MINUTES
Timnath Town Council
Meeting
6:00 PM - Tuesday, May 26, 2020
4750 Signal Tree Drive, Timnath, Colorado

PRESENT: Mayor Mark Soukup, Councilmember Aaron Pearson, Mayor Pro Tem Rick Collins, Councilmember Lisa Laake, and Councilmember Brett Hansen (all attended via Virtual access)

STAFF: Contracted Town Attorney Robert Rogers, Town Manager Wesley LaVanchy, Town Clerk Milissa Peters-Garcia, Interim Police Chief Terry Jones, Contracted Community Development Director Matt Blakely, Contracted Town Planner Brian Williamson, Contracted Town Planner Kevin Koelbel, Ashley Lauwereins, Communications Kim Newcomer, Contracted Town Engineer Eric Fuhrman, and Contracted Finance Director Christine Harwell (all attended via Virtual access)

1 CALL TO ORDER AND ROLL CALL 6:00 P.M.

2 AMENDMENTS TO THE AGENDA
a) Item 5a was removed from the consent agenda and moved to Item 8a.a.

3 PUBLIC COMMENT
The May 26th meeting of the Timnath Town Council will be held virtually. The Town welcomes members of the public to access this meeting online via the Town’s Facebook page.

Members of the public who wish to speak directly to the Council during the Public Comment portion of the meeting should submit a request to publiccomment@timnathgov.com. Please include your contact information and staff will schedule a live video conferencing connection with Council during the meeting. These requests must be submitted no later than 5:00 p.m. on May 26th.

Members of the public may also submit written statements no later than 5:00 p.m. on May 26th to publiccomment@timnathgov.com for Council to review. Emailed comments will be included in the official Town Council meeting minutes, but will not be read aloud during the meeting.

a) Comments were read into the record:

Has the Town completed any revenue projections in order to predict what budget cuts will be required in the coming fiscal year? It appears all state, county and local governments should be preparing for significant revenue shortfalls.

Have a great day!
Lori Frost Moore  
970-231-5801 

Hello, 

We are Timnath residents and bought a boat permit to use our motorized boat on Timnath reservoir. We have actually bought a permit the last 4 years and have never had a problem getting on the lake. 

Today was very frustrating when we got to the lake and couldn’t get on. I realize that it is first come first serve but it was full by 10am. 

I feel that with many places being closed for travel and activities due to Covid-19 many people will be boating this season. What are the chances we can open up boating 7 days a week. I feel with the lake only open for motorized boats Thursday-Saturdays and a few Sunday's it will be fight every Saturday to get on the lake. 

The price we pay to boat on Timanth is very expensive. It makes us really frustrated when we can’t even use what we paid for. 

I feel like all the boaters are very courteous and respectful boaters that it shouldn’t be an issue to open up the lake 7 days a week for 4 months out of the year. Actually, the lake usually is pretty gross with algae or the water levels are too low by early to mid August so it really is only 3-3.5 months of the year. 

Thanks for considering opening up the lake for more days to use boats. 

Thanks, 
Brandon and Jamie Bohn 

Hello City Council, 

We currently reside in Timnath Ranch and use the reservoir for wakeboarding and waterskiing. We truly appreciate the opportunity to have access to such a wonderful reservoir. We are seeing the use go up year after year, this is our 4th season with a motorized boat pass. 

I was always under the assumption we could only use the lake on a limited basis because of staffing at the lake. I found out recently that the reservoir is staffed 7 days a week. I feel having access to boat more days a week would be beneficial for everyone. This would help reduce crowds over the weekend days and less boats would be turned away or sitting in a line to get on the lake. 

I hope you look into opening the access to the lake 7 days a week. If you have any questions please reach out. 

Thank you 
The Maxfield Family  
303-910-0859
Please read this memo from me at tonight's Town Council meeting:

I read the memo in the Town's agenda that I received late Sunday afternoon for this evening's council meeting with great disappointment that the Town is not able to make the existing Riverbend police station site work for its future use. Having spent a considerable amount of time starting in 2012 with the town center concept, I can understand that maybe time has proven the need for a larger site. It was a very good strategic location at the time, since a police station is a more institutional-type structure than you would anticipate an architecturally strong image-builder to be on Harmony Road.

With that said, I would urge the Town to consider another Timnath location set back off of Harmony Road, rather than building on the prime commercial Fewell property key to the tax revenue of the Town. I am attaching for your review your January 2016 concept "pitch package" book prepared by the Town showing commercial-oriented uses for the Fewell tract, which again would be tax revenue generators for the Town.

The second issue I would like to point out would be your newly approved Harmony Corridor design standards, along with building materials. Please refer to 5.10.1's intent of "developing a distinct entry and commercial corridor to highlight Timnath". In my opinion, the desired "upscale agrarian/native prairie design aesthetic" seems difficult to achieve with a police station.

Other challenges to consider could be the building material standards which focus on brick, natural and manufactured stone, and architectural metal with a limitation of no more than 25% stucco. Prohibited materials are concrete block, tilt-up concrete panels, prefab metal building systems and a few other items.

Although the 5.10.3 Waiver Process allows a waiver from any standard in the design review section per the Timnath Land Use Code 2.9.15 and as approved by Town Council, it might undermine the intent of the design standards as other development projects follow yours, since yours will be the first built under these guidelines and will probably need numerous waivers.

I would urge the Town Council to consider that although the Town already owns the Fewell property, the police station may not be the best use for being next to the most important non-interstate commercial intersection in the Town's future.

Regards,

Craig Harrison
President
Harrison Resource Corporation
Office: 970-226-4100
Cell: 970-227-4100
craig@harrisonresource.com

Dear Mayor and Council Members,

Unfortunately I am unable to attend tonight's meeting as we were just made aware of
this item, but please read this into the record during the public comment portion of
tonight's meeting and included in the meeting minutes.

It has come to our attention in reviewing the agenda for tonight's meeting that the Town
intends to look at utilizing a portion of the Town Commercial property, which they
purchased from us, for construction of the Timnath Police station. This is concerning to
us. The original intent of this sale was for the Town to subsidize the property to speed
up Commercial / Retail Development of the Parcel. We agreed to sell the property to
the Town, below market value, because there was value to us and our future
homeowners to see the site Developed sooner rather than later for Commercial / Retail
uses. We actually oriented the whole project to create a pedestrian corridor so that
homeowners could walk to the Retail center from all areas of the Project. We have sold
this vision to both existing and future homeowners, and our Builder Partners. We have
made statements to our Buyers regarding surrounding land uses, and as such feel the
need to notify them of this proposed change so that they have an opportunity to voice
their concerns.

I have attached our Purchase Agreement (attached hereto) where Para. 21 and Para.
21(a) clearly require the Town to involve us in Joint Visioning for the Property, which
includes "allowable land uses". Further, it is clearly stated that we perceived as
"additional consideration" the statements made prior as an enticement to sell the
Property. To date, we have not received any request for a visioning session, or for our
thoughts on proposed land uses for the Property from the Town or its contractors.

