



Town of Paonia
Office of the Town Administrator
214 Grand Ave.
Paonia, CO 81428
O: (970) 527-4101
F: (970) 527-4102

MEMORANDUM

TO: Honorable Mayor Mary Bachran and Trustees
FROM: Stefen Wynn, Town Administrator & Treasurer
DATE: October 15, 2023
CC: Town Staff and Residents of Paonia
SUBJECT: DRAFT of the FY-2024 Budget

I'm pleased to present a draft of the FY-2024 Budget for your consideration. There are several assumptions that were considered while forecasting revenues and determining expenditures that are enumerated in a 'notes section' that follows each Fund or Department. Documentation used for forecasting revenue and determining expenditures are included as addenda at the end of the draft.

My approach to budgeting is to keep the process transparent, include Department Heads in determining what they need to keep their departments successful, and ensure that budget document is easy to understand. This is a draft budget that only includes financial data and information, but as the process moves past workshops and gathering public input, additional information will be included for each department, a Capital Improvement Plan will be inserted, an Acknowledgements Page will be included, and a Table of Contents will also be added.

This budget draft does not include a strategic plan, nor does it offer long-term financial planning. Both of those elements are considered Best Practices by the Government Finance Officers Association. I believe that the Town and future Boards could be best served by a long-term Strategic Plan, and my recommendation is to continue the progress made in FY-2022 and FY-2023 towards developing those plans. Even more, the Town should continue to fund items listed in the asset management plan and create a Strategic Plan from all the existing asset management plans, hydrogeological study, and the plan from the WaterSmart Grant, if its funded.

The proposed budget attached to this memorandum includes multiple capital outlays gathered from requests of Department Heads, and continuing improvement plans already begun in FY-2022. This draft also includes funding a reclassification of a Part-Time position in Public Works to a Full-Time position, purchasing necessary equipment in Water, Wastewater and Streets, and making an investment into Officer Safety. General Fund reserves were needed in the draft to fund sidewalk improvements, cover the additional cost of design for the CDOT grant-funded project, "Safe Pathways for Paonia (5th & Grand Realignment)," in the amount of \$125,000.

The Wastewater Department desperately needs a jet/vac trailer to develop a maintenance schedule for the existing sewer system to help cut down on catastrophic failures. FY-2023 experienced three costly sewer main failures that needed emergency repairs, Grand Avenue, Dorris Avenue and Main Street. Those types of repairs can quickly destroy an annual budget. To cover the expense of a jet/vac trailer, this draft of the budget contemplates utilizing \$130,000 from the Wastewater Reserves.

Most of the Town's enterprise utilities are healthy. Based on this draft of the FY-2024 Budget, the Water Department is expected to enjoy an approximately \$223,550 surplus to be used towards debt service for future State Revolving Fund (SRF) loans to repair its aging distribution system. Estimating revenue will assist in completing the 20-year cashflow analysis as required by SRF for approval of funding. The analysis will also help the Board in determining if rates for service are adequate to meet the funding goals for improvements to the water system, as needed to lift the moratorium.

This draft of the budget contemplates a \$57,800 addition to the Sanitation (Solid Waste/Trash) Department reserves for future improvements to the Waste Management program. Garbage trucks routinely require service and are notorious for breaking down. By funding the reserve, this allows the Town to consider new trucks, maintenance, or new garbage collection programs in future budget years. Currently, the town doesn't have an accurate way of determining how many garbage cans a Resident uses, and in many cases, the Town doesn't know the ownership of cans that it collects. Reserve funds can also be used to invest in garbage cans and software to help protect revenue and accurately manage the program.

Unfortunately, the Wastewater Utility isn't generating enough revenue to fund future improvements that will be required to meet stricter permit changes for effluent from the plant. In FY-2023, the Wastewater Utility spent many hundreds of thousands of dollars to repair its crumbling collections system. While this draft of the budget doesn't contemplate a rate increase, it is in the Town's best interest to begin planning for funding necessary improvements and meeting tighter restrictions from the Colorado Department of Public Health and Environment.

Finally, the budget timeline originally proposed in August needed to be revised. I've contemplated a proposal for the timeline and will continue to move forward with it unless changes are requested.

The Proposed REVISED Town Budget Calendar is below:

10/15 – Draft Budget submitted to the Board of Trustees (meeting statutory deadline)

10/16 – Draft Budget is available for review by the Public in Town Hall, and Website

10/18 – Public Notice published in the Delta County Independent Informing Residents about the Draft Budget

10/24 – Board of Trustees acknowledges receipt of Draft Budget

11/2 – Finance Committee reviews in detail the Draft Budget with Staff – *Edits can still be made.*

11/7 – Full Board review of Draft Budget at Budget Workshop Session – *Edits can still be made.*

TBD – 2nd Full Board review of Draft Budget at Budget Workshop Session – *Edits can still be made.*

