon denial of an application for a sign permit, the applicant has ten calendar days from the date of the decision to file an appeal with the Town Clerk.
- (3) The applicant may appeal the Planning Commission's decision to the Town Board of Trustees. The decision of the Town Board of Trustees shall be considered a final decision for purposes of Colorado Rules of Civil Procedures (C.R.C.P.) 106.
- g) Enforcement.
- (1) Any sign found not to be in conformance with this Chapter shall be subject to revocation of the sign permit.
- (2) Any work on the sign as allowed that has not commenced within a period of one year from the date the sign permit was issued shall automatically expire. The Town Administrator may allow an extension of up to thirty (30) days for construction delays that are not the result of willful acts or neglect by the permittee. Authority to grant further extensions rests with the Board of Trustees.
- (3) No refund of any fees will be made if the sign permit is revoked or expired under the provisions of this Section.
- (4) Town Clerk Review. The Town Clerk shall cause any sign that does not comply with the standards set forth in this Chapter, including any sign that is not registered in accordance with this Section, to be removed immediately and without notice.
- h) Fines and penalties.
- (1) Except as provided by Subparagraph b. below, any person who is convicted of, or pleads guilty or no contest to, a violation of this Chapter shall be punished by a fine not to exceed the jurisdiction of the municipal court. Each and every day on which any violation of this Chapter is committed, exists, or continues shall be deemed a separate and distinct offense.
- a. First violation: Minimum fine: One hundred dollars (\$100.00).
  - b. Second violation: Minimum fine: Two hundred dollars (\$200.00).
- Third violation: Minimum fine: Three hundred dollars (\$300.00).
- i. Nothing in this Sign Code shall limit or preclude the Town's ability in any manner to pursue the enforcement of the Town's Sign Code using any and all available remedies available or cumulatively.

#### **17.76.050 SIGN STANDARDS**

- a) **Sign Illumination.** Unless otherwise specified by these regulations, all permanent signs in nonresidential zone districts may be illuminated consistent with the adopted exterior lighting standards. No sign illumination is allowed in residential zone districts except for address numbers.
- b) **Light Source.**





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- (1) All exterior sign lighting shall be accomplished with Fully Shielded Light Fixtures. Upward-directed sign lighting is prohibited. The intensity of sign lighting shall not exceed that necessary to illuminate and make legible a sign from the adjacent travel way.
- (2) Energy-efficient light sources are encouraged.
- (3) All Sign illumination shall have a timer that turns off the light source no later than 10:00 pm or business closing time – whichever is later.

- (4) Externally lit Signs.

- a. Lighting fixtures shall be simple in form and shall not clutter the building.
- b. The fixtures must be directed only at the sign. Gooseneck or other building-mounted fixtures are encouraged.



- (5) Internally Illuminated Signs

- a. Internally illuminated signs are discouraged and subject to special review by the Planning Commission.
- b. Application for a sign permit for any internally illuminated sign shall include clear and accurate illumination levels and specifications.

**c) Temporary signs.**

- (1) Temporary signs are intended to display information for a limited time duration but in no case shall the temporary sign exceed ninety (90) days after first being installed.
- (2) Temporary signs shall not be used to add permanent signage in addition to what is allowed. The time period for temporary signs varies by sign type and shall be removed on or before the allowable time period.
- (3) Temporary signs are required to complete a sign registry with the Town Clerk. If a temporary sign will be in place for longer than 90 days, a Town sign review process and a permanent sign permit is required.
- (4) Temporary signs must not pose a health or safety hazard. If they do, must be removed immediately.

**d) General Design Standards.**

- (1) Signs shall be integrated with and not overpower the façade of the building or streetscape.
- (2) Signs including their supporting structure and components shall be integrated with the design of the building or structure on which they are placed. The scale, size, and shape of any sign shall be proportionate to the building and the area in which it is located. Signs shall not obscure architectural features and shall be designed in a manner that provides an artistic accent or visual point of interest for the building. The Town may reduce the sign size and/or quantity allowed when signs do not meet this standard.
- (3) Signs are not subject to the setback requirements of the zoning district where they are located.



- (4) Signs related to building uses on upper floors shall attempt to make use of lower floor directories or other lower floor space for signage. However, upper-floor window signs are allowed.
- (5) Sign bands on buildings should be utilized for compatibility with the building façade.
- (6) Sign colors should complement the building façade and nearby structures. Borders and frames should be utilized to give the sign a finished appearance.
- (7) No letter, symbol, or numeral shall exceed two (2) feet in height.
- (8) 3-D signs are encouraged particularly for projecting signs in pedestrian-oriented areas.
- (9) Signs shall not obstruct scenic views from public rights-of-way, residences, or businesses.
- (10) The sign shall not have a negative impact on neighboring businesses or property. This includes: the sign shall not block entrance(s), impede vehicular or pedestrian traffic, block signage of the neighboring property, or otherwise create a nuisance or safety hazard.
- (11) Utilities to signs shall be concealed. Overhead electrical feeds are prohibited.
- (12) All business premises shall have street and or suite numbers easily viewed from the adjacent right-of-way or from the primary point of access.
- (13) Signs shall not impair visibility for traffic movement and shall not impede drainage or snow storage.
- (14) Product or trade names are permitted as a part of an exterior sign only when that part of the occupant's name or product identified is integral to the use of the premises. No more than ten percent (10%) of the area of such exterior sign shall be used to advertise the brand name of any products or commodities sold on the premises. In addition, an aggregate total of no more than twenty-five percent (25%) or six (6) square feet, whichever is lesser, of the total window area may be used to advertise product or trade names in the form of window signs.

### 17.76.060 SIGN TYPES

All signs are permanent unless otherwise noted.

#### a) 3-D Sign

Type	quantity	Max area	height/clearance
<b>3 D Sign</b>	1 per tenant, business, or other entity	Maximum Volume (W x H x D) 36 cubic feet	No higher than the wall (single-story building)/bottom of the second-story window (multi-story building) 8.5 feet minimum clearance height (C)

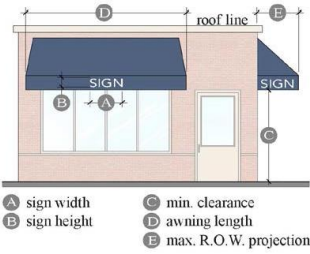




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**b) Awning Signs**

Type	quantity	max area	Height/clearance
<b>Awning Sign</b>  <p> A sign width  B sign height  C min. clearance  D awning length  E max. R.O.W. projection </p>	Unlimited, within maximum area requirements	0.5 square feet of signage for each linear foot of awning (D), up to a maximum of 32 square feet (A x B)	No higher than the roofline  8.5 feet minimum height pedestrian clearance (C)

- (1) Signs may be placed only on awnings that are located on the first story fronting a street, parking lot, or pedestrian way.
- (2) An awning may include a printed or mounted sign. No sign mounted to an awning shall project beyond, above, or below the face of an awning.
- (3) Awning signs are not allowed in a residential zone district.
- (4) Lighting. Awning signs shall not be internally illuminated.

**c) Banners**

- (1) Banners are temporary signs for special events, sales, or other short-term events. They are exempt from permitting but must meet all other criteria including temporary sign registration.
- (2) Location: Banners may be displayed in any non-residential zone district subject to the following:
  - a. The banner shall not block entrance(s), impede vehicular or pedestrian traffic, block signage, or otherwise create a nuisance or safety hazard for neighboring properties.
  - b. The banner shall not be placed to obstruct any portion of a window, doorway, or other architectural detail.
- (3) Size: Banners installed on walls shall be limited in size to 0.5 square feet for each linear foot of exterior wall frontage up to a maximum area of thirty (30) square feet.



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- (4) An individual business shall hang no more than one banner at a time. If a tenant space has multiple business licenses for the same tenant space, then the tenant space shall only be allowed to hang one banner at a time.
- (5) Banners shall be in good condition, without rips, tears, or fading, and all corners must be fastened securely.
- (6) Duration: Banners may be displayed for a maximum of thirty (30) days without a sign permit. Banners may be displayed for an additional maximum of sixty (60) days with a sign permit but not to exceed a total of ninety (90) days.

**d) Business Courtesy Signs**

- (1) Business Courtesy Signs may be temporary or permanent. They are exempt from permitting but must meet all other criteria.
- (2) Location: Business courtesy signs may be located at any location.
- (3) Number: The total number of such signs is not limited as long as the cumulative total is not exceeded.
- (4) Size: The cumulative total of all such signs shall not exceed four (4) square feet.

**e) Directional Signs**

- (1) Directional signs shall not count toward the aggregate sign area for the business, use, or tenant space displaying the directional signs.
- (2) Directional signs shall be on-premise signs and shall not exceed six (6) square feet per face.
- (3) Directional signs shall not be used for additional advertising but may include the business name or logo.
- (4) Directional signs shall be clearly coordinated and utilize common design cues including color, shape, logo, material, or nomenclature.
- (5) Directional signs that do not meet the standards listed above shall be considered freestanding, projecting, hanging, or wall signs and regulated according to this Chapter.

**f) Event Signs**

- (1) Event Signs are temporary signs for special events, sales, or other short-term events. They are exempt from permitting but must meet all other criteria.
- (2) Location: Event signs may be displayed at any location approved by public or private property owners that does not affect public safety in any manner.
- (3) Duration: Event Signs shall be erected no sooner than forty-five (45) days prior to the event and must be removed no later than seven (7) days after the event.

**g) Home Occupation Signs**

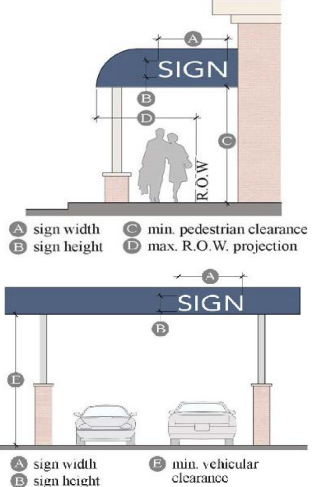
- (1) No signs shall be permitted other than a house number or name plate not more than two (2) square feet in area and must be attached to the principal building. In addition,



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there shall be no illumination of said sign, either internally or externally. House numbers may be illuminated.

#### h) Canopy signs

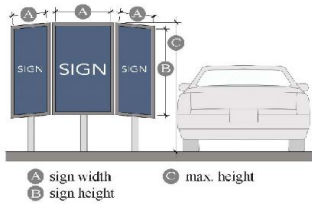
Type	quantity	max area	Height/clearance
<b>Canopy Sign</b>  <p>A sign width B sign height C min. pedestrian clearance D max. R.O.W. projection</p> <p>A sign width B sign height E min. vehicular clearance</p>	Unlimited, within maximum area requirements	0.5 square feet of signage for each linear foot of canopy, up to a maximum of 32 square feet (A x B)	No higher than the roofline 8.5 feet minimum height pedestrian clearance (C) 14 feet minimum height vehicular clearance (E) where necessary

- (1) Signs may be placed on-canopies located on the premises.
- (2) A canopy may include a printed or mounted sign.
- (3) No sign mounted to a canopy shall project above or below the face of a canopy.
- (4) A canopy sign may project horizontally from the face of a canopy only the distance necessary to accommodate sign material and letter thickness.
- (5) No canopy sign shall extend above the roof line of any building. No canopy sign shall project above the top of the canopy upon which it is mounted. However, a sign may project horizontally from the face of a canopy the distance necessary to accommodate the letter thickness and required electrical /or lighting equipment, but not more than twelve (12) inches.
- (6) Canopy signs are not permitted in a residential zone district.
- (7) Lighting: Supported Canopy Signs shall adhere to the lighting standards contained in this Chapter.

#### i) Drive Through Window Sign

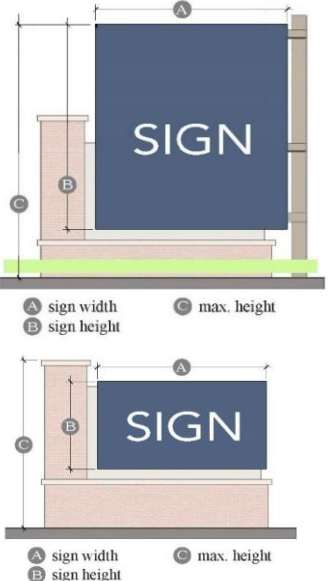
Type	quantity	max area	height
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<b>Drive Through Window Sign</b>  A sign width B sign height C max. height	1 sign per tenant, business, or other entity	Free-standing intended for vehicular viewing: 24 square feet (A+A+A) x B	Drive-thru: 7 feet overall clearance
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- (1) Drive Through Window signs shall only occur where the Drive Through Window is approved by a Town of Palmer Lake (TOPL) Development Plan.
- (2) Drive Through Window signs shall be oriented to occupants of a vehicle in a drive-through aisle.
- (3) Drive Through Window signs may include changeable copy.
- (4) Drive Through Window signs shall not be designed to be read from the public right-of-way nor to attract attention to the site from the right-of-way.
- (5) Drive Through access along State Highway 105 is prohibited.
- (6) Drive Through access shall not impede pedestrian movement.

#### j) Freestanding Signs

Type	quantity	max area	height /clearance
<b>Freestanding Sign:</b>  A sign width B sign height C max. height	1 per property or complex with multiple buildings, businesses, or other occupancies  Businesses listed in a multi-tenant sign are counted toward the 2 sign maximum unless permitted through a	50 square feet (A x B)	(C) No higher than an average of 6 feet in residential districts and 8 feet in non-residential districts measured at finished grade

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	Master Sign Plan		
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- (1) Location: Freestanding Signs shall be set back from all lot lines a minimum of five (5) feet.
- (2) Adjacent lot owners may erect a joint Freestanding sign on their common lot line if both property owners have provided written permission.
- (3) Metal poles or column sign supports without a decorative cover shall be prohibited.
- (4) Freestanding Signs shall be placed at least two (2) feet from sidewalks and outside of the public right-of-way, clear vision sight triangles, and easements, unless an alternative location is authorized with a Town approved revocable encroachment agreement.
- (5) A monument sign shall be located on a site frontage adjoining a public or private street, or right-of-way but not within a dedicated easement without a revocable encroachment agreement. The minimum horizontal spacing between monument signs shall be three hundred (300) feet.
- (6) The base of Freestanding Signs shall be landscaped a minimum of twenty-four (24) inches all around the sign pole or monument.
- (7) Freestanding signs, except directional signs, shall be separated by a distance of no less than fifty (50) feet unless the Freestanding signs are separated by a street right-of-way.
- (8) A Monument Sign shall not count towards the 2 allotted signs per tenant on a multi-tenant property.
- (9) The monument sign base shall be constructed of stone, brick, or similar natural material.