We believe that if the Town chooses this path there will be negative impacts to our
Metropolitan District and commitments the Town has made there. Additionally, not
having the amenity of a Retail Center guts the project land plan we worked so hard to
achieve.

The last we heard, the current Town Police Station parcel was too small to serve the
needs of the Town and at that time staff made a request to purchase part of our Senior
living parcel (from a pending user) to accommodate their needs. Our 3rd Party Buyer
attempted to accommodate that request with a submittal they recently made to the
Town. Please see the attached site plan (attached hereto) indicating the additional area
necessary for the Police Station in the Southwest corner of the site.

This is prime Harmony corridor Commercial / Retail frontage and a potential Property
and Sales Tax producing asset. Forever converting it to a non-income producing asset
would diminish its potential. Most municipalities covet their retail ground and do
whatever they can to protect anything from going in that would jeopardize their ability
to collect sales tax. A lot of municipalities would also give anything to have a road like
Harmony that has the daily traffic that retailers desire and need to make their projects
work. We are worried that if the Town sets this standard of utilizing prime commercial
ground for Municipal uses it will likely sanitize the rest of the Trailside Harmony Rd.
frontage and further degrade your asset.

We would like to request that the use of the Fewell Commercial parcel be stricken from
consideration for the future police station and would like to schedule our required joint
visioning session immediately.

Please let me know if you have any questions.
Thanks,
Pat

4  CONSENT AGENDA: PAYABLES
   a)  May 12, 2020 Check Register
   b)  May 26, 2020 Check Register

Mayor Pro Tem Rick Collins made a motion to approve the payable consent agenda. Councilmember Lisa Laake seconded the motion. CARRIED. unanimously.

5  CONSENT AGENDA: FIRST READING
   a)  ORDINANCE NO. 6, SERIES 2020, An Ordinance Amending the Parking Regulations in Chapter 8 Article 2 of the Timnath Municipal Code and Setting a Public Hearing on June 9, 2020, at 6:00 p.m. ("Ordinance")
   b)  ORDINANCE NO. 7, SERIES 2020, An Ordinance Amending Chapter 7, Article 9 of the Timnath Municipal Code Regarding Pet Licensing and Setting a Public Hearing on June 9, 2020, at 6:00 p.m. ("Ordinance")
   c)  ORDINANCE NO. 8, SERIES 2020, An Ordinance Amending Chapter 6, Article 2 of the Timnath Municipal Code Regarding Mandatory Alcohol Compliance Training and Regulations for Outdoor Consumption Areas and Setting a Public Hearing on June 9, 2020, at 6:00 p.m. ("Ordinance")

Councilmember Aaron Pearson made a motion to approve the first readings consent agenda. Mayor Pro Tem Rick Collins seconded the motion. CARRIED. unanimously.

6  CONSENT AGENDA: ALL OTHER
   a)  Approval of the May 12, 2020, Town Council Meeting Minutes
   b)  A Resolution Authorizing Supplemental Funding for Ongoing Litigation Support in Case No. 2018CW3166 ("Resolution")

Mayor Pro Tem Rick Collins made a motion to approve all other consent items. Councilmember Aaron Pearson seconded the motion. CARRIED. unanimously.

7  REPORTS
   a)  Mayor and Council Reports

   Councilmember Pearson spoke about the report he provided and asked that Council allow the letter to Governor Polis be submitted by the Town.

   Council discussed the purpose of the letter as it relates to counties and municipalities receiving funding from the State and Federal governments.

   b)  Finance Update Report
Included in the packet.

c) Engineering Report
   Included in the packet.

d) Community Development Report
   Included in the packet.

e) Police Staff Report
   Included in the packet.

f) Police Building Staff Report
   Included in the packet.

g) General Counsel Report
   Included in the packet.

h) Manager Report
   Included in the packet.

8 BUSINESS

a) MOVED FROM ITEM 5a-ORDINANCE NO. 5, SERIES 2020, An Ordinance Amending Chapter 7, Article 6 of the Timnath Municipal Code and Further Amending the Amended 2018 International Fire Code Regarding the Use of Permissible Fireworks Previously Adopted by Reference and Setting a Public Hearing on June 9, 2020, at 6:00 p.m. ("Ordinance")

- PFA Fire Chief DeMint spoke to Council about the Town's adopted International Fire Code, possible threats with changing the Town's municipal code, limited resources available to help fight fires due to COVID-19 and how the change could effect pets and vets (Veterans). He also spoke about strict enforcement, public education and encourages the commercial display that the Town will be providing.
- Hansen spoke about having a conversation with PFA Fire Chief DeMint and that he feels the Town residents are responsible enough to handle the change in a safe and respectful way.

Mayor Pro Tem Rick Collins made a motion to approve ORDINANCE NO. 5, SERIES 2020, An Ordinance Amending Chapter 7, Article 6 of the Timnath Municipal Code and Further Amending the Amended 2018 International Fire Code Regarding the Use of Permissible Fireworks Previously Adopted by Reference and Setting a Public Hearing on June 9, 2020, at 6:00 p.m. Councilmember Brett Hansen seconded the motion. CARRIED, unanimously.

b) RESOLUTION NO. 38, SERIES 2020, A Resolution Establishing a Small Business Relief Grant Program in Response to COVID-19 ("Resolution")
Mr. LaVanchy spoke to Council about the proposed resolution. Councilmember Pearson spoke about the possibility of reimbursement of the grant funds by governmental agencies. Mayor Pro Tem Collins asked about the potential number of businesses that may request a grant and Councilmember Pearson explained that he expected the possibility of 10 to 15 business that meet the criteria.

Councilmember Aaron Pearson made a motion to approve RESOLUTION NO. 38, SERIES 2020, A Resolution Establishing a Small Business Relief Grant Program in Response to COVID-19. Councilmember Lisa Laake seconded the motion. CARRIED, unanimously.

c) RESOLUTION NO. 39, SERIES 2020, A Resolution Approving the Formation, Membership, Goals, and Responsibilities of the Town of Timnath Finance Committee ("Resolution")

- Mr. Rogers spoke to Council about the proposed resolution.
- Council discussed staggering committee member terms and allow Mayor Soukup, as Town Council representative of the committee, to decide the manner in which the terms would be staggered.