11/28 – TENTATIVE Full Board Meeting to Adopt Budget

12/15 – Mill Levy Certification must be completed and sent to Delta County

12/31 – FINAL DEADLINE FOR BUDGETS TO BE ADOPTED BY THE FULL BOARD

1/31 – Deadline for Town to file the Budget with DLG

In Public Service,



Stefen Wynn, M.P.A.
ICMA-CM

Paonia Town Administrator

ACCOUNT	DESCRIPTION	PROPOSED FY-2024 BUDGET	ADOPTED FY-2024 BUDGET
General Fund			
10-31-01	PROPERTY TAXES	\$ 161,618.00	\$ -
10-31-02	S.O. AUTO TAXES	\$ 21,000.00	\$ -
10-31-03	SALES TAX - TOWN	\$ 785,000.00	\$ -
10-31-04	SALES TAX - COUNTY	\$ 260,000.00	\$ -
10-31-05	SALES TAX - STATE MARIJUANA	\$ 52,000.00	\$ -
10-31-06	CIGARETTE TAX	\$ 1,500.00	\$ -
10-31-07	FRANCHISE TAX	\$ 45,000.00	\$ -
10-31-08	PENALTY & INTEREST	\$ 200.00	\$ -
10-31-09	DELINQUENT TAX	\$ -	\$ -
10-31-10	ABATEMENTS	\$ -	\$ -
	Subgroup : TAXES	\$ 1,326,318.00	\$ -
General Fund			
10-32-01	LIQUOR LICENSES	\$ 2,750.00	\$ -
10-32-02	MISCELLANEOUS PERMITS	\$ 2,500.00	\$ -
10-32-03	BUILDING PERMITS	\$ 26,000.00	\$ -
10-32-04	SPECIAL REVIEWS	\$ 1,000.00	\$ -
10-32-05	ZONING VERIFICATION & ADMINISTRATIVE REVIEWS	\$ 1,000.00	\$ -
10-32-06	VIN INSPECTIONS	\$ 2,200.00	\$ -
10-32-07	PRE-APPLICATION MEETINGS	\$ 1,000.00	\$ -
10-32-08	MARIJUANA TRANSACTION FEE	\$ 132,000.00	\$ -
10-32-09	SIDEWALK FEE	\$ 30,000.00	\$ -
10-32-10	MARIJUANA LICENSING FEE	\$ 9,000.00	\$ -
	Subgroup : LICENSES, PERMITS & FEES	\$ 207,450.00	\$ -
General Fund			
10-33-01	HIGHWAY USER TAX	\$ 56,000.00	\$ -
10-33-02	MOTOR VEHICLE - \$1.50	\$ 1,500.00	\$ -
10-33-03	MOTOR VEHICLE - \$2.50	\$ 3,500.00	\$ -
10-33-07	SEVERANCE TAX	\$ 5,500.00	\$ -
10-33-08	MINERAL LEASING	\$ 16,000.00	\$ -
10-33-09	CONSERVATION TRUST FUND	\$ 9,250.00	\$ -
10-33-10	ROAD & BRIDGE	\$ 10,000.00	\$ -
	Subgroup : INTERGOVERNMENTAL REVENUES	\$ 101,750.00	\$ -
General Fund			
10-34-01	COURT FINES	\$ 100.00	\$ -
10-34-02	POLICE FINES	\$ 2,500.00	\$ -
10-34-03	MISCELLANEOUS FINES - BONDS	\$ 100.00	\$ -
10-34-04	OTHER AGENCY CONTRIBUTIONS - PD	\$ -	\$ -
10-34-05	DOG TAGS	\$ 100.00	\$ -
10-34-06	CODE ENFORCEMENT VIOLATIONS	\$ 2,500.00	\$ -
10-34-10	LAW ENFORCEMENT COST ALLOCATION	\$ -	\$ -
10-34-50	PD GRANT	\$ 4,000.00	\$ -
	Subgroup : FINES AND FORFEITURES	\$ 9,300.00	\$ -
General Fund			
10-35-01	RENTS & ROYALTIES	\$ 500.00	\$ -
10-35-02	MOTOR FUEL TAX REFUNDS	\$ -	\$ -

ACCOUNT	DESCRIPTION	PROPOSED FY-2024 BUDGET	ADOPTED FY-2024 BUDGET
10-35-03	LATE CHARGES	\$ -	\$ -
10-35-04	INTEREST INCOME	\$ 115,000.00	\$ -
10-35-06	OTHER INCOME	\$ 100.00	\$ -
10-35-07	INSURANCE PROCEEDS	\$ -	\$ -
10-35-09	PARK DONATIONS	\$ -	\$ -
10-35-10	OTHER AGENCY CONTRIBUTIONS	\$ -	\$ -
10-35-13	BRIDGE RESERVE	\$ -	\$ -
10-35-15	REFUND OF EXPENDITURES	\$ 1,000.00	\$ -
10-35-16	RESTITUTION	\$ 5,200.00	\$ -
10-35-18	SALES OF ASSETS	\$ -	\$ -
10-35-20	GRANT REVENUE	\$ -	\$ -
	Subgroup : MISCELLANEOUS REVENUES	\$ 121,800.00	\$ -
General Fund			
10-39-96	CONTRIBUTIONS FROM WATER FUND	\$ -	\$ -
10-39-97	CONTRIBUTIONS FROM WASTEWATER FUND	\$ -	\$ -
10-39-98	CONTRIBUTIONS FROM SANITATION FUND	\$ -	\$ -
10-39-99	TRANSFER REVENUE	\$ 125,000.00	\$ -
	Subgroup : TRANSFERS	\$ 125,000.00	\$ -
General Fund			
	TOTAL GENERAL FUND REVENUES	\$ 1,891,618.00	\$ -
General Fund			
	NET SURPLUS (DEFICIT) - General Fund	\$ -	\$ -