#### k) Menu Sign

- (1) Menu Signs are exempt from permitting unless they are larger than four (4) square feet.
- (2) Menu Signs do not count towards total allocation per business.
- (3) Menu Signs shall not be wall signs or window signs.
- (4) Menu signs are limited to four (4) square feet.

#### l) Projecting Signs

Type	quantity	max area	height/clearance
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Projecting Sign	1 per tenant, business, or other entity	10 square feet (A x B)  Only one side of the sign shall count toward the aggregate sign area.	No higher than the wall (single-story building)/bottom of the second-story window (multi-story building) 8.5 feet minimum clearance height (C)
<p> A sign width  B sign height  C min. clearance  D max. projection  E min. distance to curb line </p> <p>bottom of second story window</p> <p> A sign width  B sign height  C min. clearance  D max. projection  E min. distance to curb line </p>			

- (1) Location: Projecting signs shall be attached to a building façade and shall not project above the roof or parapet and shall not extend more than four feet from the face of a supporting wall.
- (2) Encroachment: A projecting sign that extends into a right-of-way is subject to Town approval of a revocable encroachment agreement.

#### m) Sandwich Board Signs

Type	Quantity	Maximum area	Height/clearance
<b>Sandwich Board Sign</b> <p> A sign width  B sign height  C max. height  D max. distance from wall  E min. pedestrian walkway </p>	1 per tenant, business, or other entity	6 square feet (A x B)	No higher than 4 feet (C)

- (1) Sandwich Board signs are temporary portable signs not permanently affixed to the ground but secured against tipping or being blown over.
- (2) Sandwich board signs may be displayed in all non-residential areas but are prohibited in all residential zone districts.




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- (3) The sign may not be located within a public street right-of-way or on public property with the exception of a public sidewalk only upon issuance of a revocable encroachment permit by the Town.
- (4) Sandwich board signs shall not reduce the clear width of a public sidewalk to less than sixty (60) inches.
- (5) Businesses are limited to one sandwich board or portable sign per business and shall only display such signs only when the business is open for business.,
- (6) Sandwich board signs must be removed each day at the close of business.
- (7) Portable sandwich board signs must have a well-maintained appearance. Chalkboard insets and dry-erase boards are permitted.

#### n) Public Displays and Murals

Public Displays including art and murals are regulated by Chapter 5.36 of the Town Code.

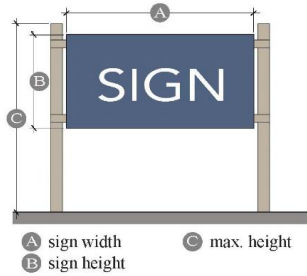
#### o) Wall Signs Permanent.

<p><b>Wall Sign</b></p>  <p>building frontage</p>	1 per tenant, business, or other entity	1.0 square foot x linear footage of business frontage (C)	No higher than the roofline
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- (1) A wall sign shall not obstruct any portion of a window, doorway, or other architectural detail.
- (2) Wall signs shall be contained within any single wall panel or other architectural component upon which they are placed and shall not extend above the height of the building wall to which the sign is affixed.
- (3) No sign part, including cut-out letters, may project out from the building wall more than twelve inches excluding the sign light fixture.
- (4) Painted Wall signs with a commercial message, business name, and business logo are allowed as a Wall Sign and shall be limited in area and extent as defined in the Sign Allocation section.
- (5) Signs inside a building that are clearly visible and oriented towards a public street shall be treated as a Wall Sign and shall be counted towards the allowable sign area.
- (6) In Multi-Tenant Buildings the signs shall be located on the tenant space being identified or as depicted in a Master Sign Plan.

#### p) Site Announcement Sign and Construction Signs



<b>Site Announcement Sign</b>  <p>A sign width B sign height C max. height</p>	1 per street frontage	32 square feet (A x B)	8 feet (C)
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- (1) Location. Site Announcement Signs and construction signs are permitted only on vacant land parcels or lots under construction and are not permitted on parcels with existing residential or non-residential uses. The sign shall be setback a minimum of five (5) feet from any property line.
- (2) Site Announcement signs shall be displayed on a temporary basis and shall be removed within fourteen (14) days after the issuance of a certificate of occupancy for the building or structure or within thirty (30) days after completion of the activity associated with the purpose of the sign, whichever occurs first.

**q) Window / Door Signs**

- (1) Location: On glazed surfaces of doors or windows. Allowed area may be distributed on up to three window and or door signs per business frontage.
- (2) Size: Total sign area shall not exceed twenty-five (25) percent of the glass area of windows and doors.
- (3) Illumination directed at window signs is prohibited.

**r) Yard Signs**

- (1) Yard Signs are temporary signs and include Garage and Estate sales.
- (2) The sign shall be setback a minimum of five (5) feet from any property line.
- (3) Only one (1) sign per property street frontage is allowed.
- (4) Area and Height: A yard sign shall be a maximum of four (4) square feet and no higher than five (5) feet above the ground surface to the highest point of the sign.
- (5) Garage sale signs which announce the sale of items from a residence shall be removed on the last day of the sale and shall not create a nuisance as defined in the Town Municipal Code section 8.04.010. – Nuisance.
- (6) Election season signs shall be in place only for the time period that begins forty-five (45) days prior to and ends seven (7) days after a regular or special city, county, state, or federal primary or general election.

**17.76.070 SIGN MEASUREMENT AND SIGN ORIENTATION**



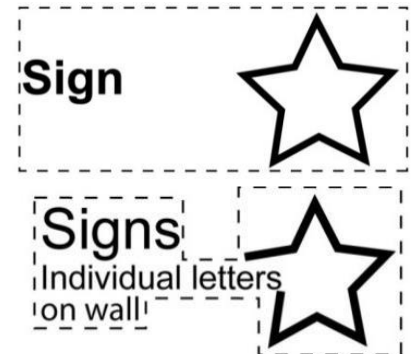


(a) **General.** Sign Measurement shall be as indicated in the following subsections.

(1) **Determination of Sign Area.** In determining the allowable aggregate sign area for any business, use, or tenant space the area of each sign face shall be added together.

(2) **Computation of Sign Area**

- a. The area of a sign face shall be measured to the border of a constructed sign or the smallest rectangle that encompasses the extreme limits of the message or graphics for a sign painted or otherwise applied to a surface.
- b. Supporting framework, other structure, or landscaping that is clearly incidental to the sign display shall not be computed as sign area.
- c. Architectural treatments enhancing architecture/signage integration are encouraged. Such treatments shall not be created for the purpose of visually enlarging sign size. Where a building component is treated in a manner that serves as a sign, such component shall be included in the overall sign area calculation.
- d. All sign faces of all signs visible from one point shall be included in the aggregate sign area. Signs around a corner shall be allocated to their respective street frontage.
- e. When two identical sign faces are placed back to back and are not more than twelve (12) inches apart the sign area calculation shall only include one face. This applies to projecting and Freestanding signs.
- f. Whenever more than one sign is placed on a freestanding structure the entire overall area of all signs to the extreme outside borders shall be included in the overall sign area measurement.
- g. For the purpose of determining sign area and the allowable number of wall signs, a wall shall be considered the projected building elevation area exclusive of the separate articulated wall faces per building side or elevation.
- h. 3-D Signs including Spherical, Free-form, Sculptural, and other Non-Planar Signs are encouraged. The sign volume shall be  $W \times H \times D$ .



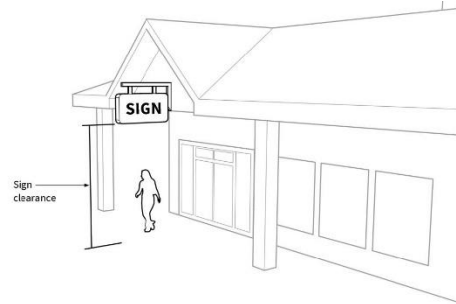
(3) **Computation of Sign Height and Sign Clearance**

- a. The height of any Freestanding sign shall be determined by the distance between the topmost portion of the sign structure and the average ground elevation measured two (2) feet from the base of the sign or two (2) feet from the adjacent street, access drive, or sidewalk/trail grade.
- b. The ground elevation at the base of a Freestanding sign shall not be artificially changed solely to affect the sign height measurement.



December 14, 2023, AMENDED FINAL SIGN CODE

- c. Projecting, Hanging, and Awnings Signs. Clearance for signs shall be measured at the smallest vertical distance between the finished grade and the lowest point of the sign, including any framework or other embellishments.



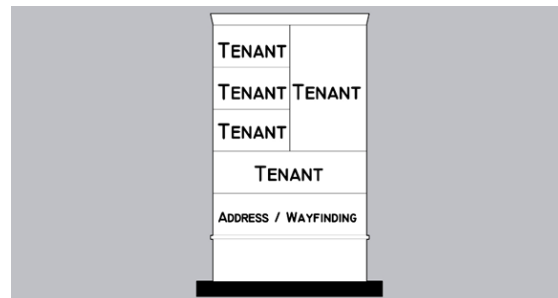
**(b) Sign Orientation**

- (1) **Downtown Core and along public sidewalks and Trails.** Signs shall be located and sized to be viewed by pedestrians and cyclists. Projecting, hanging, or awning signs are permitted if there is a minimum of eight and one-half feet clearance (8.5 ft.) above the ground.
- (2) **Along Public Streets.** Signs shall be located and sized to be viewed by motorists.

**17.76.080 SIGN ALLOCATION AND AGGREGATE SIGN AREA**

- (a) Each business or entity may have up to two of the following signs provided that the aggregate sign area is not exceeded:

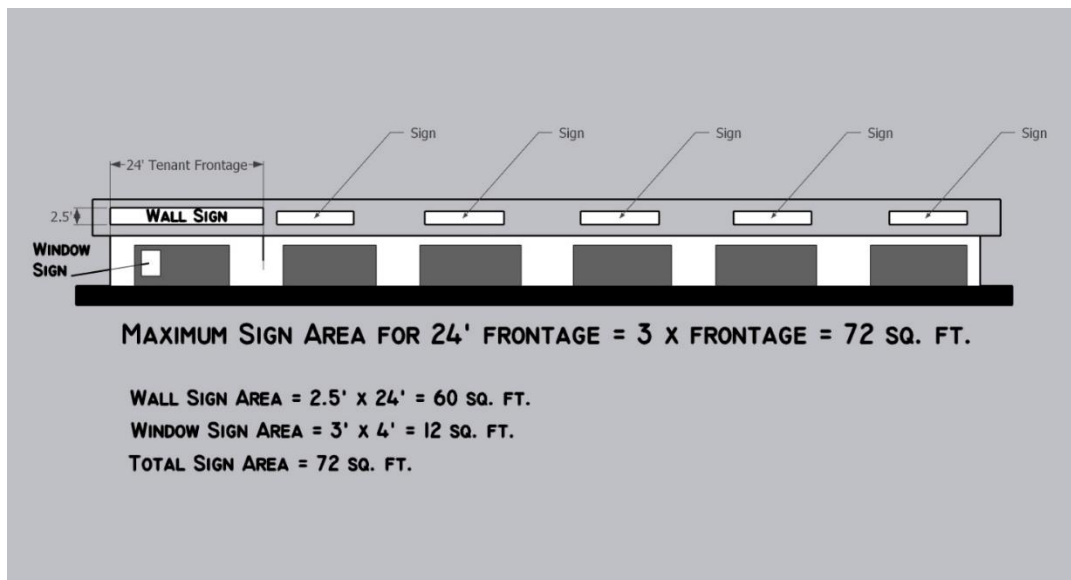
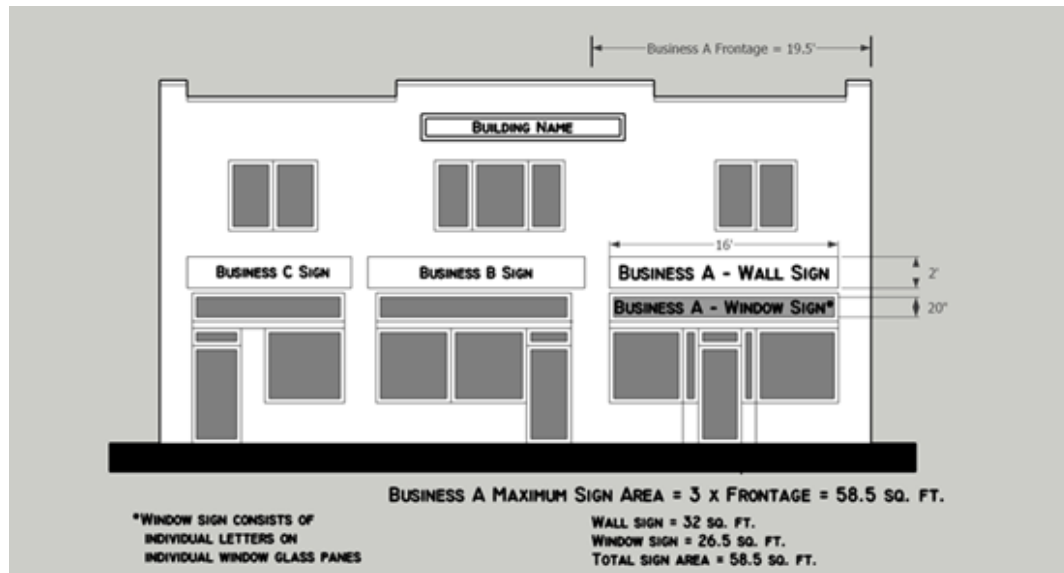
- (1) Wall Sign
- (2) Projecting Sign
- (3) Awning Sign
- (4) Canopy Sign
- (5) Window Sign
- (6) Freestanding Sign



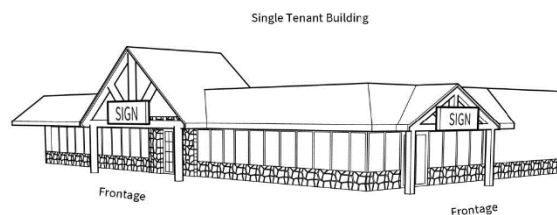
- (b) Common Site Signs shall not count towards the two allotted signs per tenant. These include Directional Signs, Informational Signs, and Building Directory Signs.
- (c) The aggregate sign area for each business frontage may be the lesser of three (3) square feet per lineal foot of business frontage but no more than seventy-five (75) square feet.
- (d) Multi-tenant signs count toward the 2-sign maximum per business.