Mayor Pro Tem Rick Collins made a motion to approve Resolution NO. 39, SERIES 2020, A Resolution Approving the Formation, Membership, Goals, and Responsibilities of the Town of Timnath Finance Committee ——allow staggering. Councilmember Lisa Laake seconded the motion. CARRIED, unanimously.

d) RESOLUTION NO. 40, SERIES 2020, A Resolution Approving the Formation of the Town of Timnath Metro District Ad Hoc Committee ("Resolution")

- Mr. Rogers spoke to Council about the proposed resolution.
- Councilmember Hansen expressed his excitement about the committee and how it will improve the relationship between the residents and developers.
- Council discussed the pros and cons of having non-resident voting members, developer involvement, the purpose of the committee and the addition of other key players, such as HOA board members.
- Mr. Rogers spoke about the Town's involvement in Metro Districts and the Town's the lack of involvement in HOA's.

Mayor Pro Tem Rick Collins made a motion to approve RESOLUTION NO. 40, SERIES 2020, A Resolution Approving the Formation of the Town of Timnath Metro District Ad Hoc Committee. Councilmember Aaron Pearson seconded the motion. CARRIED, unanimously.

9 DISCUSSION AND FUTURE AGENDA ITEMS

a) Police Services Design Update
• Mr. Williamson spoke to Council about the police services building design, programming, construction management selection and site alternatives. He spoke about the evaluation of alternative sites, infrastructure needs and preliminary visioning.

• Councilmember Pearson expressed his disappointment with the changes being proposed due to his involvement on this project with the previous Council, that he felt blindsided by the information provided and the timing in which the packet was received by the residents. He read the following statement into the record:

In 2012, the council purchased the current police station site along with the fire station, and town center for the purpose of having a centrally located civic center that would be most responsive to the community. The council worked with Riverbend, Craig Harrison to negotiate a very good price for the property, far below market value, in exchange for a timed construction date for the lots. The fire station was first, followed by the town center, and now the police station must start construction by August 1st of 2020 or Riverbend may purchase the lot back at the reduced price of $310k, far below today’s value.

Moving the police station would result in the town losing all the appreciation the lot has gained over the last 8 years. Additionally, the police design team, which includes a police building expert has been working on this for almost a year, and designed a two story building on the lot which will meet the needs for the next twenty years, and for a reasonable price, which is also budgeted for entire build out, and the equity in the property is our portion, which allows us to finance the entire construction at very low rates and short term.

In February the team shared with us at a council meeting that police buildings are difficult to add on too like an office building because they have central functions, and construction costs are the lowest they will be now, and a two story is more cost effective, so to be able to build all of it now is the most cost effective. Also, financing rates are favorable now too, also making it make sense to do it all now. This site has been identified for years in our comprehensive plan, and has been promoted as the location in many, many open meetings with the public for years, so to change it now doesn’t seem right, as people may have purchased property thinking it would be located on this site.

There are also financial and other reasons though why it also does not make sense to move it to the proposed location on Harmony.

1. This 15-acre property was purchased so the town could find the right developer with a shared vision to bring the right retail and services to the property that the town residents wanted. The seller, Hartford, sold it to the town at a very reasonable price to allow the town to be able to offer and attract desired local or other businesses. This made sense to the seller because it would enhance their property and their residents would want that attached to their neighborhood. We agreed to work together for the ultimate use of the property, so I do not think this site was the intent, and I am sure they would not have sold it to us for this purpose. Also, this property is in the commercial metro district, so they would be losing future income that they anticipated, so again, just do not think this is acting as a good partner.
2. The Harmony corridor was also identified as setting the stage for our whole town, so we set very high building standards to make sure everything was high caliber, such as the Neenan project, where it has architecture that is interesting, and elements not required further back off of Harmony.

3. The Harmony corridor is very critical to our commercial development and our plan was to make sure we sought the highest and best revenue and desired use for the land, a police building would not be a revenue generator or highest and best use, and also, although only 3 acres proposed, would definitely stop any other commercial interest on the remaining land, costing the town significant dollars in lost revenue, at a time when other communities sorely need revenue.

Below is a snapshot of the financial reasons I do not agree with the change in the proposed site.

1. Loss of appreciation in current site being repurchased by Riverbend estimate -$400,000
2. Construction costs for a two story, and to build all at once, is more cost effective than to add on later to a one-story building, plus the police building central function effectiveness is also lost. A very rough estimate on what these changes might cost assuming a $450 /SF cost-$3,000,000
3. Lost sale of 3 acres of prime Harmony land to town at even a low market Price of $12/SF-$1,570,000
4. Most importantly, the loss of revenue for the property. Property, use, and sales tax for a prime commercial property is significant. Although COVID may be slowing things down right now, it will come back, and we have had some initial interest already. Just looking at a 20-year timeline only the estimated loss of these three revenue channels to the town is $6,600,000
5. Total potential revenue loss to the town in millions over the next twenty years-$11,570,000

**Note: these numbers have been updated to include only a 3-acre parcel of land. In my original presentation I used the whole 15-acre parcel in my numbers. I was incorrect about the size of land and the projection loss of revenue. This is more accurate.

- Council discussed the current site proposal previously discussed, possible downside to that site, the vision of property along Harmony Road, cost analysis for the alternative sites, the purpose of a town center and what is envisioned. They spoke about possible expansion needs per site, agreements in place with developers regarding certain parcels and jump-starting growth along Harmony Road.
- Mr. LaVanchy spoke about staff being able to perform a detailed analysis to bring back for Council to review. Mr. Williamson asked for Council expectation regarding alternate locations and options.
- Council asked staff to look at all options and locations available in the Town. They spoke about finding a site that is adequate for the needs, whether that be a single or 2 story building and asked that something be brought back for Council to review at the end of June or early July.
10 ADJOURNMENT 7:43 P.M.

DocuSign by:
Mark J. Soukup
Mayor

DocuSign by:
Milissa Peters-Garcia
Town Clerk

PUBLIC COMMENT ATTACHMENTS ATTACHED HERETO:
DEVELOPMENT AND
PURCHASE AND SALE AGREEMENT
(Town Commercial Parcel)

THIS DEVELOPMENT AND PURCHASE AND SALE AGREEMENT (the "Agreement"), is made and entered into to be effective as of the 9th day of January, 2018 (the “Effective Date”), by and between THE TOWN OF TIMNATH, a Colorado municipal corporation (“Town”) and HARTFORD INVESTMENTS, LLC, a Colorado limited liability company (“Hartford”) and/or assigns. The Town and Hartford are referred to herein individually as a “Party” and collectively as the “Parties.”

1. **Purpose.** The purpose of this agreement is to memorialize development terms for approximately one hundred sixty-five (165) acres, more or less, located on the south side of Harmony Road, between Signal Tree Way on the west and Great Western Railroad on the east, Town of Timnath, Larimer County, State of Colorado, annexed to the town in conjunction with the approval of this Agreement (the “Fewell/Feldman Property”), and to address the terms of the purchase and sale by the Town of approximately 15 commercial acres within the Fewell/Feldman Property, as described more fully below.