NOTES: GENERAL FUND REVENUE

MEANS NEW ACCOUNT NUMBER

10-31-01 Assumption: Prop HH passes, if it fails then Revenue will be: \$195,375

10-31-02 Approx. \$1766/month. Forecast multiplied by 12 = \$21,192

10-31-03 Approx. \$65,752.51/month, Forecast multiplied by 12 = \$789,030.12; 2/3 for general expenses = \$520,759.87 and \$286,270.24 for CIP (\$4-3-40 PMC)

10-31-04 Approx. \$22,097/month. Forecast multiplied by 12 = \$265,000; Back the Badge: \$135,755.74 (9/23); Delta Sales: \$98,092.94 (9/23); Delta MV: \$4,068.61 (9/23)

10-31-05 Approx. \$4,335/month. Forecast multiplied by 12 = \$52,020

10-31-06 Approx. \$126/month. Forecast multiplied by 12 = \$1,512

10-31-07 Approx. \$3,785/month. Forecast multiplied by 12 = \$45,420

10-32-02 Approx. \$2,234/month. Forecast multiplied by 12 = \$26,808

10-32-05 These would need to be added into the fee schedule for the Town, significant amounts of time are spent on zoning questions and verifications

10-32-06 Approx. \$200/month. Forecast multiplied by 12 = \$2,430

10-32-07 These would need to be added into the fee schedule for the Town, significant amounts of time are spent on pre-applications for building permits

10-32-06 Approx. \$11,057/month. Forecast multiplied by 12 = \$132,684; formerly 22-31-06 Occupational tax - Street Capital Fund

10-32-09 Approx. \$2,515/month. Forecast multiplied by 12 = \$30,180

10-32-10 Approx. \$9,200/year; formerly 22-32-01 Licensing Fees, Street Capital Fund - Licenses and Permits

10-33-01 Approx. \$4,767/month. Forecast multiplied by 12 = \$57,204

10-33-02 Approx. \$138/month. Forecast multiplied by 12 = \$1,656

10-33-03 Approx. \$318/month. Forecast multiplied by 12 = \$3,816

10-33-07 \$5,700 in 2023, \$4,000 in 2022

10-33-08 \$10,330.31 in 2022, \$18,654.37 in 2023

10-33-09 Formerly 40-38-01 Conservation Trust Fund

10-33-10 Approx. \$977/month. Forecast multiplied by 12 = \$11,724

NOTES: GENERAL FUND REVENUE

10-39-96 Awaiting Response on whether or not this is permissible under CRS

10-39-97 Awaiting Response on whether or not this is permissible under CRS

10-39-98 Awaiting Response on whether or not this is permissible under CRS

10-39-99 \$20,000 Sidewalk Fund Reserves, \$20,000 out of Reserves for Streets, \$85,000 from Reserves to cover the cost of design

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
		FY-2024 BUDGET		FY-2024 BUDGET	
ADMINISTRATION	PERSONNEL SERVICES				
10-41-01	MAYOR & TRUSTEES	\$	9,600.00	\$	-
10-41-02	TOWN ADMINISTRATOR/CONTRACT LABOR	\$	23,000.00	\$	-
10-41-03	SALARIES & WAGES	\$	45,750.00	\$	-
10-41-04	EMPLOYER FICA	\$	5,000.00	\$	-
10-41-05	EMPLOYER MEDICARE	\$	1,250.00	\$	-
10-41-06	UNEMPLOYMENT TAX	\$	750.00	\$	-
10-41-07	INSURANCE BENEFITS	\$	15,750.00	\$	-
10-41-08	RETIREMENT BENEFITS	\$	3,200.00	\$	-
10-41-09	LIFE/DISABILITY INSURANCE	\$	500.00	\$	-
10-41-10	WORKMEN'S COMPENSATION	\$	750.00	\$	-
10-41-13	OVERTIME	\$	750.00	\$	-
	Subgroup : Personnel Services	\$	106,300.00	\$	-
ADMINISTRATION	OPERATING				
10-41-15	OFFICE SUPPLIES	\$	2,000.00	\$	-
10-41-16	OPERATING SUPPLIES	\$	6,000.00	\$	-
10-41-17	POSTAGE	\$	500.00	\$	-
10-41-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	77,000.00	\$	-
10-41-21	AUDIT & BUDGET EXPENSE	\$	5,000.00	\$	-
10-41-22	REPAIRS & MAINTENANCE	\$	5,000.00	\$	-
10-41-25	TOWN HALL EXPENSE	\$	12,000.00	\$	-
10-41-26	TRAVEL, MEETINGS, & TRAININGS	\$	9,200.00	\$	-
10-41-27	INSURANCE & BONDS	\$	10,000.00	\$	-
10-41-28	UTILITIES	\$	5,200.00	\$	-
10-41-29	TELEPHONE & INTERNET	\$	1,800.00	\$	-
10-41-30	PUBLISHING ADS	\$	6,500.00	\$	-
10-41-31	DUES & SUBSCRIPTIONS	\$	24,000.00	\$	-
10-41-33	DATA PROCESSING	\$	8,000.00	\$	-
10-41-40	MISCELLANEOUS	\$	5,500.00	\$	-
10-41-43	CULTURAL EVENTS	\$	-	\$	-
10-41-44	HUMAN SERVICES	\$	4,500.00	\$	-
10-41-45	BUILDING INSPECTOR	\$	-	\$	-
	Subgroup : Operating Expenditures	\$	182,200.00	\$	-
ADMINISTRATION	CAPITAL OUTLAY & TRANSFERS				
10-41-73	BUILDING IMPROVEMENTS	\$	18,000.00	\$	-
10-41-74	MACHINERY & EQUIPMENT	\$	1,500.00	\$	-
10-41-75	GRANT PROJECTS	\$	-	\$	-
10-41-90	TREASURER'S FEE	\$	-	\$	-
10-41-99	TRANSFERS	\$	-	\$	-
	Subgroup : CAPITAL OUTLAY	\$	19,500.00	\$	-
	TOTAL	\$	308,000.00	\$	-