December 14, 2023, AMENDED FINAL SIGN CODE



- (e) Businesses, entities, or tenant spaces without business or street frontage shall be allowed a maximum of thirty-two (32) square feet of aggregate sign area.
- (f) Window Signs are allowed above street level and are limited to twenty-five (25%) percent of the glazing area per window. These window signs shall not be included in the allowed number of signs or the allowed overall sign area.
- (g) Signs visible through the glazing area of any window shall not be included in the allowed number of signs or the allowed overall sign area. One neon open size is permitted for each business.
- (h) Businesses or entities that are located on a corner lot or that have more than one street frontage (not including alleys, driveways, or



parking lots) shall be allowed to have an additional sign that is sixty-six (66%) percent of the primary building frontage but no more than fifty (50) square feet on each additional street frontage.

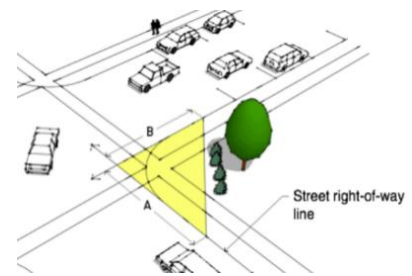
## 17.76.100 DEFINITIONS

Generally, a sign is considered a graphic device with writing, symbols, logos, etc. subject to view from a public right-of-way, and used to advertise, identify, direct, and/or inform the public. For the purpose of this Chapter, certain words and phrases used are defined as follows:

1. **3-D Sign:** 3-D signs are three-dimensional signs that have a depth or relief on their surface greater than six inches.
2. **Abandoned Sign:** An obsolete sign that no longer serves any purpose or is located on property that becomes vacant and unoccupied or a sign that pertains to a time, event, or purpose that no longer applies.
3. **Aggregate Sign Area:** The total available sign area of all sides or portions of a sign.
4. **Allowed Sign:** A sign that is neither prohibited nor exempt.
5. **Animated Sign:** A sign that includes the optical illusion of movement of any part of its structure, design, or pictorial segment, including the movement of any illumination or the flashing or varying of light intensity.
6. **Attention-Getting Device:** Any flag, streamer, spinner, pennant, feathers, costumed character, light, balloon, continuous string of pennants, flags or fringe, audible components or similar device or ornamentation used primarily for the purpose of attracting attention for promotion or advertising a business or commercial activity which is visible by the general public from any public right-of-way or public area.
7. **Awning:** An overhead roof cover or structure projecting beyond and attached to the exterior wall of a building. and has no ground support.
8. **Awning Sign:** A sign that is permanently attached to an awning.
9. **Back Lit Sign:** *See Internally Illuminated sign.* A sign which contains an illumination source entirely inside the sign construction which makes the sign content visible by light shining outward from the sign.
10. **Banner:** A temporary sign composed of logo, design, or text on a flexible lightweight fabric, plastic, or similar material.
11. **Billboards:** *See Off Premises sign.*
12. **Building Code:** The most recently adopted version of the Pikes Peak Regional Building Code.
13. **Building Directory Sign:** A sign that serves as a common or collective identification of multiple businesses on the same property and is attached to a building.
14. **Building Name Sign:** A permanent architectural component of the building that names the structure but does not advertise a specific business. Similar to a plaque.
15. **Business:** A single commercial enterprise or group of enterprises housed within one or more buildings, or which utilizes the same business frontage.



16. **Business Courtesy Signs:** Miscellaneous signs incidental to doing business and not intended as advertising such as credit card signs, security system, and information signs (toilets, deliveries, etc.).
17. **Business Frontage:** That portion of a building frontage occupied by a single tenant space or lease area in a single or multi-tenant building facing a street, alley, parking area, or other public right-of-way. For businesses located on the interior of a building without business frontage, the building elevation providing customer access shall be considered the business frontage for the purposes of determining signage.
18. **Canopy:** An overhead roof cover or structure that may or may not be attached to the building and contains posts or other ground support.
19. **Canopy Sign:** A sign attached to a canopy.
20. **Changeable Message.** Digital or non-digital text or graphics that changes at intervals.
21. **Common Site Signage:** Signage not specific to an individual tenant on a multi-tenant property such as directional signs.
22. **Clear Vision Triangle:** An area where a driver's field of view may not be obstructed. The size of this area is defined by the Town's adopted roadway specifications.
23. **Deceptive Sign:** A sign which is false or misleading.
24. **Directional Sign:** Signs for traffic or pedestrian movement on or adjacent to the property. Logos or text are allowed only as required for the directional message.
25. **Drive-through Sign:** A sign intended for the display of information for pedestrians or drive-through vehicles.
26. **Election Season Signs:** Signs promoting political candidates or ballot issues that are in for a regular or special city, county, state, or federal primary or general election.
27. **Electronic Signs:** Any sign that uses solid, electronic technology such as incandescent lamps, LEDs, LCDs, or some other electronic means of changing copy to produce bright displays that typically involve moving copy, animation, or other graphics.
28. **Event Sign:** A temporary promotional sign on public or private property for an upcoming event.
29. **Exempt Sign:** A sign that does not require a sign permit but must still comply with applicable sign type standards.
30. **External Illumination.** Illumination of a sign that is affected by an artificial source of light not contained within the sign itself.
31. **Flashing illumination.** Illumination in which the artificial source of light is not maintained stationary or constant in intensity and color at all times when the sign is illuminated.
32. **Freestanding Sign:** A self-supporting sign, not attached to the building and permanently anchored to the ground.
33. **Fully Shielded Light Fixture:** A light fixture that directs light away from any public vantage point and covers the bulb or light source to prevent it from being seen.
34. **Gasoline or Fuel Price Sign.** A sign that identifies the type and price of gasoline for sale on the premises of a legally established gasoline service station.



35. **Historic Sign:** A sign that has historic significance as determined by the Board of Trustees on the recommendation of the Palmer Lake Historic Society or for properties listed on the National or State Register of Historic Places.
36. **Home Occupation Sign:** A sign intended to identify a private enterprise occurring in a residential occupancy.
37. **Ideological Sign:** Any temporary sign announcing an idea, opinion, or position on a social or political issue and containing no commercial message.
38. **Information Signs:** A sign used to indicate or provide information and direction with respect to permitted uses on the property, including but not limited to signs indicating the hours of operation, and such signs as “no smoking”, “vacancy”, “office”, “private warning”, “open”, “closed”, “restrooms”, “no solicitation”, or “no parking”.
39. **Internally Illuminated Sign:** A sign face which is lit or outlined by a light source located within the sign.
40. **Light Post Banner:** A banner intended to be installed on municipal light posts.
41. **Light Source:** The actual bulb or other light emitting element contained within any light fixture.
42. **Master Sign Plan:** A sign plan which identifies the number, description, size, and location of all signs for businesses on the same property or within the same project which constitutes a visual entity as a whole.
43. **Menu Sign:** A sign showing a restaurant menu.
44. **Monument Sign:** A freestanding sign with a base integrated with the ground and landscaping.
45. **Multi-tenant Site:** A property, building, or group of buildings with more than one tenant.
46. **Mural:** Two-dimensional works of art applied directly to vertical surfaces not intended to advertise or promote commercial services or products, also known as a public display.
47. **Neon Sign:** A sign integral w/ electric tube light source(s) that form letters, symbols, or other graphic shapes.
48. **Nonconforming Sign:** A existing sign which does not conform to the regulations of this Chapter, either at the effective date of the regulation establishing this Chapter or as a result of subsequent amendments which may be incorporated into this Chapter.
49. **Obsolete Sign:** A sign, except a historic sign, which is misleading in terms of identifying a business, service, or attraction, that no longer exists or advertising one or more events that are all concluded.
50. **Off-premises Sign:** An advertising sign or billboard placed at a location, not on the parcel where the subject entity or activity occurs.
51. **Official Sign:** A sign required by law or authorized for public or quasi-public institutions to meet the needs of public information, health, safety, and welfare including traffic signs.
52. **Parking Sign:** A sign indicating parking or directing vehicular traffic to a parking area.
53. **Plaques:** A permanent building component cut into or attached to the building designating names of buildings, occupants, dates, or other entities involved in the building creation.
54. **Permanent Sign:** A sign made of durable materials applied or installed to be immovable.





55. **Portable Sign:** A sign not permanently attached to the ground or building or not designed to be permanently attached to the ground or a building.
56. **Prohibited Sign:** A sign not permitted within the corporate limits of Palmer Lake.
57. **Projecting Sign:** A sign hanging from or attached to a building and extending out from the exterior wall surface, including signs suspended under an awning or other exterior building element.
58. **Projected Image Sign:** The illuminated projection of imagery on a surface.
59. **Public Realm:** Public right-of-way or publicly owned property.
60. **Public right-of-way:** A parcel or portion of land which allows for public pedestrian or vehicular access thereupon.
61. **Pylon Sign:** A tall Freestanding-mounted sign higher than 10' (typically associated with an adjacent higher-speed roadway).
62. **Real Estate Sign:** A sign advertising property for sale, rental, or lease.
63. **Residential Complex:** A residential complex means a building or related group of buildings in which one or more member units are located and typically includes common areas and services available for the use of its residents.
64. **Right-of-Way Sign:** Signs occurring within the public Right-of-Way.
65. **Roof Sign:** A sign erected above the roofline or parapet of any building.
66. **Sandwich Board Sign:** A portable moveable sign constructed in an A-frame style with message content on one or both sides.
67. **Searchlight:** An apparatus containing a light and/or reflector for projecting a strong, far-reaching beam in any direction.
68. **Sign Area:** The area that includes the entire face of the sign, frame, artwork, and any spacing between letters, figures, and designs, but not including the sign structure or base. For window signs, the "sign area" shall be measured at the extremities of the lettering and/or graphics.
69. **Sign Face:** The side of a sign on which text or graphics are placed. A sign may have more than one sign face.
70. **Sign Permit:** A permit issued for the erection, construction, enlargement, alteration, moving, or conversion of any sign, issued pursuant to this Chapter.
71. **Site Announcement Sign:** A temporary sign announcing a new business, construction, or other similar activity.
72. **Structure:** Anything built that requires a permanent location. This term includes buildings and signs.
73. **Temporary Sign:** A sign that is only allowed for a defined temporary period of time and is exempt from permitting but must meet registry and sign type standards. Designed to be used for a temporary period of time, not permanent in nature,
74. **TOPL:** Town of Palmer Lake.
75. **Traffic Signs:** Stop signs, yield signs, one-way signs, exterior traffic exit and enter signs, and other signs intended for vehicular traffic control.
76. **Wall Sign:** A sign attached to, painted on, or erected against the exterior of a building or structure.



- 77. **Yard Sale Sign:** A temporary sign such as garage sale or other temporary sale at any residential or commercial property.
- 78. **Window / Door Sign:** A sign applied to or attached to glazing or located in close proximity to the glazing on the interior, which can be seen through the window from the building exterior.
- 79. **Works of Art including symbol signs:** 2D graphics or 3D objects mounted to the building or contained in a projecting sign on-site intended for aesthetic purposes only that do not advertise or promote a particular business, service, or product.





## PALMER LAKE, COLORADO

### ORDINANCE NO. 25-2023

#### AN ORDINANCE AMENDING TITLE 10 OF THE PALMER LAKE MUNICIPAL CODE BY CREATING A NEW CHAPTER, CHAPTER 10.30, PROHIBITING THE USE OF MOTOR VEHICLES ON UNDEVELOPED RIGHT OF WAYS WITHIN THE TOWN OF PALMER LAKE

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Board previously adopted regulations relating to vehicles and traffic, with such regulations appearing in Title 10 of the Palmer Lake Town Code; and

**WHEREAS**, the Board of Trustees has determined that it is necessary to prohibit the use of motor vehicles on undeveloped right of ways within the Town in order to preserve the health safety, and general welfare of the citizens of the Town of Palmer Lake.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO, THAT:**

#### **Section 1.**

Title 10 of the Palmer Lake Municipal Code is here by amended by adding a new chapter, Chapter 10.30, with such Chapter to read in its entirety as follows:

#### **CHAPTER 10.30. – NO MOTOR VEHICLES ON UNDEVELOPED RIGHT OF WAYS**

##### **10.30.010. Definitions.**

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section:

*Motor Vehicle* shall have the same meaning as defined in C.R.S. 42-1-102 as may be amended from time to time.

##### **10.30.020. Use of Motor Vehicles on Undeveloped Right of Ways Prohibited.**

Motor Vehicles are prohibited from traveling, parking, driving, or otherwise using in any manner, an undeveloped right of way, undeveloped street, path, trail, or easement owned by the Town.

##### **10.30.030. Penalty.**

Any persons and/or company who violates any provision of this Chapter shall, upon conviction, be punished in accordance with the general penalty in Chapter 1.12.

**Section 2.**

Severability. 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 Board hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

**Section 3.**

Repeal. Existing ordinances or parts of ordinances covering the same matters embraced in this ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this ordinance.

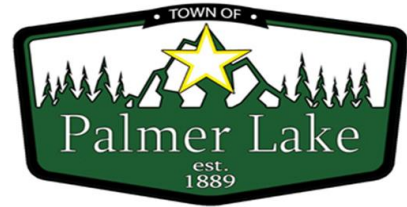
**INTRODUCED, READ AND PASSED AT A FIRST READING AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14<sup>TH</sup> DAY OF DECEMBER, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - WORKSHOP**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Revisions to 2024 Budget
<b>Presented by:</b> Town Administrator /Clerk		

Following are key edits made to the budget, along with minor figures being finalized –

Addition of “Unassigned Fund Balance” line item on budget format. Fund balance is the accumulation of unused revenue, currently unrestricted and unassigned.

**General Fund:**

- Removed two grants from revenue – SRT for 5500 for Police; Leary for \$25,000 for Fire
- Included a line item for the elephant rock cabins, following asbestos testing, approximately \$100,000 for abatement and demolition
- Increased cost to the main street pedestrian walkway design (additional \$68,000) - \$150,000 covered by MMOF funds
- Removed about 12% of the PLES Upper Glenway funds from PW to Water for water line replacement

**Water Fund:**

- Added 12% grant funds and capital improvement for Upper Glenway water line replacement

With these modifications, there is a bottom line of \$168,000 under new revenue in the general fund.