2. **Agreement of Sale and Purchase of Town Commercial Property.** For and in consideration of the Purchase Price and of the premises, undertakings, and mutual covenants of the Parties set forth herein, Hartford agrees to sell and convey unto the Town, and the Town hereby agrees to purchase and take from Hartford that certain approximately 15 acre parcel being generally depicted on Exhibit A attached hereto and made a part hereof, together with all improvements thereon an all singular rights and appurtenances pertaining thereto, (all of such real property, rights, and appurtenances being hereinafter referred to collectively as the “Town Commercial Property”). The agreement of the Parties associated with the purchase and sale of the Town Commercial Property shall be referred to herein as the “Town Purchase Right.” The approximately 15 acre parcel referred to herein will include one-half of the right-of-way for the planned roads on the south and south east of the Town Commercial Property, i.e. the Town Commercial Property does not include a full 15 acres of developable land. The Town Commercial Property does not include any water, water rights, minerals or mineral rights all of which shall be reserved by Hartford at Closing. Hartford shall seek approval of a plat with Town that will create a single legal tract or tracts for the Town Commercial Property. Upon Town approval and recording of a Final Plat for the Fewell/Feldman Property which shall also create a legal tract or tracts for the Town Commercial Property, the Parties agree that the legal description of the newly platted tract or tracts for the Town Commercial Property shall be substituted for the 15 acre parcel depiction in Exhibit A. The Town Commercial Property shall be conveyed to Town by Hartford using the platted tract(s) as the legal description for the Town Commercial Property.

3. **Purchase Price.** Hartford shall sell, and the Town shall purchase, the Town Commercial Property for One Million Two Hundred Sixty Five Thousand Dollars ($1,265,000) (the “Purchase Price”).

1
4. **Payment of Purchase Price.** The Purchase Price shall be due and payable in US Dollars by wire transfer to Hartford at Closing.

5. **Evidence of Title.**

   (a) **Commitment.** On or before seven days after the Effective Date (the “Title Deadline”), Hartford, at Hartford’s expense, shall cause to be furnished to Town a current commitment for owner’s title insurance policy in an amount equal to the purchase price (“the Commitment”) from Heritage Title Company (“the Title Company”). The Commitment shall commit to delete or insure over the standard exceptions which relate to: (1) parties in possession; (2) unrecorded easements; (3) survey matters; (4) any unrecorded mechanic’s liens; (5) gap period (effective date of the Commitment to date deed is recorded); and (6) unpaid taxes, assessments, and unredeemed tax sales prior to the year of Closing. Neither the failure of the Title Company to deliver a Title Commitment on or before the Title Deadline nor the Title Company’s failure or refusal to commit to delete or insure over the standard exceptions as described above will be considered a default of Hartford.

   (b) **Survey.** On or before twenty-one (21) days after the Effective Date (the “Survey Deadline”), Town, at Town’s sole cost and expense, may commission a current ALTA/ASCM survey of the Town Commercial Property (“the Survey”). The Survey shall indicate that it is for the benefit of and shall be certified to Hartford, Town and the Title Company and shall not contain any limitation of liability.

   (c) **Copies of Exceptions.** On or before the Title Deadline, Hartford shall ask the Title Company to furnish to Town (1) a copy of any plats, declarations, covenants, conditions, and restrictions burdening the Town Commercial Property; and (2) copies of any other documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions in the Commitment (“the Exceptions”). This requirement shall pertain only to documents as shown of record in the office of the Clerk and Recorder of Larimer County, Colorado. The Commitment, Survey, and copies or summaries of the Exceptions constitute the title documents (“the Title Documents”).

6. **Title.**

   (a) **Title Review.** Town shall have the right to inspect the Title Documents. Written notice by Town of unmerchantability of title or of any other unsatisfactory title condition shown by the Title Documents shall be signed by or on behalf of Town and given to Hartford on or before thirty (30) days after the Effective Date (the “Title Objection Deadline”). If Hartford does not receive Town’s notice by the Title Objection Deadline, Town accepts the condition of title as disclosed by the Title Documents as satisfactory. If Town determines that there are title exceptions or matters shown on the Commitment other than those acceptable to Town, Town shall notify Hartford, in writing, of such title objections (“Town’s Title Objection Notice”) and Hartford shall have the right, within ten (10) days after receiving such notice, to elect, by providing written notice thereof to Town: (i) to cure the title objections at Hartford’s cost and expense, or (ii) not to cure such objections (“Hartford’s Title Response Notice”). Hartford’s failure to notify Town in writing within the stated time frame shall be deemed Hartford’s election not to cure. If Hartford elects to cure, Hartford shall complete such cure within twenty
(20) days after Hartford’s Title Response Notice but in no event later than the Closing Date, and provide Town with an update to the Commitment demonstrating that the title objections have been cured. If Hartford fails to timely cure or elects not to cure, then Town shall be entitled to elect to terminate the Town Purchase Right or waive such objection by delivery of written notice to Hartford on or before the date that is five (5) days after the date on which Hartford’s Title Response Notice was due or cure was to be completed as the case may be, and if Town elects to terminate, the Town Purchase Right shall immediately terminate and thereafter no Party hereto shall have any further obligation or liability to the other with respect to the Town Purchase Right contemplated by this Agreement, except for those provisions of this Agreement that expressly survive termination. If Town fails to timely deliver its written waiver pursuant to the preceding sentence, this Agreement shall be deemed terminated and thereafter no party hereto shall have any further obligation or liability to the other with respect to the Town Purchase Right contemplated by this Agreement, except for those provisions of this Agreement that expressly survive termination.

(b) Matters Not Shown by the Public Records. Hartford shall disclose to Town, on or before the Title Deadline all easements, liens, or other title matters not shown by the public records of which Hartford has actual knowledge. Town shall have the right to inspect the Town Commercial Property to determine whether any third party or parties has any right in the same not shown by the public records (such as an unrecorded easement or boundary line discrepancy). Any such inspection may only occur upon forty-eight hours prior written notice to Hartford. Written notice of any unsatisfactory condition(s) disclosed by Hartford or revealed by such inspection shall be signed by or on behalf of Town and given to Hartford on or before the thirty (30) days after the Effective Date, (the “Due Diligence Deadline”). If Hartford does not receive Town’s notice by said date, Town accepts title subject to such rights, if any, of third parties of which Town has actual knowledge.

(c) Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTIES WITHIN SUCH DISTRICTS. PROPERTIES OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTIES IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTIES, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

7. Closing. The closing of the purchase and sale of the Town Commercial Property (the “Closing”) shall be competent at the offices of the Title Company and shall take place on the date that is seven (7) days after satisfaction or Hartford’s written waiver of the conditions precedent set forth in Section 17 below (the “Closing Date”). Each Party may deliver all
documents and funds required hereunder to the Title Company for Closing so that no Party is required to attend Closing in person.