NOTES: ADMINISTRATION EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

10-41-03 Incls. Cell Phone Allowance

10-41-07 Health, Vision, Dental

10-41-09 Includes an increase in rate for death benefit of \$100,000

10-41-15 \$6,000 total for office supplies, \$2,000 Admin, \$2,000 Water, \$2,000 Sewer

10-41-17 \$500 in Admin, but \$200 in Water, \$200 in Wastewater, \$100 in Solid Waste

10-41-20 Kelly PC (Town Attorney), Empower Retirement Management, Professional Management Solutions, \$5,000 Codification Municode

10-41-21 \$5,000 in Admin; \$7,700 Water; \$7,700 Wastewater; \$7,700 Solid Waste

10-41-27 \$2,000 of \$3,953.33 Premium for Town Hall

10-41-28 DMEA, Black Hills Energy

10-41-29 Elevate, TD Telecom

10-41-31 ClearGov, CGFOA, CML, All Points Transit (Dial a Ride), Delta County Independent, CivicPlus, Caselle, Inc., Wordcab.com, PlanIt Geo Software (Tree Board)ICMA, CCMA, ASPA, CMCA, CGFOA, IIMC, NAG/

10-41-33 Caselle Inc., Phonz+

10-41-40 \$1,000 for Tree Board Operations Cost

10-41-44 \$3,000 for Senior Center; \$500 for Partners Mentoring Youth, \$1,000 North Fork Mosquito Abatement District (will require an MOU) addl. \$1,000 out of Wastewater

10-41-73 Repair to façade of Town Hall

10-41-74 Clerk Desk, Scanner for Finance, Lobby Seating

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
		FY-2024 BUDGET		FY-2024 BUDGET	
LAW ENFORCEMENT PERSONNEL SERVICES					
10-42-02	CONTRACT LABOR (JUDGE)	\$	6,600.00	\$	-
10-42-03	SALARIES & WAGES	\$	407,700.00	\$	-
10-42-04	EMPLOYER FICA	\$	28,250.00	\$	-
10-42-05	EMPLOYER MEDICARE	\$	6,600.00	\$	-
10-42-06	UNEMPLOYMENT TAX	\$	3,650.00	\$	-
10-42-07	INSURANCE BENEFITS	\$	65,500.00	\$	-
10-42-08	RETIREMENT BENEFITS	\$	10,750.00	\$	-
10-42-09	LIFE/DISABILITY INSURANCE	\$	1,180.00	\$	-
10-42-10	WORKMEN'S COMPENSATION	\$	12,550.00	\$	-
10-42-11	FPPA PENSION	\$	38,600.00	\$	-
10-42-12	FPPA D&D	\$	10,000.00	\$	-
10-42-13	OVERTIME	\$	40,800.00	\$	-
	Subgroup : Personnel Services	\$	632,180.00	\$	-
LAW ENFORCEMENT OPERATING					
10-42-15	OFFICE SUPPLIES	\$	750.00	\$	-
10-42-16	OPERATING SUPPLIES	\$	20,000.00	\$	-
10-42-17	POSTAGE	\$	500.00	\$	-
10-42-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	5,000.00	\$	-
10-42-22	REPAIRS & MAINTENANCE	\$	1,500.00	\$	-
10-42-23	VEHICLE EXPENSE	\$	23,500.00	\$	-
10-42-26	TRAVEL, MEETINGS, & TRAININGS	\$	7,500.00	\$	-
10-42-27	INSURANCE & BONDS	\$	55,500.00	\$	-
10-42-28	UTILITIES	\$	2,500.00	\$	-
10-42-29	TELEPHONE & INTERNET	\$	1,200.00	\$	-
10-42-30	PUBLISHING ADS	\$	-	\$	-
10-42-31	DUES & SUBSCRIPTIONS	\$	1,200.00	\$	-
10-42-33	DATA PROCESSING	\$	1,500.00	\$	-
10-42-42	CONTRACT SERVICES	\$	13,500.00	\$	-
10-42-44	HUMAN SERVICES	\$	1,500.00	\$	-
	Subgroup : Operating Expenditures	\$	135,650.00	\$	-
LAW ENFORCEMENT CAPITAL OUTLAY & TRANSFERS					
10-42-73	BUILDING IMPROVEMENTS	\$	-	\$	-
10-42-74	MACHINERY & EQUIPMENT	\$	32,000.00	\$	-
	Subgroup : CAPITAL OUTLAY	\$	32,000.00	\$	-
	TOTAL	\$	799,830.00	\$	-

