

Town of Johnstown

TOWN COUNCIL CONSENT AGENDA COMMUNICATIONS

AGENDA DATE: September 8, 2021

SUBJECT: Approve Amendment to Non-Potable Irrigation Agreement

ACTION PROPOSED: Consider Final Approval of an Amendment to Non-Potable

Irrigation Water Agreement

ATTACHMENTS: 1. Amendment to Non Potable Irrigation Water Agreement

PRESENTED BY: Avi Rocklin, Town Attorney

Diana Seele, Town Clerk

AGENDA ITEM DESCRIPTION: In 2006, The Town entered into a Non-Potable Irrigation Water Agreement with Thompson Ranch, LLP and the Gerrard Family Limited Partnership. The purpose of the 2006 agreement was to provide a dedication of water to be used through a non-potable irrigation system to be constructed and operated by Thompson Crossing Metropolitan District No. 2, as provided in a separate agreement, for the 2534 Project. The 2006 agreement estimated the future water demand under the non-potable system and the results of a to-be filed change case in Water Court. The non-potable system has now been in operation for years and the change case is completed.

The purpose of the Amendment to Non-Potable Irrigation Water Agreement is to update the 2006 agreement to reflect the results of the previous change case, the current operation and water supplies for the non-potable system. The Amendment also requires the transfer of all of Thompson Ranch, LLP and the Gerrard Family Limited Partnership's interests in the water rights, agreements, and obligations associated with the non-potable system to the 2534 Master Association, who will then be responsible for operation and maintenance of the non-potable system.

The Amendment sets forth the specific water rights and amounts that are associated with the system, including additional water rights to be assigned to the Town, slightly corrects the area where the system is currently operating, recognizes the 2010 Effluent Agreement that allows the system to be used more efficiently and states that the current water supply, including an additional 2.5 cfs of Farmers shares to be dedicated, is sufficient for the current service area. The Town's water engineer has confirmed that finding.

The Community That Cares

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The Town Attorney and Town Water Attorney reviewed and revised the Amended Agreement.

FINANCIAL ADVICE:

N/A

RECOMMENDED ACTION: Approve Non Potable Irrigation Water Agreement

Reviewed and Approved for Presentation,

Town Manager