8. **Transfer.** Subject to tender or payment of the Purchase Price at Closing as required herein and compliance by Town with the other terms and provisions hereof to be performed prior to Closing, Hartford shall execute and deliver a good and sufficient special warranty deed (the “Deed”) to Town conveying the Town Commercial Property free and clear of all liens and encumbrances subject only to those specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Town in accordance with Section 6 hereinafore and a reservation of all water, water rights, minerals and mineral rights.

9. **Hartford’s Obligations At Closing.** At Closing, Hartford shall do the following:
   
   a. Hartford shall duly execute, have acknowledged, and deliver to Town the Deed; and
   
   b. Hartford shall pay Hartford’s closing costs as hereinafter specified and as specified in a settlement statement approved by Hartford;
   
   c. If there are any mortgages or deeds of trust encumbering the Town Commercial Property, Hartford shall cause to be secured from the lender, or other holder of any note or lien on the Town Commercial Property, a properly-executed and recordable release or partial release of lien for execution and delivery simultaneously with the Deed;
   
   d. Hartford shall cause the Title Company to commit to Town that it has issued, or, within a reasonable time after the Closing, shall issue, a Title Policy in the amount of the Purchase Price, insuring fee simple, good and indefeasible title to the Town Commercial Property and right of access thereto in Town consistent with the Title Commitment;
   
   e. Hartford shall execute and deliver to Title Company such other documents as are reasonably necessary or appropriate in order to consummate the transactions described in this Agreement.

10. **Town’s Obligations At Closing.** At Closing, the Town shall do the following:
    
    a. Pay to Hartford the Purchase Price in US Dollars via wire transfer or other immediately available funds, subject to the credits and prorations as described in this Agreement;
    
    b. Town shall execute and deliver such other documents as are reasonably necessary or appropriate in order to consummate the transactions described in this Agreement.

11. **Closing Costs.**
    
    a. Hartford shall pay the following costs and expenses in connection with Closing:
    
    i. Hartford’s portion of the prorated taxes and fees and any assessments (as provided below);
ii. Hartford's own attorney's fees;

iii. The cost of preparing the Deed;

iv. One-half of the Title Company's escrow fee;

v. The premiums for the Title Policy, except for any premium associated with any extended coverage or special endorsements requested by Town that Hartford has not agreed to pay; and

vi. Such other incidental costs and fees customarily paid by sellers in land transactions of this nature in the county where the Town Commercial Property is situated.

b. Town shall pay the following costs and expenses in connection with Closing:

i. Town's own attorney's fees as well as all fees related to consultants working for the Town on the transaction;

ii. The cost of recording the Deed;

iii. One-half of the Title Company's escrow fee;

iv. The premium associated with any extended coverage or special endorsements to the Title Policy requested by Town that Hartford has not agreed to pay; and

v. Such other incidental costs and fees customarily paid by purchasers in land transactions of this nature in the county where the Town Commercial Property is situated.

12. Proration of Taxes. Current ad valorem taxes shall be prorated as of the Closing Date based on the most recent valuation of the Town Commercial Property without giving effect to any exemptions. All prorations pursuant to this Agreement shall be final. All outstanding and unpaid ad valorem taxes and assessments for prior calendar years shall be paid by Hartford.

13. Remedies. If either Party breaches an express warranty or representation set forth in this Agreement or fails to perform any of its obligations under the Agreement, then the non-defaulting Party shall give written notice of a potential default to the defaulting Party. If such default is not cured within 14 days after receipt of such notice, the non-defaulting Party shall have a right to pursue any rights and remedies as are available at law or in equity, except no Party shall have the right to recover (and each Party hereby waives all rights to) any speculative, consequential, or punitive damages for such default.

14. Hartford's Representations, Warranties, and Covenants. Hartford hereby makes the following representations and warranties and covenants, which shall be true and applicable as of the Closing, and which shall survive the Closing for a period of three (3) months. For the
purposes of this Agreement, "Hartford’s actual knowledge" means the actual knowledge of Landon Hoover, Gary Hoover, and Patrick McMeekin.

a. Hartford is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Colorado, and has all necessary authority to transact business in the State of Colorado.

b. This Agreement and all documents required hereby to be executed by Hartford is and shall be valid, legally binding obligations of and enforceable against Hartford in accordance with their terms. The person or entity executing this Agreement on behalf of Hartford has the full right and authority to do so.

c. To Hartford’s actual knowledge, there are no pending or threatened suits, proceedings, or litigation affecting the Town Commercial Property.

d. Hartford has received no written notice of any violations of any owners association covenants, rule or regulations or any law, code or regulation applicable to the Town Commercial Property, and to Hartford’s actual knowledge, there are no such violations.

e. To Hartford’s actual knowledge, there are no attachments, executions, or assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws pending or threatened against Hartford.

f. There are no mortgages, deeds of trust, or any other loan or agreement affecting the Town Commercial Property except as reflected in the Title Commitment.

g. To Hartford’s actual knowledge, the execution of this Agreement and the consummation of the transactions contemplated hereby are not (nor will they be with the passage of time) a breach or default under any agreement or instrument to which Hartford is a party, nor will they require the consent or approval of any other person.

h. To Hartford’s actual knowledge, Hartford is currently in compliance with the regulations of OFAC (including those named in OFAC’s Specially Designated and Blocked Persons list) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

i. No portion of the Closing proceeds hereunder has been or will be used, directly or indirectly for, and no fee, commission, rebate or other value has been or will be paid to, or for the benefit of, any governmental official, political party, official of a political party or any other person acting in an official capacity in violation of any applicable law, including the U.S. Foreign Corrupt Practices Act of 1977, as amended.

j. To Hartford’s actual knowledge, there are no parties in possession of any portion of the Town Commercial Property as lessees, tenants at sufferance, or trespassers except pursuant to the farm lease, a copy of which has been or will be provided to Town prior to the Title Objection Deadline.
k. To Hartford's actual knowledge, there are no pending, or threatened condemnation or similar proceeding or special assessment affecting the Town Commercial Property, or any part thereof, nor, is any such proceeding or assessment contemplated by any Governmental Agency. As used herein, the term "Governmental Agency or Agencies" shall mean the United States, the State of Colorado, the County and municipality (if any) in which the Town Commercial Property is located or otherwise having jurisdiction over Hartford or the development of the Town Commercial Property; any metropolitan district, special improvement, service district, school district, owners association or similar taxing authority in which the Town Commercial Property is located or otherwise having jurisdiction over Hartford or the development of the Town Commercial Property; and any agency, department, commission, board, or bureau of instrumentality of any of foregoing.

l. Hartford is not a "foreign person", as defined in the Internal Revenue Code.

m. During the period of its ownership, to its actual knowledge, Hartford has not received any written notice of any violation of any laws, ordinances, regulations, statutes, codes, rules, orders, decrees, determinations, covenants, and restrictions relating to the Town Commercial Property including, but not limited to, Environmental Laws, as hereinafter defined, including those promulgated or imposed by the FHA, the VA, and by any Governmental Agency or any board of fire underwriters (or any other body authorized to exercise any similar function). Furthermore, to Hartford's actual knowledge, no default or breach exists under any of the covenants, conditions, restrictions, rights-of-way, or easements affecting the Town Commercial Property or any portion thereof.

n. Hartford's representations and warranties set forth herein shall not merge into the deed to be delivered at Closing and are deemed to be material to Town's execution of this Agreement and Town's performance of its obligations hereunder.