NOTES: LAW ENFORCEMENT EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

10-42-03 Incls. Cell Phone Allowance

10-42-07 Health, Vision, Dental

10-42-09 Includes an increase in rate for death benefit of \$100,000

10-42-26 \$1,953.33 towards Town Hall liability insurance; Law Enforcement Liability insurance, and for auto insurance for police vehicles (ALL WITH CIRSA) \$4,950 Cars

10-42-28 DMEA, Black Hills Energy

10-42-29 Elevate, TD Telecom

10-42-74 Vests for officers, taser refresh, duty rifle/long gun replacements, Spillman mobile software

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED
		FY-2024 BUDGET	FY-2024 BUDGET	FY-2024 BUDGET
BUILDING	PERSONNEL SERVICES			
10-43-01	MAYOR & TRUSTEES	\$	-	\$ -
10-43-02	CONTRACT LABOR	\$	52,000.00	\$ -
10-43-03	SALARIES & WAGES	\$	-	\$ -
10-43-04	EMPLOYER FICA	\$	-	\$ -
10-43-05	EMPLOYER MEDICARE	\$	-	\$ -
10-43-06	UNEMPLOYMENT TAX	\$	-	\$ -
10-43-07	INSURANCE BENEFITS	\$	-	\$ -
10-43-08	RETIREMENT BENEFITS	\$	-	\$ -
10-43-09	LIFE/DISABILITY INSURANCE	\$	-	\$ -
10-43-10	WORKMEN'S COMPENSATION	\$	-	\$ -
10-43-13	OVERTIME	\$	-	\$ -
	Subgroup : Personnel Services	\$	52,000.00	\$ -
BUILDING	OPERATING			
10-43-15	OFFICE SUPPLIES	\$	-	\$ -
10-43-16	OPERATING SUPPLIES	\$	1,000.00	\$ -
10-43-17	POSTAGE	\$	500.00	\$ -
10-43-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	5,500.00	\$ -
10-43-22	REPAIRS & MAINTENANCE	\$	500.00	\$ -
10-43-23	VEHICLE EXPENSE	\$	-	\$ -
10-43-26	TRAVEL & MEETINGS	\$	-	\$ -
10-43-27	INSURANCE & BONDS	\$	1,000.00	\$ -
10-43-28	UTILITIES	\$	1,500.00	\$ -
10-43-29	TELEPHONE & INTERNET	\$	1,100.00	\$ -
10-43-30	PUBLISHING ADS	\$	-	\$ -
10-43-31	DUES & SUBSCRIPTIONS	\$	500.00	\$ -
10-43-33	DATA PROCESSING	\$	-	\$ -
10-43-40	MISCELLANEOUS	\$	-	\$ -
10-43-43	CULTURAL EVENTS	\$	-	\$ -
10-43-44	HUMAN SERVICES	\$	-	\$ -
	Subgroup : Operating Expenditures	\$	11,600.00	\$ -
BUILDING	CAPITAL OUTLAY & TRANSFERS			
10-43-73	BUILDING IMPROVEMENTS	\$	-	\$ -
10-43-74	MACHINERY & EQUIPMENT	\$	-	\$ -
	Subgroup : CAPITAL OUTLAY	\$	-	\$ -
	TOTAL	\$	63,600.00	\$ -

NOTES: BUILDING EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

10-43-28 DMEA, Black Hills Energy

10-43-29 Elevate, TD Telecom

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
		FY-2024 BUDGET		FY-2024 BUDGET	
STREETS	PERSONNEL SERVICES				
10-45-02	CONTRACT LABOR	\$	-	\$	-
10-45-03	SALARIES & WAGES	\$	105,000.00	\$	-
10-45-04	EMPLOYER FICA	\$	6,750.00	\$	-
10-45-05	EMPLOYER MEDICARE	\$	1,750.00	\$	-
10-45-06	UNEMPLOYMENT TAX	\$	1,000.00	\$	-
10-45-07	INSURANCE BENEFITS	\$	22,000.00	\$	-
10-45-08	RETIREMENT BENEFITS	\$	5,500.00	\$	-
10-45-09	LIFE/DISABILITY INSURANCE	\$	450.00	\$	-
10-45-10	WORKMEN'S COMPENSATION	\$	5,250.00	\$	-
10-45-13	OVERTIME	\$	4,500.00	\$	-
	Subgroup : Personnel Services	\$	152,200.00	\$	-
STREETS	OPERATING				
10-45-15	OFFICE SUPPLIES	\$	-	\$	-
10-45-16	OPERATING SUPPLIES	\$	1,500.00	\$	-
10-45-17	POSTAGE	\$	-	\$	-
10-45-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	102,000.00	\$	-
10-45-21	AUDIT & BUDGET EXPENSE	\$	1,500.00	\$	-
10-45-22	REPAIRS & MAINTENANCE	\$	25,000.00	\$	-
10-45-23	VEHICLE EXPENSE	\$	12,500.00	\$	-
10-45-24	RENTALS	\$	1,500.00	\$	-
10-45-25	SHOP EXPENSE	\$	1,500.00	\$	-
10-45-26	TRAVEL, MEETINGS & TRAININGS	\$	1,500.00	\$	-
10-45-27	INSURANCE & BONDS	\$	3,700.00	\$	-
10-45-28	UTILITIES	\$	13,000.00	\$	-
10-45-29	TELEPHONE & INTERNET	\$	1,100.00	\$	-
10-45-30	PUBLISHING ADS	\$	-	\$	-
10-45-31	DUES & SUBSCRIPTIONS	\$	1,000.00	\$	-
10-45-33	DATA PROCESSING	\$	1,250.00	\$	-
10-45-40	MISCELLANEOUS	\$	2,500.00	\$	-
10-45-42	SNOW REMOVAL	\$	15,000.00	\$	-
10-45-43	CULTURAL EVENTS	\$	-	\$	-
10-45-44	HUMAN SERVICES	\$	-	\$	-
10-45-45	BUILDING INSPECTOR	\$	-	\$	-
	Subgroup : Operating Expenditures	\$	184,550.00	\$	-
STREETS	CAPITAL OUTLAY & TRANSFERS				
10-45-70	CAPITAL OUTLAY	\$	107,088.00	\$	-
10-45-73	BUILDING IMPROVEMENTS	\$	-	\$	-
10-45-74	MACHINERY & EQUIPMENT	\$	82,500.00	\$	-
10-45-75	GRANT PROJECTS	\$	-	\$	-
10-45-90	TREASURER'S FEE	\$	-	\$	-
10-45-99	TRANSFERS	\$	-	\$	-
	Subgroup : CAPITAL OUTLAY	\$	189,588.00	\$	-
	TOTAL	\$	526,338.00	\$	-