Staff suggests utilizing the fund balance to address one-time projects – ie., cover the cost to remove ER structures and cover the additional cost of the walkway design work.

The Board must finalize a budget on 12/14 to be filed in a timely manner.

**PALMER LAKE, COLORADO**  
**EMERGENCY ORDINANCE NO. 26 - 2023**

**AN EMERGENCY ORDINANCE SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING THE 2024 BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND CERTIFYING THE GENERAL FUND AND FIRE DEPARTMENT MILL LEVIES FOR THE TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024.**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake (“Board”) has appointed the Town Administrator/Clerk to prepare and submit a proposed Budget for the next fiscal year to the Board on December 14, 2023, as required by C.R.S. Section 29-1-105; and

**WHEREAS**, the Town is authorized by Section 29-1-109, C.R.S., to establish and amend its annual budget and to make transfers and supplemental appropriations of budgeted funds; and

**WHEREAS**, the Town Administrator/Clerk submitted the proposed 2024 Budget to the Board for its consideration; and

**WHEREAS**, the 2024 Budget remains in balance, as required by Colorado State Budget Law (Section 29-1-103, C.R.S.); and

**WHEREAS**, upon due and proper notice, published or posted in accordance with Sections 29-1-106, C.R.S., the proposed 2024 Budget was available for inspection by the public at the Town office, 42 Valley Crescent, Palmer Lake, CO 80133, and a public hearing was conducted on November 9, 2023, at the Board of Trustees regular meeting at Town Hall, Palmer Lake, Colorado; and

**WHEREAS**, interested electors of the Town were given the opportunity to file or register any objections to said proposed Budget; and

**WHEREAS**, the Budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, § 20 of the Colorado Constitution (“TABOR”).

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE OF EL PASO COUNTY, COLORADO, AS FOLLOWS:**

**Section 1. Adoption of Budget for 2024.** That the Budget as submitted and attached hereto as **Exhibit A** and incorporated herein by this reference and, if amended, then as amended, is hereby approved and adopted by the Board as the true and accurate budget of the Town of Palmer Lake for fiscal year 2024.

**Section 2. Appropriations.** That the amounts set forth as expenditures as specifically allocated in the Budget attached hereto as **Exhibit A**, in the column labeled Proposed 2024 Budget are hereby appropriated.

**Section 3. 2023 Levy of Property Taxes.**

- A. Assessed Valuation. The El Paso County Assessor has certified the total valuation for assessment for the taxable year 2023 is \$58,260,060.
- B. Levy for Operating Expense. For the purposes of meeting general operating expenses of the Town during the 2024 Budget year, there is hereby levied a tax of 11.238 mills upon each dollar of the total valuation of assessment of all taxable property within the Town, to raise \$654,000 in revenue.
- C. Levy for Volunteer Fire Department Expense. In addition, for the purpose of funding the Palmer Lake Fire Department (General Fund) during the 2024 Budget year, there is hereby levied a tax of 10.000 mills upon each dollar of total valuation for assessment of all taxable property within the Town, to raise \$582,000 in revenue.
- D. Total Mill Levy to be certified is 21.238 mills.
- E. The Town's Administrator/Clerk is hereby authorized and directed to immediately have certified, to the Board of County Commissioners of El Paso County, the mill levies for the Town hereinabove determined and set.

**Section 4. Property Tax and Fiscal Year Spending Limits.** That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

**Section 5. Severability.** 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 Board of Trustees hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

**Section 6. Repeal.** Existing ordinances or parts of ordinances covering the same matters embraced in this ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this ordinance.

**Section 7. Publication and Effective Date.** This Ordinance is necessary for the immediate protection and preservation of the public health, safety, and welfare of the citizens of the

Town of Palmer Lake for the reasons described above, and therefore, shall become effective immediately as an emergency ordinance upon adoption by the Board of Trustees.

**INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 14TH DAY OF DECEMBER, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator, Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor



## **To the Town Board of Trustees and Citizens of Palmer Lake,**

It is my pleasure to present to the Board and citizens the final version of the 2024 Budget for the Town of Palmer Lake. This is the most important process and function that Board members and staff collaborate on and manage each year. This document is the result of Board direction and the diligent work of administrative staff. It outlines the Town operations and capital improvement for 2024.

### **Budget Process**

The budget process is a year-round function where staff monitors revenues and expenses against the adopted budget. The 2024 budget planning process began approximately at the end of August with department meetings in September. The Town of Palmer Lake staff proposed an initial draft budget with all the needs of the Town departments to the Board, including staffing, equipment, and various capital improvement projects. A draft version of the budget was distributed to the Board on October 12th and reviewed with department supervisors and the Board at a workshop on October 13, 2023. The anticipated revenue for 2024 would not cover the entire needs of town departments as drafted. The direction of the Board was to prioritize infrastructure improvement for water, drainage, and roadways. Subsequent Board direction was to include key new hire positions, including replacement of the Deputy Town Clerk, Equipment Operator, and code enforcement in Administration. The Board held a public hearing on November 9, 2023, and an additional workshop on November 29, 2023. The revised proposed budget reflected a reduction of part-time positions and hours, a wage adjustment ranging from 2-4% for existing staff, a decrease in capital funds for certain roadway improvement work, and an additional new position for a Police Records Technician. A final 2024 Budget must be approved and sent to El Paso County by December 15, 2023, and filed with the State by January 31, 2024.

In accordance with State Statutes, this budget is a balanced budget, where expenditures do not exceed revenues plus available beginning fund balance. It is the request of staff, however, to utilize a portion of the available fund balance to cover one-time costs of projects.

### **General Fund**

The general fund provides for the general functions and services of the Town. Services provided by the Town under the General Fund include Administration, Police, Fire, and Public Works for Roads and Parks maintenance. The General Fund utilizes the modified accrual basis of accounting, a method under which revenues are recognized in the period they become available and measurable.

Expenditures are recognized in the period the associated liability is incurred. It is expected to begin 2024 with a beginning balance in the General Fund of approximately \$3,270,600.

Item 26.

Administration is the office supporting all departments of the town and the functions of municipal court, elections, land use and development, finance, human resource management, information technology, grant administration, public meeting management, and customer service to process all licensing and permits, as well as special events and reservations of town facilities. In 2023, the office experienced changes with the loss of the Deputy Town Clerk, a new accounting service as well as a new Accounting Clerk. The daily accounting functions are transitioning in-house for prompt access to financial data. Initiated by grant funds, a land use code update is taking place that will continue in 2024. Currently, there are two regular full-time and three regular part-time positions in Administration. For 2024, Administration will reduce one part-time position to allow for a new part-time code enforcement position and will hire a full-time replacement of the Deputy Town Clerk. Administration requests that a compensation analysis be conducted for all Town positions to refine job descriptions and establish a compensation table in 2024 which will benefit all departments.

The Police Department is responsible for the duties of law enforcement including the investigation, apprehension, and detention of individuals suspected of criminal offenses to protect the public. The department is comprised of six full-time sworn officers, including the Chief of Police, one Lieutenant and one Sergeant serving as command staff, along with part-time sworn officers. In 2023, the Police successfully initiated a Citizen's Academy for public participation. For 2024, the Police Department reduced part-time hours, will transition code enforcement to Administration, and will hire a part-time Records Technician.

The Fire Department is responsible for core functions of fire suppression, emergency medical response, hazardous materials response, fire prevention and education for the public. The department has five full-time firefighters, including the Fire Chief, and part-time firefighters. In 2023, multiple firefighters were deployed for wildland fires and two PLFD members became red card certified. For 2024, the Fire Department reduced part-time hours.

Public Works is responsible for the town public right of ways and roadways, drainage management as well as parks maintenance. Currently, the department includes two full-time equipment operators and three part-time maintenance personnel. In 2023, multiple roadway improvement projects were completed including a mill overlay of Spring, Greeley, Mystic, Vale and Sailing. The town hall/library visitor parking was regraded, and asphalt replaced. Also initiated by grant funds is the design work for the PLES Upper Glenway roadway improvement project and the design work for a pedestrian walkway along the east side of Hwy 105. For 2024, the Public Works Department will remove one part-time parks maintenance position to allow for one additional full-time Equipment Operator. Projects anticipated for 2024 include the design of Spruce Mountain roadway improvement and the construction of the PLES Upper Glenway roadway improvement. Capital funds are also identified to support drainage improvements. With Board approval in 2023, the Parks Commission created a trail and walking bridge from the end of the undeveloped portion of Kent Street to the Elephant Rock property. Grants are applied for to financially support the bridge construction. Grant opportunities will continue to be sought for funds to develop a multi-use field at Palmer Lake/Centennial Park. The



Board approved a grant funded project by Awake Palmer Lake to build six pickleball courts and a restroom at Palmer Lake in 2024. The in-kind portion from the town includes a water tap for the restroom, fill material and labor to grade the material to build the foundation for the courts.

### **Other Projects**

After the Town Hall reopening, no additional work has been performed on the historical building. The Town will continue to consider grant funds to upgrade the main entrance to be ADA compliant and possibly upgrade the kitchen. The public building that houses the Vaile Museum and leases the upper level to the Pikes Peak Library required some structural improvement to the entrance, and the parking area and landscaping have improved drainage issues. The 28-acre Elephant Rock property has one lease in place to plan for the development of a proposed Eco Spa. The Board continues to work on securing a second lease for the proposed development of an event venue. The Police and Fire Department, along with Administration, request that the Board support initiating a plan for the feasibility of a shared public safety facility on the Elephant Rock property. Grant funds will be sought out.

### **Revenues**

With anticipation of a healthy economy, it is projected that 2024 General Fund revenues and a portion of the fund balance for one-time projects, along with increased sales tax revenue, will allow the budgeted expenditures to be funded. We are optimistic that sales tax will grow.

### **Expenditures**

While we anticipate a slight increase in sales tax revenue, budgeted expenditures are set to remain within the budget. The staff wage increase is conservative, ranging between 2-4%. The budget does increase the employee retirement contribution match at 4.25% per participating employee (the maximum is 5% for the town contribution) and a required increase of Fire & Police Pension Association (FPPA) to 13.6% (10% pension and 3.6% D&D).

### **Capital Expenditures & Capital Improvements**

In the 2024 Budget, the capital expenditures are separated from the operating expenditures to better monitor capital improvement spending. The budget reflects the proposed projects. Administration will work with the Board of Trustees in 2024 to establish policy to reserve funds for future capital projects, equipment, and grant matches. It is anticipated to re-evaluate available funds in 2024.

### **Reserves**

Whenever unassigned fund balances accumulate in a fund in excess of the adopted budget, the Town can utilize or assign the excess funds into an appropriate reserve within the Fund. Administration will work with the Board in 2024 to review potential policy for reserve funds.

### **Water Enterprise Fund**

The Water Enterprise Fund is used to report business-type activity of the town's water utility. The revenues, together with an estimated fund balance, allow the budgeted expenditures to be funded. In the 2024 Budget, capital expenditures have been moved out of the operating expenditures to better monitor the capital improvements. In 2023, the Board of Trustees restructured the water

usage tiers and established new water rates pursuant to a water rate analysis and capital improvement study for water infrastructure needs. Water revenue is anticipated to increase in 2024. The sale of water taps decreased in 2023 and the 2024 budget reflects this trend. The 2024 rates will remain the same as the modification adopted by the Board in the fall of 2023, although tap fees are scheduled to increase in 2024. The water meter fees are recommended to increase. The Water Department will have three full-time water operators and one full-time water technician before the close of 2023. Salaries for the Water Department personnel are in line with the average of 3% increase. The Water Technician hired in December will participate in an apprentice program beginning in 2024.

In 2023, the Water Department completed several infrastructure projects including the treatment plant telemetry upgrades, the Buena Vista water line replacement, and the necessary replacement of the treatment plant SCADA PC. Pursuant to the completed Preliminary Engineering Report, the following water system improvement projects were identified as priority projects – distribution supply line replacement, a new Arapahoe well for additional water supply, and looping the distribution system. The completed redrill of the D2 well in 2022 was approved by the state early in 2023 and is running. The 2024 water fund budget reflects a replacement vehicle and the water line replacement project at Upper Glenway.

### **Conservation Trust Funds**

The Conservation Trust Fund accounts for lottery proceeds that are restricted for specific use for parks improvement. There is ongoing partnership consideration and grant seeking to further assist in providing funds to upgrade and improve public amenities around Palmer Lake, Centennial Park, Glen Park, and Columbine Park.

### **Conclusion**

The 2024 Budget has been prepared with the priorities directed by the Board of Trustees. It allocates necessary funding to the services of the Town to benefit residents and visitors. This budget reflects the Town Board's commitment to necessary infrastructure. Balancing the Town's fiscal responsibility and the vast needs of the community continues to be a challenge. This challenge provides an opportunity to strategically plan for future years. This will be collaborative work with the Board of Trustees to maximize the resources to better position the Town in the future.

I would like to express my appreciation to the Palmer Lake Board of Trustees for their commitment to the community, and to the department supervisors and administrative staff for their collaborative efforts to prepare a balanced budget for 2024.