15. Town's Representations and Warranties. Town hereby makes the following representations and warranties and covenants, which shall be true and applicable as of the Closing, and which shall survive the Closing for a period of three (3) months.

a. Town has the full right, power, and authority to purchase the Town Commercial Property from Hartford as provided in this Agreement and to carry out its obligations hereunder; and all required action necessary to authorize Town to enter into this Agreement and to carry out its obligations hereunder has been taken prior to the Closing Date.

b. Town is a Colorado municipal corporation duly organized, validly existing, and in good standing under the laws of the State of Colorado.

c. This Agreement and all documents required hereby to be executed by Town are and shall be valid, legally binding obligations of and enforceable against Town in accordance with their terms. The person or entity executing this Agreement on behalf of Town has the full right and authority to do so.

d. No approval, authorization, consent, exemption, or other action by, or notice to, or filing with, any Government Agency or any other person is necessary or required in
connection with the execution, delivery, or performance by, or enforcement against, Town, as applicable, of this Agreement. “Government Agency” means all governmental or quasi-governmental agencies, authorities, bodies, districts, or entities exercising or having jurisdiction over the development of the Town Commercial Property.

e. There are no actions, arbitrations, claims, disputes, inquiries, proceedings, or suits pending or threatened, at law, in equity, in arbitration, or before any Government Agency, by or against Town or against any of its properties or revenues that (i) purport to affect or pertain to this Agreement or (ii) if adversely determined, would reasonably be expected to result in a material adverse effect upon the Town Commercial Property and its use for development.

f. Town is currently in compliance with the regulations of OFAC (including those named in OFAC’s Specially Designated and Blocked Persons list) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

g. No portion of the cash or money used to pay the Closing proceeds hereunder has been used, directly or indirectly for, and no fee, commission, rebate or other value has been or will be paid to, or for the benefit of, any governmental official, political party, official of a political party or any other person acting in an official capacity in violation of any applicable law, including the U.S. Foreign Corrupt Practices Act of 1977, as amended.

h. The Parties intend that the sale of the Town Commercial Property will be exempt from the Interstate Land Sales Full Disclosure Act, 15 U.S.C. § 1701, et seq., under the exemption applicable to the sale or lease of property to any person who acquires property for the purpose of engaging in the business of constructing residential, commercial, or industrial buildings or for the purpose of resale of such lots to persons engaged in such business. Town hereby represents and warrants to Hartford that it is acquiring the Town Commercial Property for such purposes. The Parties further acknowledge that the sale of the Town Commercial Property will be exempt under the Colorado Subdivision Buyers Act, C.R.S. § 12-61-401, et seq., under the exemption applicable to transfers between developers. Town represents and warrants to Hartford that Town is acquiring the Town Commercial Property for the purpose of participating as the owner of the Town Commercial Property in the development, promotion, and/or sale of the Town Commercial Property and portions thereof.

16. **Subject to Annual Appropriation and Budget.** The Town does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The obligations of the Town under this Agreement are subject to annual budgeting and appropriations, and Hartford expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of the Town Council, and the obligations of the Town shall extend only to monies appropriated for the purposes of the matters described in this Agreement.
17. **Subject to Certain Conditions Precedent.** The obligations of Hartford and the Town are expressly subject to the following conditions precedent which must be satisfied or waived in writing prior to or concurrently with Closing:

   a. Hartford shall have closed on the purchase of the Fewell/Feldman Property and shall own the same consistent with its obligations under this Agreement.

   b. Town shall have closed on the purchase of certain other lands commonly referred to between the Parties as the South Farm.

   c. The Fewell/Feldman Property shall have been annexed to the Town and shall have received the requested CC – Community Commercial zoning for the Town Commercial Property and R3 – Mixed Residential zoning with a PD – Planned Development District overlay zoning for the balance of the Property.

   d. The Town shall have approved and recorded a final plat for the Fewell/Feldman Property and entered into a Subdivision Improvements Agreement ("SIA") with Hartford for the planned development of the Fewell/Feldman Property both in form acceptable to Hartford and the Town. The Parties hereto anticipate that the SIA will include a 10-year vested property right for development of the Fewell/Feldman Property.

   e. Hartford shall have completed formation of metropolitan districts for the Fewell/Feldman Property and the Town shall have provided its approval of a service plan by a Resolution approved by the Town Council for the Fewell/Feldman Property associated with the creation of one or more metropolitan districts.

18. **Notices.** Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall, in the case of a notice or demand, be given electronically or in writing, and if made in writing may be personally delivered or given or made by recognized overnight courier service (such as Federal Express, Airborne or DHL), or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

   **To the Town:**
   Town of Timnath  
   4800 Goodman Street  
   Timnath, CO 80547  
   Attention: Town Manager  
   970-224-3211 (phone)  
   970-224-3217 (fax)  
   agetchius@timnathgov.com

   **With a copy to:**
   WHITE BEAR ANKELE TANAKA & WALDRON  
   Attorneys at Law  
   2154 East Commons Avenue, Suite 2000  
   Centennial, Colorado 80122  
   Attention: Robert G. Rogers, Esq.  
   (303) 858-1800 (phone)
(303) 858-1801 (fax)
rrogers@wbapc.com

To Hartford:
Hartford Investments, LLC
4801 Goodman Street
Timnath, CO 80547
Attention: Landon Hoover
(970) 674-1109
Landon@Hartfordco.com

With a copy to:
Coan, Payton & Payne, LLC
103 W. Mountain Avenue, Suite 200
Fort Collins, CO 80524
Attention: G. Brent Coan, Esq.
(970) 225-6700
gbcoan@cp2law.com

Any party may designate a different address for itself by notice similarly given. Unless otherwise provided herein, any such notice, demand or document so given, delivered or made by recognized overnight courier or by registered or certified mail shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

19. **No Merger.** Any covenant or agreement herein which contemplates performance after the time of Closing pursuant hereto shall not be deemed to be merged into or waived by the instruments of Closing, but shall expressly survive Closing, subject to any period of survival set forth herein that is applicable to such covenant or agreement, and be binding upon the Parties obligated thereby.

20. **Real Estate Broker’s Commission.** The Parties represent and warrant to one another that no broker, person or entity is entitled to a commission, finder’s fee or other compensation arising from this transaction, and each party hereby agrees to indemnify, defend and hold the other party harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any other broker, person or entity claiming by or through such indemnifying party.