NOTES: STREETS EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

10-45-03 Incls. Cell Phone Allowance

10-45-07 Health, Vision, Dental

10-45-09 Includes an increase in rate for death benefit of \$100,000

10-45-20 \$5,000 for engineering and legal services, \$12,000 for Tree Maintenance at High Risk Areas along Rights of Way; \$85,000 for SGM Safe Pathways for Paonia

10-45-27 \$1,050 for Shop insurance, \$400 for Shop Shelter Insurance, \$2250 for vehicles incl. streetsweeper

10-45-28 DMEA, Black Hills Energy

10-45-29 Elevate, TD Telecom

10-45-70 \$50,000 Sidewalk Repair and Construction; \$40,000 5th & Grant Realignment (CDOT Grant Match) - \$20,000 out of Street Reserves Sidewalk formerly: ~~26-45-22~~

10-45-74 \$2,500 for a generator/welder combination (rest to be paid out of water and sewer); \$35,000 for small roller do better fix potholes; \$45,000 for New Truck

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
		FY-2024 BUDGET		FY-2024 BUDGET	
PARKS PERSONNEL SERVICES					
10-46-02	CONTRACT LABOR	\$	3,600.00	\$	-
10-46-03	SALARIES & WAGES	\$	85,750.00	\$	-
10-46-04	EMPLOYER FICA	\$	5,750.00	\$	-
10-46-05	EMPLOYER MEDICARE	\$	1,500.00	\$	-
10-46-06	UNEMPLOYMENT TAX	\$	800.00	\$	-
10-46-07	INSURANCE BENEFITS	\$	18,500.00	\$	-
10-46-08	RETIREMENT BENEFITS	\$	4,750.00	\$	-
10-46-09	LIFE/DISABILITY INSURANCE	\$	350.00	\$	-
10-46-10	WORKMEN'S COMPENSATION	\$	3,000.00	\$	-
10-46-13	OVERTIME	\$	4,500.00	\$	-
	Subgroup : Personnel Services	\$	128,500.00	\$	-
PARKS OPERATING					
10-46-15	OFFICE SUPPLIES	\$	100.00	\$	-
10-46-16	OPERATING SUPPLIES	\$	4,500.00	\$	-
10-46-17	POSTAGE	\$	-	\$	-
10-46-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	1,000.00	\$	-
10-46-21	AUDIT & BUDGET EXPENSE	\$	1,000.00	\$	-
10-46-22	REPAIRS & MAINTENANCE	\$	28,000.00	\$	-
10-46-23	VEHICLE EXPENSE	\$	4,500.00	\$	-
10-46-24	RENTALS	\$	1,750.00	\$	-
10-46-25	SHOP EXPENSE	\$	750.00	\$	-
10-46-26	TRAVEL, MEETINGS & TRAININGS	\$	500.00	\$	-
10-46-27	INSURANCE & BONDS	\$	6,250.00	\$	-
10-46-28	UTILITIES	\$	6,500.00	\$	-
10-46-29	TELEPHONE & INTERNET	\$	750.00	\$	-
10-46-30	PUBLISHING ADS	\$	-	\$	-
10-46-31	DUES & SUBSCRIPTIONS	\$	-	\$	-
10-46-32	FEES & PERMITS	\$	750.00	\$	-
10-46-33	DATA PROCESSING	\$	-	\$	-
10-46-40	MISCELLANEOUS	\$	3,000.00	\$	-
10-46-42	CONTRACT SERVICES	\$	3,500.00	\$	-
10-46-43	CULTURAL EVENTS	\$	-	\$	-
10-46-44	HUMAN SERVICES	\$	-	\$	-
10-46-45	BUILDING INSPECTOR	\$	-	\$	-
	Subgroup : Operating Expenditures	\$	62,850.00	\$	-
PARKS CAPITAL OUTLAY & TRANSFERS					
10-46-70	CAPITAL OUTLAY	\$	-	\$	-
10-46-73	BUILDING IMPROVEMENTS	\$	-	\$	-
10-46-74	MACHINERY & EQUIPMENT	\$	-	\$	-
10-46-75	GRANT PROJECTS	\$	2,500.00	\$	-
10-46-90	TREASURER'S FEE	\$	-	\$	-
10-46-99	TRANSFERS	\$	-	\$	-
	Subgroup : CAPITAL OUTLAY	\$	2,500.00	\$	-
	TOTAL	\$	193,850.00	\$	-

