



# Town of Johnstown

December 14, 2021

Denise Hoover

RE: Restrictive Dry Up Covenant, Grant of Easement, and Dry Up Credit Agreement

Dear Denise,

The purpose of this letter is to address the above referenced topic regarding a restrictive dry up covenant; grant of easement; warranty of first right to dry up credit; and agreement to assist. On December 13, 2021 Council discussed this proposed agreement and has agreed to provide you with 8 acre-feet credit for the dedicated water. The Town will accept this dry up agreement provided the following conditions are met and completed:

1. The water detail in the agreement must be dedicated to the Town. If dedicated an allocation of 8 acre-feet of credit will be provided for this water.
2. Conveyance of 2 shares in the Gard Lateral to the Town.
3. As part of the expectation for 8 acre-feet, at the time of dedication a water court transfer fee will be paid to the Town equaling \$300 per SFE; 8 acre-feet = 16 SFE.
4. Full payment by either the seller or the purchaser of the water shares for 100% of the costs incurred by the Town for review, document drafting, and other consulting services related to the water matters referenced in this letter.

If you have any additional comments or questions, please contact me at your convenience.

Regards,

Matt LeCerf  
Town Manager

*The Community That Cares*

[johnstown.colorado.gov](http://johnstown.colorado.gov)

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO 80534 | F: 970.587.0141