21. **Additional Terms.** The Parties acknowledge and agree that Town’s agreement to following Additional Terms is a material part of this Agreement and considered additional consideration for Hartford’s agreement to sell the Town Commercial Property to Town. All of the following Additional Terms that cannot be fully performed prior to Closing will survive Closing and delivery of the Deed. Additionally, all of the following Additional Terms shall survive a decision by the Town not to exercise the Town Purchase Right. Town acknowledges that Hartford has and will detrimentally rely upon the Town’s agreement to satisfy its obligations as provided in subsections a. through i. of this Section 21.

   a. **Joint Visioning.** The Town agrees to consult with Hartford as Town develops a vision for commercial development on the Town Commercial Property, which vision
shall include allowable land uses and design standards for development of the Town Commercial Property.

b. **Establishment of Metropolitan District(s).** The Town acknowledges that Hartford may seek to establish one or more metropolitan districts for the Fewell/Feldman Property, for the purpose of financing, constructing, installing and acquiring certain public improvements required for the development of the Fewell/Feldman Property. The Town agrees, to the extent legally permitted, to the inclusion of the Town Commercial Property into one metropolitan district, subject to a maximum mill levy of 15 mills for debt service and 3 mills for operations and maintenance, contingent on the metropolitan district providing for snow plowing, landscape maintenance, including the water bill for irrigation water (not associated with tap fees and/or raw water requirements), and trash removal at no additional charge. The aggregate maximum mill levy permitted in the metropolitan district shall be 18 mills, and Hartford shall not subject the Town Commercial Property to any development fee, transfer fee, owner’s association fee, recreational or other metropolitan district fee unless expressly approved in writing by the Town. Additionally, the Town agrees to execute and record a covenant at Closing that will require the Town and all future owners of the Town Commercial Property, and any portion thereof, to certify the costs of all eligible reimbursable public infrastructure improvements installed upon or within the Town Commercial Property to the applicable metropolitan district formed pursuant to the provisions of the paragraph. The Town acknowledges that the sale or transfer of title to a tax exempt end user (an “Exempt End User”) would frustrate the revenue generating purpose of the District(s) contemplated in this Paragraph. In the event of such a transfer or sale to and Exempt End User, the Town agrees to use best reasonable efforts, to include withholding certificates of occupancy, as necessary, to compel such Exempt End User to enter into an agreement with the District(s), pursuant to the terms of which the Exempt End User will pay to the District(s), on an annual basis, an amount calculated by applying the mill levy that is assessed by the District(s) for other property owners within the District(s) to the AV of such Exempt End User’s property, as determined by the Larimer County Treasurer. If the Larimer County Treasurer is unwilling to determine the AV of the property transferred to such Exempt End User, the Parties will cooperate with one another in determining the reasonable AV of the Property on an annual basis.

c. **Signal Tree Traffic Signal.** The Town will assume and pay the full cost of constructing the Signal Tree Traffic Signal and waives Hartford’s share of the cost of constructing this signal. The Town confirms that no other party has or will have a right to be reimbursed from Hartford for any costs associated with this signal.

d. **Sewer Reimbursement Fee.** Sewer reimbursement fees for Hartford’s construction of residential units within the Fewell/Feldman Property will be waived for 250 residential units to be designated by Hartford. Thereafter, the sewer reimbursement fees for all other residential units within the Fewell/Feldman Property shall not exceed $2,200.00 per unit.

e. **Harmony Road Access Road.** The Town will assume the full cost of constructing the Harmony Road access road to the Fewell/Feldman Property and will coordinate with Hartford for the installation of utilities within said road to serve the Fewell/Feldman Property, if any. The Town will commence and complete construction of the Harmony Road access road concurrently with completion of construction by Hartford and initial acceptance by
the Town of Hartford’s connectors to said access road. The Parties agree that the Town have shall have exclusive naming rights in connection with the Harmony Road access road.

f. **Infrastructure Cost Sharing.** The Parties will share in infrastructure costs for various improvements required in connection with development of the Fewell/Feldman Property and the Town Commercial Parcel as contained in the table attached hereto as Exhibit B.

g. **Time is of the Essence and Expedited Town Review.** Time is of the essence for both Parties with respect to the obligations herein. The Parties agree that they will each act in as expeditious a manner as is reasonably possible in performing the obligations herein. In addition, provided Hartford submits the required documents in compliance with the Town Municipal Code and the Town Land Use Code, the Town hereby agrees to process Hartford’s (or the current owners’ of the Fewell/Feldman Property as the case may be) development applications on an expedited basis with the mutual objective of achieving the commencement of construction of the initial development phase on the Fewell/Feldman Property by June of 2018. For purposes of this Agreement, expedited processing of development applications shall mean and refer to all currently pending applications and all future applications for future phases of development for the Fewell/Feldman Property. The Town agrees to cooperate in good faith to facilitate the timely review and approval of all development plans and specifications for the Fewell/Feldman Property. The Town shall review and provide notice of defects within thirty (30) calendar days for all initial submittals and shall provide notice of defects within twenty (20) calendar days for all subsequent submittals. There shall be no issuance of any building permits by the Town for lots within any defined phase of the Fewell/Feldman Property until all Public Improvements (as defined in the SIA) within that phase, excluding Landscaping, irrigation, and signage, have been granted Initial Acceptance by the Town as provided for in the Code. There shall be no issuance of any occupancy certificates within any phase until all Public Improvements within that phase, including Landscaping, irrigation, and signage, have been granted Initial Acceptance by the Town as provided for in the Code. As a limited exception to the requirements contained in this paragraph, the Town hereby agrees that up to twenty (20) building permits for model homes (not more than five (5) permits for each of four (4) different product types) to be built within the boundaries of the Fewell/Feldman Property may be issued and outstanding at any given time for the entirety of the Property upon the completion of water and sanitary sewer improvements, which have been approved by all applicable regulatory entities, and completion of an all-weather surface on streets within the applicable Phase of the Property.

h. **Waiver of Certain Fees.** All per-acre annexation fees that would ordinarily be required as a condition of annexation are hereby waived by the Town for the Fewell/Feldman Property. Notwithstanding the foregoing, the current owner of the Fewell/Feldman Property shall be obligated to pay any actual costs incurred by the Town for review of the application as provided for in the fee agreement previously entered into by the parties. Additionally, in the event the Deters (Parcel Number 8602410701) or Buchleiter (Parcel Number 8602000003) properties to the south of the Fewell/Feldman Property are under contract with or purchased by an entity owned or controlled by Gary Hoover and/or Landon Hoover and annexed within a period of six (6) years of the effective date of this Agreement, all per-acre annexation fees associated with those properties will be waived by the Town as well.
i. **Sanitary Sewer Utilities.** The Fewell/Feldman Property shall obtain sewer service from the South Fort Collins Sanitation District. Town agrees to support a request to the South Fort Collins Sanitation District for 790 total Single Family Equivalent ("SFE") units (including both residential and commercial) to be approved for the Fewell/Feldman Property. Additionally, Town and Hartford agree that 50 of the total SFE units approved for the Fewell/Feldman Property will be allocated to the Town Commercial Property.