NOTES: PARKS & RECREATION EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

10-46-03 Incls. Cell Phone Allowance

10-46-07 Health, Vision, Dental

10-46-09 Includes an increase in rate for death benefit of \$100,000

10-46-22 Approx. \$2,888/month. Forecast multiplied by 12 = \$34,656.

10-46-28 DMEA, Black Hills Energy

10-46-29 Elevate, TD Telecom

10-46-40 \$2,240 for Emerald Ash Borer Treatment

10-46-75 \$2,500 Nature Connection (Wilder Bunch)

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
			FY-2024 BUDGET		FY-2024 BUDGET
WATER					
WATER UTILITY REVENUE					
60-36-01	WATER CHARGES	\$	825,000.00	\$	-
60-36-02	WATER CHARGES - USAGE	\$	370,000.00	\$	-
60-36-03	SALES & SERVICES	\$	500.00	\$	-
60-36-04	STANDBY TAP FEES	\$	62,000.00	\$	-
60-36-05	BULK WATER	\$	14,000.00	\$	-
60-36-06	RECONNECT FEES & PENALTIES	\$	1,500.00	\$	-
60-36-07	WATER TAPS	\$	100.00	\$	-
60-36-08	TAPS FEES ASSIGNED FOR STORAGE	\$	-	\$	-
60-36-09	START/STOP SERVICE FEES	\$	6,500.00	\$	-
60-36-10	INTEREST	\$	-	\$	-
60-36-12	RENTS	\$	-	\$	-
60-36-13	MISCELLANEOUS REVENUE	\$	-	\$	-
60-36-15	SALE/DISPOSAL OF ASSETS	\$	-	\$	-
60-36-20	PASS THROUGH FUNDS	\$	-	\$	-
60-36-21	DOLA PASS THROUGH REVENUE	\$	-	\$	-
60-36-22	WPA PASS THROUGH REVENUE	\$	-	\$	-
60-36-23	DWRP GRANT (PRINCIPAL LOAN FORGIVENESS)	\$	-	\$	-
60-36-24	DOLA URS PASS THROUGH REVENUE	\$	-	\$	-
60-36-25	LOAN FUNDS	\$	-	\$	-
60-36-30	GRANT FUNDS	\$	-	\$	-
60-36-31	CAPITAL CONTRIBUTIONS	\$	-	\$	-
	Subgroup : Total Revenue	\$	1,279,600.00	\$	-
WATER					
WATER UTILITY PERSONNEL SERVICES					
60-50-02	TRUSTEE/ADMIN SALARIES	\$	40,750.00	\$	-
60-50-03	SALARIES & WAGES	\$	236,500.00	\$	-
60-50-04	EMPLOYER FICA	\$	20,000.00	\$	-
60-50-05	EMPLOYER MEDICARE	\$	5,000.00	\$	-
60-50-06	UNEMPLOYMENT TAX	\$	2,500.00	\$	-
60-50-07	INSURANCE BENEFITS	\$	52,500.00	\$	-
60-50-08	RETIREMENT BENEFITS	\$	15,000.00	\$	-
60-50-09	LIFE/DISABILITY INSURANCE	\$	1,000.00	\$	-
60-50-10	WORKMEN'S COMPENSATION	\$	5,500.00	\$	-
60-50-13	OVERTIME	\$	17,500.00	\$	-
	Subgroup : Personnel Services	\$	396,250.00	\$	-
WATER					
WATER UTILITY OPERATING EXPENSES					
60-50-15	OFFICE SUPPLIES	\$	2,000.00	\$	-
60-50-16	OPERATING SUPPLIES	\$	28,000.00	\$	-
60-50-17	POSTAGE	\$	4,000.00	\$	-
60-50-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	100,000.00	\$	-
60-50-21	AUDIT & BUDGET EXPENSE	\$	7,700.00	\$	-
60-50-22	REPAIRS & MAINTENANCE	\$	50,000.00	\$	-
60-50-23	VEHICLE EXPENSE	\$	6,000.00	\$	-
60-50-24	RENTALS	\$	2,500.00	\$	-
60-50-25	SHOP EXPENSE	\$	7,300.00	\$	-
60-50-26	TRAVEL, MEETINGS & TRAININGS	\$	3,500.00	\$	-
60-50-27	INSURANCE & BONDS	\$	17,000.00	\$	-
60-50-28	UTILITIES	\$	27,500.00	\$	-
60-50-29	TELEPHONE & INTERNET	\$	1,850.00	\$	-
60-50-30	PUBLISHING ADS	\$	2,000.00	\$	-
60-50-31	DUES & SUBSCRIPTIONS	\$	27,700.00	\$	-
60-50-32	FEES & PERMITS	\$	9,750.00	\$	-
60-50-33	DATA PROCESSING	\$	10,500.00	\$	-