Sincerely,

*Dawn A. Collins*

Dawn A. Collins, CMC

*Town Administrator/Clerk*

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## 2024 Budget DRAFT EXECUTIVE SUMMARY

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## 2024 Budget DRAFT EXECUTIVE SUMMARY

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# TOWN OF PALMER LAKE

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## GENERAL FUND

### 2024 Budget DRAFT DEPARTMENT SUMMARY

			Final		Final		YTD Estimate	Proposed	
			Budget	Actual	Budget	Actual as of	Ending for	Budget	Notes
			FY2022	FY2022	FY2023	11.30.2023	FY2023	FY2024	
GENERAL FUND REVENUE									
	Taxes		\$ 2,060,341	\$ 2,374,782	\$ 3,664,377	\$ 2,421,455	\$ 2,559,020	\$ 2,860,000	59% of total GF revenue
	Fees and Licenses		221,900	278,382	261,435	252,076	269,922	291,025	6% of total GF revenue
	Intergovernmental		\$ 6,900	\$ 7,317	\$ 6,000	\$ 7,352	\$ 7,000	\$ 7,000	0% of total GF revenue
	Fines		\$ 70,000	\$ 66,906	\$ 90,000	\$ 75,872	\$ 82,769	\$ 65,000	1% of total GF revenue
	Interest		\$ 12,000	\$ 34,652	\$ 43,000	\$ 84,850	\$ 91,655	\$ 80,000	2% of total GF revenue
	Departmental		\$ 19,000	\$ 96,640	\$ 49,500	\$ 59,441	\$ 71,379	\$ 65,000	1% of total GF revenue
	Grants and Donations		\$ -	\$ 110,243	\$ 395,182	\$ 286,339	\$ 343,870	\$ 1,385,959	29% of total GF revenue
	Miscellaneous		\$ 578,200	\$ 170,837	\$ 117,200	\$ 79,993	\$ 120,524	\$ 70,000	1% of total GF revenue
Total General Fund Revenue			\$ 2,968,341	\$ 3,139,759	\$ 4,626,694	\$ 3,267,378	\$ 3,546,139	\$ 4,823,984	100%
GENERAL FUND EXPENDITURES									
	Administration								
	Salaries and Benefits		\$ 179,369	\$ 227,152	\$ 274,996	\$ 171,185	\$ 193,435	\$ 246,873	13% of total GF sal & ben (incl 20% of TA, 70% of 4 admin, 100% of code enforce)
	Professional Services		\$ 315,785	\$ 467,342	\$ 305,475	\$ 210,982	\$ 248,780	\$ 373,000	70% of total GF prof services
	Administrative/Operations		\$ 237,988	\$ 256,035	\$ 326,357	\$ 250,292	\$ 271,813	\$ 332,936	44% of total GF operating
	Capital Outlays		\$ 367,742	\$ 194,911	\$ 300,960	\$ 59,529	\$ 64,941	\$ 10,000	1% of total GF capital
Total Administration Expenditures			\$ 1,100,885	\$ 1,145,440	\$ 1,207,788	\$ 691,988	\$ 778,968	\$ 962,809	
	Police Department								
	Salaries and Benefits		\$ 588,861	\$ 524,167	\$ 781,175	\$ 550,919	\$ 622,388	\$ 674,580	36% of total GF sal & ben (incl 20% of TA)
	Professional Services		\$ -	\$ -	\$ -	\$ 5,093	\$ 5,093	\$ 112,600	21% of total GF prof services
	Administrative/Operations		\$ 58,470	\$ 125,764	\$ 101,972	\$ 59,115	\$ 64,252	\$ 86,845	11% of total GF operating
	Capital Outlays		\$ 2,000	\$ -	\$ 25,428	\$ 6,985	\$ 6,985	\$ 80,000	4% of total GF capital
Total Police Department Expenditures			\$ 649,331	\$ 649,931	\$ 908,574	\$ 622,112	\$ 698,717	\$ 954,025	
	Fire Department								
	Salaries and Benefits		\$ 464,572	\$ 463,820	\$ 867,644	\$ 448,537	\$ 514,898	\$ 630,741	33% of total GF sal & ben (incl 20% of TA)
	Professional Services		\$ -	\$ -	\$ -	\$ 3,586	\$ 3,912	\$ 10,000	2% of total GF prof services
	Administrative/Operations		\$ 73,050	\$ 195,359	\$ 152,420	\$ 84,202	\$ 105,951	\$ 128,600	17% of total GF operating
	Capital Outlays		\$ -	\$ 46,223	\$ 137,000	\$ -	\$ -	\$ -	0% of total GF capital
Total Fire Department Expenditures			\$ 537,622	\$ 705,402	\$ 1,157,064	\$ 536,325	\$ 624,761	\$ 769,341	
	Public Works Department - Roads								
	Salaries and Benefits		\$ 187,002	\$ 171,831	\$ 315,186	\$ 195,452	\$ 220,669	\$ 334,898	18% of total GF sal & ben (incl 20% of TA)
	Professional Services		\$ 20,000	\$ 15,520	\$ 30,000	\$ 14,576	\$ 15,901	\$ 40,300	8% of total GF prof services
	Administrative/Operations		\$ 133,071	\$ 157,745	\$ 166,861	\$ 126,538	\$ 141,444	\$ 167,500	22% of total GF operating
	Capital Outlays		\$ 255,000	\$ 117,736	\$ 935,696	\$ 496,442	\$ 549,046	\$ 1,690,010	93% of total GF capital
Total Public Works Dept - Roads Expenditures			\$ 595,073	\$ 462,832	\$ 1,447,743	\$ 833,008	\$ 927,060	\$ 2,232,708	
	Public Works Department - Parks Expenditures								
	Administrative/Operations		\$ 23,200	\$ 24,234	\$ 29,540	\$ 36,392	\$ 39,756	\$ 42,100	6% of total GF operating
	Capital Outlays		\$ -	\$ -	\$ 56,125	\$ 56,709	\$ 86,666	\$ 31,000	2% of total GF capital
Total Public Works Dept - Parks Expenditures			\$ 85,431	\$ 44,831	\$ 85,665	\$ 93,101	\$ 126,422	\$ 73,100	
Total Admin and Dept Expenditures			\$ 2,968,341	\$ 3,008,436	\$ 4,806,833	\$ 2,776,534	\$ 3,155,928	\$ 4,991,984	
NEW REVENUE OVER (UNDER) EXPENDITURE			\$ 0	\$ 131,323	\$ (180,139)	\$ 490,844	\$ 390,210	\$ (168,000)	

# TOWN OF PALMER LAKE

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## WATER FUND

### 2024 Budget DRAFT DEPARTMENT SUMMARY

			Final		Final		YTD Estimate	Proposed
			Budget	Actual	Budget	Actual as of	Ending for	Budget
			FY2022	FY2022	FY2023	11.30.2023	FY2023	FY2024
								Notes
WATER FUND REVENUE								
			\$ 1,823,029	\$ 1,625,667	\$ 1,611,438	\$ 2,214,333	\$ 2,329,070	\$ 2,899,220
WATER FUND EXPENDITURES								
		Salaries and Benefits	\$ 454,797	\$ 357,324	\$ 562,906	\$ 332,236	\$ 375,243	\$ 519,749
		Professional Services	\$ 127,500	\$ 121,744	\$ 183,225	\$ 112,603	\$ 122,840	\$ 137,000
		Administrative/Operations	\$ 640,350	\$ 327,812	\$ 422,840	\$ 327,984	\$ 358,042	\$ 438,300
		Capital Outlays	\$ 412,654	\$ 323,511	\$ 388,525	\$ 263,157	\$ 263,157	\$ 649,290
		Debt Service	\$ 183,229	\$ 194,084	\$ 183,229	\$ 183,139	\$ 261,308	\$ 207,179
		Total Water Dept Expenditures	\$ 1,818,529	\$ 1,324,475	\$ 1,740,725	\$ 1,219,119	\$ 1,380,590	\$ 1,951,518
NEW REVENUE OVER (UNDER) EXPENDITURE								
			\$ 4,500	\$ 301,192	\$ (129,287)	\$ 261,320	\$ 214,586	\$ 54,442

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	
	Description						DRAFT	2024 Budget Explanatory Notes
<b>GENERAL FUND REVENUE</b>								
<b><u>Taxes</u></b>								
	Property Tax - General	\$ 512,393	\$ 510,451	\$ 503,417	\$ 503,277	\$ 505,269	\$ 654,000	See 2024 Property Tax Calc - use prelim valuation
	Property Tax - Fire	455,948	452,664	447,960	446,302	448,068	582,000	See 2024 Property Tax Calc - use prelim valuation
	Specific Ownership Tax/Motor Vehicle Registration	100,000	100,686	108,000	102,311	111,612	110,000	
	Motor Vehicle Registrations	-	12,633	-	-	-	-	DNU - include with Spec Own Tax Auto (4103)
	Use Tax - Building Materials	40,000	33,697	40,000	31,549	34,417	36,000	
	Highway Users Tax Fund	90,000	103,546	100,000	85,883	93,691	90,000	
	Sales/Use/Excise Tax - All Other	862,000	1,161,105	2,465,000	1,252,133	1,365,963	1,388,000	Estimated annualized total tax
		2,060,341	2,374,782	3,664,377	2,421,455	2,559,020	2,860,000	
<b><u>Fees and Licenses</u></b>								
	Franchise Fee - Comcast	38,000	17,288	38,000	16,826	18,356	25,000	
	Franchise Fee - CORE (IREA)	39,000	59,124	50,000	46,018	50,201	47,000	
	Franchise Fee - Black Hills	35,000	77,899	50,000	59,212	64,595	74,000	
	Franchise Fee - Century Link	1,300	-	-	-	-	-	DNU - can remove in 2025
	Franchise Fee - Other	-	243	35	2,890	3,153	25	
	Administration Fees	-	-	-	175	175	-	
	Fees/Permits/Zoning/Subdivisions	60,000	28,985	40,000	33,445	36,485	45,000	Review Master Fee Schedule (propose increased Land Use fees)
	Lodging Fees	30,000	40,946	40,000	49,182	49,182	45,000	
	Business Licenses	5,200	28,392	30,000	22,954	25,041	25,000	
	Impact Fees - Drainage	7,200	6,900	7,200	14,959	16,319	20,000	
	Liquor/MJ License Fees	6,200	18,605	6,200	6,415	6,415	10,000	Liquor 1400 + MJ 8500 renewal
		221,900	278,382	261,435	252,076	269,922	291,025	
<b><u>Intergovernmental</u></b>								
	Town Share State Surcharge	450	-	-	-	-	-	DNU - can remove in 2025
	State Share Surcharge	450	-	-	-	-	-	DNU - can remove in 2025
	El Paso Co Road & Bridge	6,000	7,317	6,000	7,352	7,000	7,000	Review receipts so far
		6,900	7,317	6,000	7,352	7,000	7,000	
<b><u>Fines</u></b>								
	Citation Fines/Court Fees	70,000	46,821	70,000	42,390	46,244	45,000	
	Citation Fines/Court Fees - STEP	-	20,085	20,000	33,482	36,526	20,000	
		70,000	66,906	90,000	75,872	82,769	65,000	
<b><u>Interest</u></b>								
	Savings/Interest	2,000	-	3,000	-	-	-	DNU - can remove in 2026
	Interest - Savings/Reserve	-	24,652	10,000	74,850	81,655	70,000	Estimating 4.75% on \$1,500,000 ColoTrust balances
	Interest - Water Loan	10,000	10,000	30,000	10,000	10,000	10,000	
		12,000	34,652	43,000	84,850	91,655	80,000	
<b><u>Departmental</u></b>								
	Library Revenue	12,000	2,613	5,000	-	5,095	-	DNU - can remove in 2026
	Admin Revenue	-	38,081	-	403	440	5,000	Library utilities
	Police Revenue	-	7,497	4,500	6,547	7,142	10,000	Extra duty
	Fire Revenue	-	4,150	-	6,865	9,000	5,000	Inspections
	Roads Revenue	-	50	-	791	791	-	
	Parks Revenue	7,000	44,249	40,000	44,835	48,911	45,000	45k for Kiosk; new pickleball courts revenue
		19,000	96,640	49,500	59,441	71,379	65,000	

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	
								2024 Budget Explanatory Notes
<b>Grants and Donations</b>								
	Admin Grants	-	-	-	-	-	25,000	DOLA land use update
	Colo State Hist Society Town Hall ADA Door	-	-	42,000	-	-	-	DNU - can remove in 2026
	PD Grants	-	81,861	5,000	13,176	10,150	199,000	2400 for Crimewatch; 4k POST; 7k HVE; BHCON 185k (Yr1of2)
	Fire Grants	-	17,263	-	48,721	48,721	-	seeking DOLA planning for public safety facility
	Roads Grants	-	-	-	-	-	354,311	Spruce design 204k; MMOF sidewalk design 150k
								PLES remaining design funds (63k) plus construction (745k less 12% water line upgrade)
	CDOT PL Elementary Road Improvement	-	-	145,682	16,061	81,879	807,648	DNU - remove in 2026
	CDOT Overlay Maint.	-	-	200,000	200,000	200,000	-	MHYC - 4wks labor (34k); applied CPW 60k
	Parks Grants	-	6,292	2,500	2,340	2,553	-	DNU - remove in 2026
	Donations	-	4,327	-	520	567	-	
	Admin Donations	-	-	-	20	-	-	
	PD Donations	-	-	-	5,501	-	-	
	Fire Donations	-	500	-	-	-	-	
	Roads Donations	-	-	-	-	-	-	
	Parks Donations	-	-	-	-	-	-	
		-	110,243	395,182	286,339	343,870	1,385,959	
<b>Miscellaneous</b>								
	FPPA Matching Funds (DOLA VFP)	8,100	-	17,100	-	-	-	DNU - remove in 2026. DOLA pays 90% match to FPPA directly
	Land/Building Rent	10,000	24,003	20,000	31,381	31,381	30,000	12k for library; track; ER (50/mo); venue rental
	Fire Deployment	-	20,860	80,000	17,469	58,000	40,000	Vehicle deployment 14-20k (2 wks), wage and exp reimb
	Land/Equipment Sales	-	-	-	19,000	19,000	-	
	Miscellaneous Income	100	18,585	100	9,779	9,779	-	
	Insurance Income	160,000	107,389	-	2,364	2,364	-	
	Fund Reserve-ColoTrust	400,000	-	-	-	-	-	DNU - remove in 2025 (Fund balance shown above Rev)
		578,200	170,837	117,200	79,993	120,524	70,000	
<b>Other Sources</b>								
	Unassigned Fund Balance	-	-	-	2,880,403	2,880,403	3,270,613	Estimated ending fund balance FY2023
		-	-	-	2,880,403	2,880,403	3,270,613	
	<b>Total General Fund New Revenue</b>	<b>2,968,341</b>	<b>3,139,759</b>	<b>4,626,694</b>	<b>3,267,378</b>	<b>3,546,139</b>	<b>4,823,984</b>	
	<b>Total General Fund Revenue</b>	<b>2,968,341</b>	<b>3,139,759</b>	<b>4,626,694</b>	<b>6,147,781</b>	<b>6,426,542</b>	<b>8,094,597</b>	
<b>GENERAL FUND EXPENDITURES</b>								
<b>Administration</b>								
<b>Salaries and Benefits</b>								
	Salaries/Wages, Full Time	77,513	103,341	163,930	59,130	66,843	105,900	3 FT with increase; incl Deputy Town Clerk
	Salaries/Wages, Part Time	70,501	68,377	56,709	85,191	96,303	96,486	4 PT; Removed 1; Added PT code enforcement
	Salaries/Wages, PT Sick	2,350	1,347	1,890	1,514	1,711	-	included in PT wages
	Overtime	518	41	-	63	71	496	
	Social Security ER	9,209	10,472	13,797	8,361	9,452	12,579	
	Medicare ER	2,154	2,449	3,227	1,955	2,210	2,942	
	FUTA	176	195	239	178	201	210	
	Workers Comp Ins	5,533	6,916	8,683	4,082	4,536	2,759	
	Retirement ER Match	11,267	10,166	6,557	5,571	6,298	5,928	.25% match increase to 4.25% (5% max)
	Health Ins ER- pd	-	23,099	19,374	4,840	5,471	17,940	health ins avg inc 17%. Town will adjust ER-pd portion to assist.
	Dental Ins ER- pd	-	-	-	-	-	993	separating dental (from health) in 2024



# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	
								2024 Budget Explanatory Notes
Vision Ins ER- pd	-	-	-	-	-	-	157	separating vision (from health) in 2024
Life Ins ER- pd	148	749	590	300	339		483	
	179,369	227,152	274,996	171,185	193,435		246,873	
<b>Professional Services</b>								
Professional Svcs-Accounting	49,600	79,362	22,275	81,053	88,421		70,000	6k for Paycom + Acctg estimate, audit
Professional Svcs-IT	60,000	48,666	63,200	21,963	23,960		33,000	15k for CKT, 18k for CivicPlus+BlueBeam
Professional Svcs-Legal/OJW	47,000	51,559	60,000	37,934	60,000		60,000	
Professional Svcs-Other	159,185	167,264	160,000	70,032	76,399		210,000	Engineering (5% incr), Planning (LU update 50k), ADD Compensation Analysis (10k)
Professional Svcs - Other - Ped Bridge	-	21,763	-	-	-		-	DNU - remove in 2026
Professional Svcs	-	96,057	-	-	-		-	DNU - remove in 2026
Professional Svcs- Other - Elephant Rock	-	2,671	-	-	-		-	DNU - remove in 2026
	315,785	467,342	305,475	210,982	248,780		373,000	
<b>Administrative/Operations</b>								
Employee Clothing	800	-	800	-	-		500	
Employee/BOT/PC Training	4,000	1,651	6,900	1,679	1,832		5,000	CE - CMCA Institute, HR, ICMA
Employee/BOT/PC Travel	2,000	-	6,000	28	31		3,000	
Employee/BOT/PC Per Diem	2,000	1,338	5,000	1,240	1,353		2,000	
State OJW Surcharge	450	-	-	-	-		-	DNU - Remove in 2025
Advertising	2,000	162	2,000	1,175	1,282		2,000	
Bank Fees/Services	600	123	700	50	55		200	
Communications	16,000	23,954	28,000	23,236	25,348		1,800	1k for ATT, 800 for internet
County Treasurer Fees	10,000	9,659	18,000	9,523	10,389		13,000	1% of tax distributed
Election Expense	15,000	2,364	15,000	-	-		12,000	
Insurance	70,400	86,931	106,000	117,783	128,491		100,100	P&C (70% of 143k) - increased cost to group
Legal Notices/Recordings	5,000	2,072	5,000	2,532	2,762		5,000	
Memberships/Registrations	9,100	15,871	12,000	13,562	13,562		14,000	Added APA for PC (CML, PPACG, Chamber, etc.)
Postage	2,000	562	1,000	1,124	1,226		1,300	
Economic Development	3,187	1,420	13,000	1,255	1,369		5,000	
General Supplies	20,000	30,234	20,000	14,250	15,545		15,236	Admin, town hall + camera, PC 1200
General Supplies- Elephant Rock	-	34	-	-	-		-	DNU - can remove in 2026
Medical Equip/Supplies	-	266	-	-	-		-	DNU - can remove in 2026
General Services	37,451	23,552	47,807	25,071	27,350		27,500	2100 Orkin (Admin, Town Hall, ER, Lib), landscape, cleaning, HVAC, tree svc, municipal judge (3840)
General Service- 001	-	11,429	-	-	-		-	DNU - can remove in 2026
General Service- 005	-	2,005	-	-	-		-	DNU - can remove in 2026
General Service- Elephant Rock	-	1,006	-	473	516		100,000	ER - asbestos abatement, demo/removal - use fund balance
Utilities	31,500	13,064	14,500	10,037	10,949		19,000	all utilities admin, town hall, library
Utilities- Elephant Rock	-	3,394	-	2,867	3,128		1,000	Utility should be paid by Tenants--reimb
Utilities- Electric	-	5,801	6,600	5,769	6,293		-	DNU - can remove in 2026
Utilities- Electric Elephant Rock	-	696	-	3,148	3,434		-	DNU - can remove in 2026
Utilities- Water	-	9,813	7,400	8,736	9,530		-	DNU - can remove in 2026
Utilities Water- Elephant Rock	-	1,542	-	1,013	1,105		-	DNU - can remove in 2026
Utilities- Sanitation	-	1,980	3,100	4,392	4,791		-	DNU - can remove in 2026
Utilities- Sanitation Elephant Rock	-	450	-	360	393		-	DNU - can remove in 2026
Building Maintenance	5,000	2,343	6,050	-	-		5,000	

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	
								2024 Budget Explanatory Notes
Equipment Maintenance		1,000	-	1,000	-	-	-	DNU - can remove in 2026
Building Maintenance- Elephant Rock		-	1,416	-	-	-	-	DNU - can remove in 2025
Miscellaneous Expense		-	804	-	776	847	-	
Fuel		500	99	500	213	232	300	
		237,988	256,035	326,357	250,292	271,813	332,936	
Capital Outlays								
Colo State Hist Society Town Hall ADA Door		-	-	42,000	-	-	-	DNU - can remove in 2026
Capital Improvement		17,344	38,675	220,000	59,529	64,941	-	
Capital Improvement- Town Hall		-	151,046	32,960	-	-	10,000	HVAC
Capital Improvement- Ped Bridge		347,898	5,190	-	-	-	-	DNU - can remove in 2025
Capital Equipment		2,500	-	6,000	-	-	-	
		367,742	194,911	300,960	59,529	64,941	10,000	
<b>Total Administration Expenditures</b>		<b>1,100,885</b>	<b>1,145,440</b>	<b>1,207,788</b>	<b>691,988</b>	<b>778,968</b>	<b>962,809</b>	
<b>Police Department</b>								
<b>Salaries and Benefits</b>								
Salaries/Wages, Full Time		247,260	263,790	426,105	327,377	370,078	400,710	6 FT with increase
Salaries/Wages, Part Time		216,597	161,611	159,455	101,356	114,576	113,104	5 PT with increase; Reduced hours; Incl Records Tech
Salaries/Wages, PT Sick		7,274	3,803	5,315	794	898	-	included in PT wages
Salaries/Wages, STEP		-	5,590	5,000	14,370	16,244	10,000	expense covered by STEP Revenue (2024 est 20k)
Salaries/Wages, Extra Duty		-	4,359	5,000	8,465	9,569	8,000	expense covered by EXT Revenue (2024 est 10k)
Overtime, Sworn Sched		1,623	149	-	-	-	-	DNU - can remove in 2025; combined w/ Overtime
Overtime		-	-	2,049	413	467	1,798	
Social Security ER		14,732	11,938	11,570	8,535	9,648	8,612	
Medicare ER		6,749	6,296	8,597	6,496	7,343	7,476	
FUTA		470	524	512	472	534	470	
Worker Comp Ins		27,371	25,488	34,876	20,193	22,437	19,985	
Retirement ER Match		38,466	5,261	17,044	6,530	7,382	17,030	
FPPA		20,507	21,847	38,599	28,735	32,483	37,671	increase .5% to 10% (max 12% in 2028)
FPPA D&D		7,292	7,768	13,814	10,284	11,625	13,562	increase .2% to 3.6%
Health Insurance		-	4,812	51,664	15,698	17,746	32,760	
Dental Ins ER- pd		-	-	-	-	-	1,813	separating dental (from health) in 2024
Vision Ins ER- pd		-	-	-	-	-	287	separating vision (from health) in 2024
Life Ins ER- pd		518	931	1,572	1,201	1,358	1,302	
		588,861	524,167	781,175	550,919	622,388	674,580	
Professional Services								
Professional Svcs-IT		-	-	-	5,093	5,093	16,200	11,100 for CKT, 5100 for EFORCE
Professional Svcs-Other		-	-	-	-	-	96,400	Clinician for BHCON +5k OT
		-	-	-	5,093	5,093	112,600	
Administrative/Operations								
Employee Clothing		2,000	3,644	7,077	3,895	4,249	4,120	Added BHCON clinician clothing (620)
Employee Training		3,300	2,877	5,300	1,750	1,909	3,000	
Employee Travel		1,600	972	4,160	179	195	3,400	Added BHCON clinician travel (2400)
Employee Per Diem		1,800	-	2,560	162	177	1,000	
Subject Testing		500	178	1,000	-	-	1,000	
Communications		5,200	6,402	8,400	-	-	20,525	12k for ATT, 800 for internet, 5625 PPRCN, 2100 BHCON p

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	2024 Budget Explanatory Notes
Memberships/Registrations		4,440	442	3,940	12,136	13,239	13,000	Visual Labs 12k, FBI-LEEDA, IACP, Investigation
Postage		120	327	-	-	-	-	DNU - remove in 2025
General Supplies		1,500	4,743	12,292	7,996	8,723	10,000	Add 2 BHCON MDC (9400) +500 supplies (300 BHCON);
General Services		910	2,292	6,500	1,655	1,805	3,000	Orkin, Cleaning
Utilities		-	-	-	-	-	3,800	all utilities - PD
Utilities- Sanitation		-	135	-	-	-	-	DNU - remove in 2025
Building Maintenance		5,000	386	8,600	-	-	1,000	
Equipment Maintenance		500	-	2,280	-	-	-	
Repair & Maintenance		1,000	-	-	-	-	-	DNU - remove in 2025
Miscellaneous Expense		-	-	-	-	-	-	
STEP Expenditures		-	24	-	2,613	2,613	-	DNU - Code STEP expenses to appropriate expense line
Vehicle Repair & Maintenance		8,000	3,017	6,863	6,462	7,049	5,000	Vehicle tires, routine
Fuel		14,500	17,732	28,000	14,996	16,359	18,000	5% increase
Vehicle Loan - Principal		6,200	40,614	-	-	-	-	DNU - remove in 2025
Vehicle Loan - Interest		1,900	1,888	-	-	-	-	DNU - remove in 2025
Police Donations/ Grant Expense		-	40,091	5,000	7,271	7,932	-	DNU - remove in 2026 - Code grant expenses to appropriate expense line
		58,470	125,764	101,972	59,115	64,252	86,845	
Capital Outlays								
Capital Improvement		-	-	-	6,985	6,985	5,000	
Capital Equipment		2,000	-	25,428	-	-	75,000	Added BHCON vehicle (75k)
		2,000	-	25,428	6,985	6,985	80,000	
<b>Total Police Department Expenditures</b>		<b>649,331</b>	<b>649,931</b>	<b>908,574</b>	<b>622,112</b>	<b>698,717</b>	<b>954,025</b>	
<b>Fire Department</b>								
Salaries and Benefits								
Salaries/Wages, Full Time		268,047	277,442	468,605	265,622	300,268	374,124	5 FT with increase
Salaries/Wages, Part Time		60,408	62,007	100,930	51,101	57,766	62,612	PT with increase; Reduced hours
Fire Deployment		-	1,968	-	-	-	-	DNU (duplicate) - remove in 2025
Salaries/Wages, PT Sick		2,014	-	3,364	-	-	-	included in PT wages
Salaries/ Wages- Fire Deployment		-	14,539	-	-	-	-	DNU - remove in 2025
Overtime		23,645	21,757	44,805	24,777	28,009	31,909	
Overtime Non-Pensionable		-	-	-	4,227	4,778	-	reclass to/combine with Overtime and delete
Fire Deployment		-	-	50,000	17,052	28,000	20,000	exp covered by fire deploy revenue (2024 est 40k for wages+exp)
Social Security ER		4,948	5,042	7,694	5,294	5,985	5,370	
Medicare ER		5,105	5,238	8,957	5,042	5,700	6,795	
FUTA		512	452	638	403	456	344	
Workers Comp Ins		26,023	24,238	45,203	19,199	21,332	21,903	
Retirement ER Match		40,133	4,746	20,536	3,989	4,509	17,256	
FPPA ER		24,506	24,455	46,893	24,174	27,327	38,203	increase .5% to 10% (max 12% in 2028)
FPPA D&D		8,713	12,503	16,783	8,652	9,781	13,753	increase .2% to 3.6%
FPPA Volunteer Pension Fund		-	-	-	3,808	3,808	2,519	new account code for 2023/2024
Health Ins ER- pd		-	8,673	51,664	14,388	16,265	32,760	
Dental Ins ER- pd		-	-	-	-	-	1,813	separating dental (from health) in 2024
Vision Ins ER- pd		-	-	-	-	-	287	separating vision (from health) in 2024
Life Ins ER- pd		518	760	1,572	809	915	1,092	
		464,572	463,820	867,644	448,537	514,898	630,741	