22. **Fee Reimbursement in the Event Closing Does Not Occur:** Hartford acknowledges that the sale of the purchase Town Commercial Property was a material factor in the Town’s waiver of various fees and public improvement construction requirements in that certain Annexation Agreement for the Fewell/Feldman Property annexation entered into contemporaneously herewith by and among the Town and the Property Owner identified therein (the "Fewell/Feldman Annexation Agreement"). In the event that Closing on the sale of the Town Commercial Parcel is not completed as specified in this Agreement due solely to a material default by Hartford under the terms of this Agreement, Hartford shall immediately reimburse the Town for all waived fees in connection with the Fewell/Feldman Annexation Agreement.

23. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties hereto relating to the sale of the Town Commercial Property to the Town, and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Town and Hartford.

24. **Governing Law.** The Parties hereby expressly agree that the terms and conditions of this Agreement shall be construed and controlled by the laws of the State of Colorado.

25. **Attorney’s Fees.** In the event of any litigation to enforce or construe the terms of this Agreement, the prevailing party shall be entitled to payment of its costs of litigation, including attorney fees, by the other party. The term “prevailing party” means the party obtaining substantially the relief sought, whether by compromise, settlement or judgment.

26. **Severability.** If any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of Parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid, and Parties shall cooperate to cure any such defect.

27. **Time Periods.** Any and all references in this Agreement to time periods which are specified by reference to a certain number of days refer to calendar days, unless “business days” is otherwise expressly provided. Therefore, if (a) the last date by which each Closing is permitted to occur hereunder, or (b) any date by which a party is required to provide the other party with notice hereunder, occurs on a Saturday or a Sunday or a banking holiday in the jurisdiction where the Property is located, then and in any of such events, such applicable dates shall be deemed to occur, for all purposes of this Agreement, on that calendar day which is the next, succeeding day, which is not a Saturday, Sunday or banking holiday.
28. **Countertparts.** This Agreement may be executed in counterparts and, as so executed, shall constitute one Agreement, binding on the Parties even though the Parties have not signed the same counterpart. Any counterpart of this Agreement that has attached to it separate signature pages, which altogether contain the signatures of all the Parties, shall be deemed a fully executed instrument for all purposes.

29. **No Recording.** The Parties acknowledge and agree that this Agreement shall not be recorded in the real property records of Larimer County, Colorado.

*Signature Page Follows.*
IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

TOWN:

THE TOWN OF TIMNATH, a home rule municipal corporation and political subdivision of the State of Colorado

Jill Grossman-Belisle, Mayor

ATTEST:

Town Clerk
HARTFORD:

HARTFORD INVESTMENTS, LLC

By: ________________________

Name: Landon Hoover

Title: Manager

STATE OF COLORADO )
 ) ss.
COUNTY OF LARIMER )

The foregoing instrument was acknowledged before me this 5th day of [MONTH], 2018, by Landon Hoover as Manager, of HARTFORD INVESTMENTS, LLC.

WITNESS my hand and official seal.

ZACHARY THOMAS MILLER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20154035691
MY COMMISSION EXPIRES 09/09/2019

Notary Public
My Commission expires: 09/09/2019
EXHIBIT A
(General Depiction of Town Commercial Property Pending Subdivision Plat Approval)
## EXHIBIT B

### Infrastructure Cost Sharing Plan

<table>
<thead>
<tr>
<th>Infrastructure Sharing Between the Parties</th>
<th>Currently Estimated Total Cost</th>
<th>Hartford %</th>
<th>Town %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Expenses to be shared on pro-rata basis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harmony Road Obligation Phase II Hartford portion due to Town upon issuance of 1st Building Permit in Phase I</td>
<td>$235,012</td>
<td>84.3%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Harmony Road Obligation Phase III Hartford portion due to Town upon issuance of 1st Building Permit in Phase I</td>
<td>$135,000</td>
<td>84.3%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Signal Tree Signal</td>
<td>$50,000</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Construction of road to Fewell - built by town/reimbursed through Riverbend Agreement</td>
<td>$0</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Construction of road south of commercial (This is the east/west road that will border commercial and Fewell residential)</td>
<td>TBD in SIA</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Sewer cost for road south of commercial</td>
<td>TBD in SIA</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Water cost for road south of commercial</td>
<td>TBD in SIA</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Construction of internal road access to Harmony</td>
<td>TBD</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Water cost for access road</td>
<td>TBD</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Sewer costs for access to road to Harmony</td>
<td>TBD</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>
SITE DATA:
LOT 1, BLOCK 2, RENDEZVOUS FILING NO. 1, LOCATED IN THE NORTH HALF AND SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 6 NORTH, RANGE 68 WEST OF THE 6TH P.M., COUNTY OF LARIMER, STATE OF COLORADO.
### General Notes

1. All material and equipment specified in this document are non-proprietary and may be furnished by any qualified vendor selected by the Owner. The Owner reserves the right to make any changes to the specifications or to select any substitute material, equipment, or supplies without prior notice. The Contractor shall not be liable for any changes or substitutions made by the Owner.

2. All work shall be performed in accordance with applicable local codes and regulations. The Contractor shall provide and maintain all necessary permits and licenses for the performance of the work.

3. All materials furnished by the Contractor shall be of commercial quality and shall meet all specifications and requirements set forth in this document. The Contractor shall be responsible for ensuring that all materials are properly stored and protected during the course of the work.

4. The Contractor shall be responsible for the safe and proper handling of all materials and equipment on the job site. The Contractor shall comply with all safety regulations and guidelines established by the Owner and local authorities.

5. The Contractor shall be responsible for all labor, materials, and equipment required for the completion of the work, including any necessary scaffolding, ladders, and temporary work platforms.

6. The Contractor shall be responsible for all costs associated with the performance of the work, including all taxes, fees, and other charges that may be applicable.

7. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

8. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

9. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

10. The Contractor shall be responsible for all costs associated with the performance of the work, including all taxes, fees, and other charges that may be applicable.

11. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

12. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

13. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

### General Notes (Cont.)

14. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

15. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

16. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

17. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

18. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

19. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

20. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

21. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

22. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

23. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

24. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.

25. The Contractor shall be responsible for ensuring that all work is completed in a timely and efficient manner, and that all work is completed to the satisfaction of the Owner.

26. The Contractor shall be responsible for ensuring that all work is completed in compliance with the terms and conditions of this contract.

27. The Contractor shall be responsible for maintaining all necessary insurance coverage for the performance of the work, including liability insurance for the benefit of all parties affected by the work.