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	2024 Budget Explanatory Notes
Professional Services								
Professional Svcs-IT		-	-	-	3,586	3,912	10,000	\$5,400 for CKT, \$4k+ for ESO
		-	-	-	3,586	3,912	10,000	
Administrative/Operations								
Employee Clothing		6,000	3,784	6,703	3,134	3,419	5,000	
Employee Training		4,850	914	17,473	6,861	7,485	10,000	
Employee Travel		-	204	4,000	198	216	2,000	
Employee Per Diem		-	1,176	3,500	230	251	2,000	
Communications		7,800	7,153	17,000	2,334	2,546	17,200	ATT 7k, internet 800, PPRCN 3k, County Dispatch 3k, City Radio 3k, Active 911 400
Memberships/Registrations		1,000	4,449	980	2,579	2,813	400	Fire Chief, IFC, State/Co
Postage		100	-	-	-	-	-	DNU - remove in 2025
General Supplies		12,800	859	17,500	18,160	19,811	15,000	
Medical Equip/Supplies		3,000	4,178	5,000	782	853	2,500	
General Services		8,000	12,265	31,764	6,300	6,873	16,000	Monument IGA 9k, Haz 450, Physicals 6k
Utilities		-	-	-	-	-	4,500	all utilities - FD
Utilities- Electric		-	90	-	-	-	-	DNU - remove in 2025
Building Maintenance		5,000	2,641	-	40	44	3,000	
Equipment Maintenance		1,000	817	7,000	2,060	2,247	5,000	
Repair & Maintenance - Building		2,000	6,748	4,500	-	-	-	DNU - remove in 2026 - code to bldg or equip maint
Fire Deployment Expenses		-	-	-	5,414	20,000	10,000	exp covered by fire deploy revenue (2024 est 40k for wages+exp)
Vehicle Licenses/Fees		-	-	2,000	-	-	-	DNU - remove in 2026
Vehicle Repair & Maintenance		14,500	23,308	20,000	26,773	29,207	25,000	
Fuel		7,000	10,083	15,000	9,337	10,186	11,000	
Grant Expenses		-	105,902	-	-	-	-	DNU - remove in 2027 - Code grant expenses to appropriate expense line
El Pomar Grant		-	10,788	-	-	-	-	DNU - remove in 2026
		73,050	195,359	152,420	84,202	105,951	128,600	
Capital Outlays								
Capital Improvements		-	-	-	-	-	-	Seeking grants for unfunded items
Capital Equipment		-	46,223	137,000	-	-	-	
		-	46,223	137,000	-	-	-	
<b>Total Fire Department Expenditures</b>		<b>537,622</b>	<b>705,402</b>	<b>1,157,064</b>	<b>536,325</b>	<b>624,761</b>	<b>769,341</b>	<i>Confirmed w Fire Mill Levy</i>
<b>Public Works Department - Roads</b>								
<b>Salaries and Benefits</b>								
Salaries/Wages, Full Time		136,846	140,646	179,954	128,508	145,270	206,389	3 FT with increase; Added Equipment Operator
Salaries/Wages, Part Time		-	-	58,826	32,339	36,557	55,574	2 PT with increase; Removed 1 PT Parks Maint
Salaries/Wages, PT Sick		-	-	1,961	171	193	-	included in PT wages
Overtime		479	1,074	836	642	726	917	
Social Security ER		8,514	8,679	14,978	9,852	11,137	16,299	
Medicare ER		1,991	2,030	3,503	2,304	2,605	3,812	
FUTA		92	92	260	227	257	260	
Workers Comp Ins		18,366	17,088	23,977	14,300	15,889	15,537	
Retirement ER Match		20,442	2,659	7,232	3,137	3,546	8,810	
Health Insurance ER		-	(874)	22,962	3,553	4,016	24,960	
Dental Ins ER- pd		-	-	-	-	-	1,382	separating dental (from health) in 2024

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

### 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	
								2024 Budget Explanatory Notes
Vision Ins ER- pd		-	-	-	-	-	287	separating vision (from health) in 2024
Life Ins ER - pd		271	437	699	419	474	672	
		187,002	171,831	315,186	195,452	220,669	334,898	
<u>Professional Services</u>								
Professional Svcs-IT		-	-	-	-	-	1,300	1,300 for CKT
Professional Services - MS4		-	-	-	-	-	10,000	Stormwater Consultant
Professional Svcs Other		10,000	13,614	10,000	9,051	9,874	29,000	Engineering, stormwater enterprise rate study (18k)
Professional Svcs-Other-M4		10,000	1,906	10,000	-	-	-	DNU - remove in 2027
Professional Svcs-Other-Engineering		-	-	10,000	5,525	6,027	-	DNU - remove in 2027
		20,000	15,520	30,000	14,576	15,901	40,300	
<u>Administrative/Operations</u>								
Employee Clothing		500	474	750	913	996	700	
Employee Training		250	-	811	-	-	500	
Employee Travel		250	-	250	-	-	200	
Employee Per Diem		-	-	200	-	-	200	
Communications		-	-	-	-	-	2,000	ATT 2k
Memberships/Registrations		750	120	750	519	566	700	
Membership/ Registrations -001		-	515	-	-	-	-	DNU - remove in 2025
General Supplies		4,000	1,137	4,000	2,939	3,206	4,000	
Signs Parts/Supplies		2,000	2,024	5,000	2,501	2,728	3,500	
General Services		20,000	17,049	35,900	40,540	44,056	40,000	(No Orkin), hauling, tree svc, dumpster, porta rental, noxious weed, survey shop for fence (20k split w/water)
Utilities		-	1,018	-	3,322	3,624	3,700	all utilities - shop
Street Lights- Road		13,000	12,025	13,200	7,550	8,236	13,000	CORE
Building Maintenance		1,000	198	6,000	1,949	2,126	5,000	gutters
Equipment Maintenance		-	48	-	246	268	1,000	
Road/Street Material		25,000	22,569	35,000	22,327	25,843	30,000	
Dust Control		15,500	16,823	18,000	13,807	15,062	18,000	
Culverts		4,221	2,882	5,000	5,044	5,503	5,000	
Vehicle Repair & Maintenance		4,000	2,323	4,000	5,542	6,046	6,000	
Repair - Heavy Equipment		20,000	23,944	20,000	10,604	11,568	20,000	
Fuel		15,000	14,112	18,000	8,735	11,615	14,000	
Vehicle Loan - Principal		6,000	38,700	-	-	-	-	DNU - remove in 2025
Vehicle Loan - Interest		1,600	1,784	-	-	-	-	DNU - remove in 2025
		133,071	157,745	166,861	126,538	141,444	167,500	
<u>Capital Outlays</u>								
Capital Improvements - Building		-	-	-	-	-	12,000	fence w/ gate (split w/water)
Capital Improvements - Roads		215,000	90,482	463,014	159,791	174,317	116,430	Other road improvement
Capital Improvement - Drainage		30,000	7,965	90,000	-	-	90,000	Aurelia, High St area, other
CDOT Overlay Maint.		-	-	200,000	244,842	267,100	-	DNU - remove in 2026
CDOT Overlay Maint.		-	16,576	-	-	-	-	DNU - remove in 2025
CDOT PL Elementary Road Improvement		-	20	145,682	83,900	99,000	1,006,580	Remaining design work (77k), construction (1,023,000 less 12% water line), temp easement work (8k)
CDOT PL Elementary Road Improvement		-	2,693	-	-	-	-	DNU - remove in 2025
Capital Imp - Spruce Mtn Rd		-	-	-	-	-	247,000	design only (TIP)
Capital Imp - Sidewalk Design		-	-	-	2,209	2,410	218,000	MMOF funds 150k
Capital Equipment		10,000	-	37,000	5,700	6,218	-	

# TOWN OF PALMER LAKE

Item 26.

## GENERAL FUND

2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	2024 Budget Explanatory Notes
<b>Total Public Works Dept - Roads Expenditures</b>		255,000	117,736	935,696	496,442	549,046	1,690,010	
		<b>595,073</b>	<b>462,832</b>	<b>1,447,743</b>	<b>833,008</b>	<b>927,060</b>	<b>2,232,708</b>	
<b>Public Works Department - Parks Expenditures</b>								
<u>Salaries and Benefits</u>								
Salaries/ Wages, Full-time		37,440	-	-	-	-	-	DNU - remove in 2025
Salaries/Wages, Full Time		10,875	18,046	-	-	-	-	DNU - remove in 2025
Salaries/ Wages, PT Sick		363	-	-	-	-	-	DNU - remove in 2025
Social Security		2,996	1,121	-	-	-	-	DNU - remove in 2025
Medicare ER		701	262	-	-	-	-	DNU - remove in 2025
FUTA		84	69	-	-	-	-	DNU - remove in 2025
Workers Comp Ins		1,295	1,099	-	-	-	-	DNU - remove in 2025
Employee Retirement/Benefits		8,355	-	-	-	-	-	DNU - remove in 2025
Life Insurance Premiums		123	-	-	-	-	-	DNU - remove in 2025
		62,231	20,597	-	-	-	-	
<u>Administrative/Operations</u>								
Employee Clothing		200	-	200	223	243	200	Volunteer shirt/vest
Employee Training		250	-	250	-	-	200	Trail training (30/p)
Memberships/Registrations		100	20	100	-	-	100	
Parks Committee		-	132	1,000	-	-	-	DNU - remove in 2026 - code expenses to appropriate expense line
General Supplies		3,700	5,391	7,090	11,551	12,601	8,000	
General Services		12,000	15,505	14,800	18,196	19,850	20,000	porta potties; tree svc; noxious weeds
General Service -001		-	300	-	-	-	-	DNU - remove in 2025
Utilities		-	-	-	-	-	4,600	all utilities - ballfield, gazebo, centennial, parks
Equipment Maintenance		5,600	1,026	1,000	417	455	1,000	
Repair & Maintenance Supplies		250	479	-	-	-	-	DNU - remove in 2025
Vehicle Repair		300	-	1,000	460	502	1,000	
Fuel/Lubricants		800	1,066	1,600	2,184	2,438	3,500	
Parks Committee (donations)		-	-	2,500	-	-	-	DNU - remove in 2026
Parking Kiosk Expenses		-	-	-	3,361	3,667	3,500	New code for 2023/2024. Incl merchant fees.
Parks Grants		-	315	-	-	-	-	DNU - remove in 2027 - Code grant expenses to appropriate expense line
		23,200	24,234	29,540	36,392	39,756	42,100	
<u>Capital Outlays</u>								
Capital Improvements		-	-	-	33,109	26,533	31,000	Trail bridge (20k); Ped bridge lighting (20k-9k CTF)
Capital Equipment		-	-	56,125	23,600	60,133	-	
		-	-	56,125	56,709	86,666	31,000	
<b>Total Public Works Dept - Parks Expenditures</b>		<b>85,431</b>	<b>44,831</b>	<b>85,665</b>	<b>93,101</b>	<b>126,422</b>	<b>73,100</b>	
<b>Total Departments Expenditures</b>		<b>1,867,456</b>	<b>1,862,996</b>	<b>3,599,046</b>	<b>2,084,546</b>	<b>2,376,960</b>	<b>4,029,175</b>	
<b>Total Admin and Dept Expenditures</b>		<b>2,968,341</b>	<b>3,008,436</b>	<b>4,806,833</b>	<b>2,776,534</b>	<b>3,155,928</b>	<b>4,991,984</b>	
<b>TOTAL REVENUE OVER (UNDER) EXPENDITURES</b>		<b>0</b>	<b>131,323</b>	<b>(180,139)</b>	<b>3,371,247</b>	<b>3,270,613</b>	<b>3,102,613</b>	



# TOWN OF PALMER LAKE

Item 26.

## WATER FUND 2024 Budget DRAFT

		Final		Final		YTD Estimate	Proposed	
		Budget	Actual	Budget	Actual as of	Ending for	Budget	
		FY2022	FY2022	FY2023	11.30.2023	FY2023	FY2024	2024 Budget Explanatory Notes
	Description							
<b>WATER FUND REVENUE</b>								
	Water Billing Revenue	\$ 985,000	\$ 952,704	\$ 940,000	\$ 950,724	\$ 1,037,153	\$ 1,375,000	1018 accts x mo op fee (61.13) x 12 mo + est usage (per study)
	Water Improvement Fee	57,500	54,250	55,000	54,645	59,613	74,000	10% of monthly operating fee (new fee)
	Water Loan Revenue	213,500	215,582	216,000	197,954	215,950	216,000	1018 accts x 17.76 debt service x 12 mo
	Water Tap Fees	200,000	81,690	100,000	8,271	9,023	72,000	# of taps reduced due to economic slowdown
	Water Meter/ Parts	6,500	1,950	3,000	3,330	3,633	2,550	Meter sales reduced due to supply chain issues -- increase meter charge to \$850 (currently 650)
	Late Fees/ Service Fees	14,457	20,074	14,000	18,147	19,797	16,000	shutoff/late fees
	Water Reserve/Savings Interest	1,500	9,113	7,000	28,305	30,878	24,000	Estimating 4.75% on \$500,000 ColoTrust balances
	Water Revenue Interest	1,500	-	7,000	-	-	-	DNU - remove in 2026 (included in Water Reserve/Savings Interest line above)
	Water Reserve Colo Trust	343,072	-	-	-	-	-	DNU - remove in 2025 (included in Water Reserve/Savings Interest line above)
	Misc. Income	-	215	200	730	796	-	includes workers comp dividend
	Water Dept. Misc. Revenue / TANK	-	-	10,000	-	-	-	DNU - remove in 2026
	CDPHE 2020 QIF	-	25,300	-	-	-	-	DNU - remove in 2025
	American Rescue Plan	-	249,789	259,238	218,333	218,333	117,390	total remaining after 2023 expenses
	DOLA EIAF Water System-PER Grant	-	15,000	-	-	-	-	DNU - remove in 2025
	PLES Upper Glenway Water Improvement	-	-	-	-	-	101,520	12% of PLES Upper Glenway grant award
	Rural Water Apprentice Grant	-	-	-	-	-	7,500	Awarded for apprentice (non-wage; cost of program)
		<b>1,823,029</b>	<b>1,625,667</b>	<b>1,611,438</b>	<b>1,480,439</b>	<b>1,595,176</b>	<b>2,005,960</b>	
<b>Other Sources</b>								
	Unassigned Fund Balance	-	-	-	958,494	958,494	1,173,080	Estimated ending fund balance FY2023
	(Less) Restricted Fund Balance	-	-	-	(224,600)	(224,600)	(279,820)	Estimated ending restricted fund balance FY2023
		-	-	-	733,894	733,894	893,260	
	<b>Total Water Fund New Revenue</b>	<b>1,823,029</b>	<b>1,625,667</b>	<b>1,611,438</b>	<b>1,480,439</b>	<b>1,595,176</b>	<b>2,005,960</b>	
	<b>Total Water Fund Revenue</b>	<b>1,823,029</b>	<b>1,625,667</b>	<b>1,611,438</b>	<b>2,214,333</b>	<b>2,329,070</b>	<b>2,899,220</b>	
<b>WATER FUND EXPENDITURES</b>								
<b>Salaries and Benefits</b>								
	Salaries/Wages, Full Time	296,627	310,179	423,291	260,315	294,269	373,082	3% staff wage increase
	Salaries/Wages, Part Time	43,988	4,674	-	20,456	23,124	24,414	
	Salaries/Wages, PT Sick	1,466	(507)	-	12	14	-	
	On-call Pay	-	-	15,308	478	540	15,768	
	Overtime	20,303	144	1,482	-	-	1,311	
	Social Security ER	22,377	19,287	27,285	17,473	19,752	25,704	
	Medicare ER	5,233	4,511	6,381	4,086	4,619	6,011	
	FUTA	218	176	239	201	227	227	
	Workers Comp Ins	22,988	19,075	29,172	16,960	18,844	12,703	
	Retirement ER Match	41,079	60	17,603	2,769	3,130	17,185	.25% match increase to 4.25% (5% max)
	Health Ins ER- pd	-	(797)	40,900	8,674	9,805	39,780	health ins avg inc 17%. Town will adjust ER-pd portion to a
	Dental Ins ER- pd	-	-	-	-	-	2,202	separating dental (from health) in 2024



# TOWN OF PALMER LAKE

Item 26.

## WATER FUND 2024 Budget DRAFT

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	2024 Budget Explanatory Notes
Vision Ins ER- pd		-	-	-	-	-	348	separating vision (from health) in 2024
Life Ins ER- pd		518	522	1,245	812	918	1,014	
		<b>454,797</b>	<b>357,324</b>	<b>562,906</b>	<b>332,236</b>	<b>375,243</b>	<b>519,749</b>	
<b>Professional Services</b>								
Professional Svcs- Acctg		9,500	25,428	45,225	35,470	38,695	30,000	paycom and accounting services, audit
Professional Svcs IT/ Water Billing		58,000	56,637	78,000	53,910	58,811	62,000	4100 for CKT, 2400 for Sensus (reclass laptop); Timberline support
Professional Svcs- Legal		20,000	13,529	20,000	5,002	5,457	10,000	
Professional Svcs- Other		40,000	23,401	40,000	18,221	19,877	35,000	engineering
Professional Svcs- Other-005		-	2,749	-	-	-	-	DNU - remove in 2026
		<b>127,500</b>	<b>121,744</b>	<b>183,225</b>	<b>112,603</b>	<b>122,840</b>	<b>137,000</b>	
<b>Administrative/Operations</b>								
Employee Clothing		500	1,036	1,000	548	598	1,000	
Employee Training		5,000	1,103	4,500	-	-	3,000	CE
Employee Travel		2,000	248	6,000	91	99	300	
Employee Per Diem		-	-	3,000	-	-	500	
Bank Fees/ Services		400	27	100	-	-	100	
Communications		4,500	2,341	3,100	2,208	2,650	3,000	3k for ATT
Insurance		12,000	13,366	13,400	11,081	12,088	42,900	P&C (30% of 143k)
Publication / Legal Notices		500	-	500	-	-	-	DNU - remove in 2026 (paid in Admin)
Membership/ Registrations		10,000	10,262	10,000	8,151	8,892	10,000	AWWA, CRW, Regional Water (Sensus moved to IT)
Postage		-	25	-	-	-	-	DNU - remove in 2025 (paid with water billing svc)
Misc. Expenses		800	-	800	-	-	-	
General Supplies		-	6,739	-	-	-	1,000	
General Services		27,000	20,653	27,870	10,887	11,877	39,000	800 Orkin, 25k UNCC, Airgas, nox weeds, 10k survey (fence)
Utilities		120,750	97,891	83,000	62,335	68,002	135,000	all utilities
Utilities - Natural Gas		-	4,821	18,400	2,266	2,472	-	DNU - remove in 2026 (all utilities in 5300)
Utilities- Water		-	10,602	12,500	18,052	19,693	-	DNU - remove in 2026
Utilities- Sanitation		-	17,227	16,400	13,354	14,568	-	DNU - remove in 2026
Vehicle Loan- Principal		2,976	-	-	-	-	-	DNU - remove in 2025
Vehicle Loan - Interest		945	228	-	-	-	-	DNU - remove in 2025
General Supplies - Distribution		-	1,485	3,000	6,666	7,272	8,000	
General Supplies- Treatment		45,000	33,214	49,000	39,874	43,499	50,000	
Utilities- Sanitation		37,000	15,822	45,000	-	-	-	DNU - remove in 2026 (all utilities in 5300)
General Svc/Maint - Treatment		65,000	24,118	22,000	51,472	56,151	45,000	Includes equipment maintenance
Equipment Maintenance		23,000	138	19,539	-	-	-	DNU - remove in 2026.
Repair/Maint Supplies Treatment		-	15,943	-	-	-	-	DNU - remove in 2025
General Svc/Maint - Distribution		135,000	3,395	22,000	53,164	57,997	40,000	
Repair/ Maint Supplies Distribution		-	2,820	-	-	-	-	DNU - remove in 2025
Water Meters/ Parts Replace		5,000	19,721	2,000	1,053	1,149	10,000	
Water Meters / Repairs		5,000	-	3,000	-	-	-	DNU - remove in 2025 - (coded to Dist#5212)
Building Maintenance		2,000	649	2,000	5,586	6,094	5,000	
Vehicle Repair/ Maint		6,000	11,286	8,000	14,125	15,409	12,000	
Fuel		10,000	8,196	10,000	8,245	8,995	9,500	5% increase

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# TOWN OF PALMER LAKE

Item 26.

## WATER FUND 2024 Budget DRAFT

	Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	2024 Budget Explanatory Notes
Water Line Repair	79,030	700	-	-	-	-	DNU - remove in 2025
Water Quality Tests	27,949	3,756	23,731	9,086	9,912	10,000	
Reservoirs / Dam Maintenance	13,000	-	13,000	9,740	10,625	13,000	
	<b>640,350</b>	<b>327,812</b>	<b>422,840</b>	<b>327,984</b>	<b>358,042</b>	<b>438,300</b>	
<b>Capital Outlays</b>							
Capital Improvement - Building	323,254	83,226	262,541	-	-	12,000	Split fence (shop)
Capital Improvement - Distribution	-	-	-	-	-	150,000	Line cap, upgrade
Capital Improvement (Dist) - PLES Upper Glenway	-	-	-	-	-	141,900	PLES Upper Glenway improvement (grant)
Capital Improvement - Shady Ln	-	-	-	-	-	183,000	Order material
Capital Improvement - Treatment	-	-	-	44,824	44,824	5,000	
ARP - Expenses	-	240,285	-	218,333	218,333	117,390	infrastructure improvement (stub Shady Ln)
Capital- CL2	63,000	-	33,984	-	-	-	DNU - remove in 2026
Capital Equipment	26,400	-	92,000	-	-	40,000	Create 6100-000 in GP "Capital Equipment." 40K vehicle.
	<b>412,654</b>	<b>323,511</b>	<b>388,525</b>	<b>263,157</b>	<b>263,157</b>	<b>649,290</b>	
<b>Debt Service</b>							
CWRPDA 2009 Principal	89,078	89,078	89,078	90,417	92,696	101,229	updated from loan schedule
CWRPDA 2009 Interest	15,983	15,696	15,983	14,554	12,276	13,406	updated from loan schedule
CWRPDA 2018 Principal	48,845	48,845	48,845	49,579	99,158	50,829	updated from loan schedule
CWRPDA 2018 Interest	19,323	19,160	19,323	18,589	37,178	17,340	updated from loan schedule
General Fund Loan- Principal	-	-	-	-	-	14,375	updated from loan schedule
General Fund Loan- Interest	10,000	10,000	10,000	10,000	20,000	10,000	updated from loan schedule
Vehicle Loan- Principal	-	11,305	-	-	-	-	DNU - remove in 2025
	<b>183,229</b>	<b>194,084</b>	<b>183,229</b>	<b>183,139</b>	<b>261,308</b>	<b>207,179</b>	
<b>Total Water Dept Expenditures</b>	<b>1,818,529</b>	<b>1,324,475</b>	<b>1,740,725</b>	<b>1,219,119</b>	<b>1,380,590</b>	<b>1,951,518</b>	
<b>TOTAL REVENUE OVER (UNDER) EXPENDITURES</b>	<b>4,500</b>	<b>301,192</b>	<b>(129,287)</b>	<b>995,214</b>	<b>948,480</b>	<b>947,701</b>	
<b>NEW REVENUE OVER (UNDER) EXPENDITURES</b>	<b>4,500</b>	<b>301,192</b>	<b>(129,287)</b>	<b>261,320</b>	<b>214,586</b>	<b>54,442</b>	Rev over (under) Exp increases (decreases) Fund Bal. If Expenses are over Revenue, the difference may be covered by fund balance per Board's direction.
<b>APPROPRIATE FROM (TO) UNASSIGNED FUND BAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	To cover revenues (under) expenditures, this does not affect ending fund balance for 2024, as these funds are pulled from beginning fund balance 2024.
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>770,007</b>	<b>657,302</b>	<b>958,494</b>	<b>958,494</b>	<b>958,494</b>	<b>1,173,080</b>	
<b>FUND BALANCE - END OF YEAR*</b>	<b>\$ 770,007</b>	<b>\$ 958,494</b>	<b>\$ 829,207</b>	<b>\$ 1,219,814</b>	<b>\$ 1,173,080</b>	<b>\$ 1,227,522</b>	End Fund Balance = Beg Fund Balance + Revenue - Expenditures
<b>*3 month Operating Reserve required by CWR&amp;PDA</b>							
<b>\$224,600 per 2022 audit</b>							

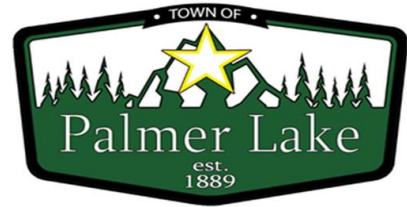
# TOWN OF PALMER LAKE

## CONSERVATION TRUST FUND

2024 Budget DRAFT

Item 26.

		Final Budget FY2022	Actual FY2022	Final Budget FY2023	Actual as of 11.30.2023	YTD Estimate Ending for FY2023	Proposed Budget FY2024	Notes
Description								
<b>CTF REVENUE</b>								
Interest Income- CTF		\$ -	\$ 474	\$ 400	\$ 1,336	\$ 1,457	\$ 1,200	Interest rates increase in 2023
CTF Revenue		44,406	33,726	36,140	26,472	28,879	36,140	
		44,406	34,200	36,540	27,808	30,336	37,340	
<b>Other Sources</b>								
Fund Balance		-	-	-	37,609	37,609	50,561	Estimated ending fund balance FY2023
		-	-	-	37,609	37,609	50,561	
<b>Total New Revenue</b>		<b>44,406</b>	<b>34,200</b>	<b>36,540</b>	<b>27,808</b>	<b>30,336</b>	<b>37,340</b>	
<b>Total CTF Revenue</b>		<b>44,406</b>	<b>34,200</b>	<b>36,540</b>	<b>65,417</b>	<b>67,945</b>	<b>87,901</b>	
<b>CTF EXPENDITURES</b>								
<b>Salaries and Benefits</b>								
Salaries/Wages, Part Time		16,480	17,658	18,720	7,808	7,808	13,000	
PT Sick Pay		549	264	624	-	-	-	DNU - remove in 2026
Social Security ER		1,022	1,111	1,199	484	484	806	
Medicare ER		239	260	280	113	113	189	
FUTA		43	71	42	42	42	21	
Workers Comp Ins		442	-	-	205	205	364	2024 rate = .028
		<b>18,775</b>	<b>19,364</b>	<b>20,866</b>	<b>8,652</b>	<b>8,652</b>	<b>14,380</b>	
<b>Administrative/Operations</b>								
General Supplies		11,000	4,183	4,150	236	236	-	
General Services		5,000	4,389	3,000	3,322	3,322	3,000	noxious weed abatement
Utilities		1,000	-	-	-	-	-	DNU - remove in 2025
Equipment Maintenance		2,500	-	350	-	-	-	DNU - remove in 2026
Repair/Maintenance Supplies		-	-	2,000	-	-	-	DNU - remove in 2026
Fuels/Lubricants		449	-	1,000	-	-	-	DNU - remove in 2026
		<b>19,949</b>	<b>8,572</b>	<b>10,500</b>	<b>3,558</b>	<b>3,558</b>	<b>3,000</b>	
<b>Capital Outlays</b>								
Capital Improvement		5,682	4,795	5,174	5,174	5,174	19,000	Playground resurface material at Centennial (10k) + Ped bridge lighting (9k)
		<b>5,682</b>	<b>4,795</b>	<b>5,174</b>	<b>5,174</b>	<b>5,174</b>	<b>19,000</b>	
<b>Total CTF Expenditures</b>		<b>44,406</b>	<b>32,731</b>	<b>36,540</b>	<b>17,384</b>	<b>17,384</b>	<b>36,380</b>	
<b>TOTAL REVENUE OVER (UNDER) EXPENDITURES</b>		<b>-</b>	<b>1,469</b>	<b>0</b>	<b>48,033</b>	<b>50,561</b>	<b>51,522</b>	
<b>NEW REVENUE OVER (UNDER) EXPENDITURES</b>		<b>-</b>	<b>1,469</b>	<b>0</b>	<b>10,424</b>	<b>12,952</b>	<b>961</b>	
<b>APPROPRIATE FROM (TO) FUND BALANCE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<b>36,140</b>	<b>36,140</b>	<b>37,609</b>	<b>37,609</b>	<b>37,609</b>	<b>50,561</b>	
<b>FUND BALANCE - END OF YEAR</b>		<b>\$ 36,140</b>	<b>\$ 37,609</b>	<b>\$ 37,609</b>	<b>\$ 48,033</b>	<b>\$ 50,561</b>	<b>\$ 51,522</b>	



Item 27.

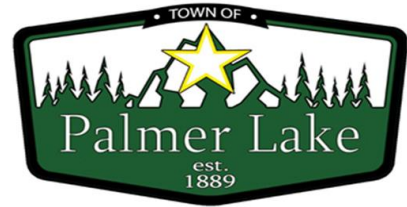
**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Distribute/Review Revised Employee Handbook
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

For the Board review, a draft of the revised employee handbook will be distributed for your consideration in January 2024. Primarily, the changes consist of clean up language and added reasons for sick leave.

If you have questions on the modifications, please reach out with questions.



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> December 14, 2023	<b>ITEM NO.</b>	<b>SUBJECT:</b> Distribute/Review Revised Draft Master Fee Schedule
<b>Presented by:</b>  Town Administrator /Clerk		

**Background**

For the Board review, a draft of the revised master fee schedule will be distributed for your review and consideration in January 2024. Primarily, the changes consist of water meter and tap fee, additional permit fees that are in town code but were not utilized (driveway, stockpile), and recommendations to amend the land use application fees.

If you have questions on the modifications, please reach out with questions.