60-50-40	MISCELLANEOUS	\$	500.00	\$	-
60-50-41	WRITEOFF - UNCOLLECTABLE	\$	-	\$	-
60-50-42	CONTRACT SERVICES	\$	32,000.00	\$	-
60-50-44	NORRIS RETIREMENT	\$	13,500.00	\$	-
60-50-50	WATER POWER AUTHORITY LOAN	\$	192,500.00	\$	-
60-50-51	DRINKING WATER REVOLVING FUND	\$	24,000.00	\$	-
60-50-52	FCNB INTERIM FINANCING	\$	500.00	\$	-
60-50-54	DEBT SERVICE	\$	15,000.00	\$	-
60-50-55	LOAN PRINCIPAL	\$	-	\$	-
60-50-56	LOAN INTEREST	\$	-	\$	-
60-50-60	WATER STORAGE EXPENDITURE	\$	-	\$	-
	Subgroup : Water Operating Expenditures		585,300.00	\$	-
WATER					
WATER UTILITY CAPITAL OUTLAY & TRANSFERS					
60-50-70	CAPITAL OUTLAY	\$	65,000.00	\$	-
60-50-71	PASS THROUGH ACCOUNT	\$	-	\$	-
60-50-72	PASS THROUGH ENGINEERING	\$	-	\$	-
60-50-73	PASS THROUGH OPERATING	\$	-	\$	-
60-50-75	GRANT PROJECTS	\$	-	\$	-
60-50-76	BUILDING IMPROVEMENTS	\$	-	\$	-
60-50-77	MACHINERY & EQUIPMENT	\$	9,500.00	\$	-
60-50-99	TRANSFERS	\$	-	\$	-
	Subgroup : Water Capital Outlay & Transfers	\$	74,500.00	\$	-
WATER					
WATER UTILITY DEPRECIATION					
60-59-99	DEPRECIATION	\$	223,550.00	\$	-
	Subgroup : Water Depreciation	\$	223,550.00	\$	-
WATER FUND					
	NET INCOME (LOSS) - Water Utility	\$	-	\$	-

NOTES: WATER UTILITY EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

60-36-01 Approx. \$69,884.04/month. Forecast multiplied by 12 = \$838,605.48

60-36-02 Approx. \$31,409.38/month. Forecast multiplied by 12 = \$376,912.56

60-36-04 Current Year \$62,088

60-36-05 Approx. \$1,304/month. Forecast multiplied by 12 = \$15,648.18

60-36-06 FORMERLY SHUT OFF NOTICE FEES, 60-36-09 PENALTIES NEEDS TO HAVE RECONNECTIONS, SHUT OFFS AND PENALTIES CODED HERE, DISCONNECT AND RECONNECT HERE

60-36-09 FINAL BILL \$25, ~~DISCONNECT/RECONNECT \$100~~, NEW CUSTOMER CONNECT \$50, \$100 FOR SAME-DAY WATER SHUT OFF/ON FOR REPAIRS OR MAINTENANCE

60-36-25 FORMERLY FCNB INTERIM FINANCING - CHANGED LOAN FUNDS

60-50-07 Health, Vision, Dental

60-50-09 Includes an increase in rate for death benefit of \$100,000

60-50-15 Reallocating portion Amdin Office Supplies to Water - most office supplies in Admin are utilized for utility billing

60-50-16 Approx. \$2,345.72/month. Forecast multiplied by 12 = \$28,148.64

60-50-17 \$200 + Approx. \$254.32/month. Forecast multiplied by 12 = \$3,054.84 + 200 = \$3,251.84

60-50-20 Approx. \$93,333.00 Spent in 2023

60-50-21 \$5,000 in Admin; \$7,700 Water; \$7,700 Wastewater; \$7,700 Solid Waste

60-50-22 Approx. \$9,055.58/month. Forecast multiplied by 12 = \$108,666.96

60-50-23 Approx. \$491.90/month. Forecast multiplied by 12 = \$5,902.80

60-50-25 Approx. \$606.61/month. Forecast multiplied by 12 = \$7,279.32

60-50-27 \$4,233.46 water plant (lower) + \$2,714.36 + \$46.15 meter vault + \$70.52 meter vault + \$1,842.12 500k gal tank + \$5.85 pump house + \$3,476.91 2MM Gal. tank = \$12,389.37; cars \$9,706.01 divided by 3

60-50-28 DMEA, Black Hills Energy. Approx. \$2,263.64/month. Forecast multiplied by 12 = \$27,163.68

60-50-29 Elevate, TD Telecom. \$611.12. Approx. \$281.81/month. Forecast multiplied by 12 = \$3,381.65

60-50-30 \$1,500 for public notices (water quality report)

60-50-31 \$1,200 text my gov, \$1,500 ESRI Addons

60-50-32 Approx. \$673.54/month. Forecast multiplied by 12 = \$8,082.45. Mesa County Health Dept. Labs, CDPHE, Green Analytical, USDA

60-50-33 Caselle, Phonz+, Flowpoint Environmental Systems, Filter Tech. Approx. \$822/month. Forecast multiplied by 12 = \$9,864

60-50-42 Browns Hill Engineering & Controls, Archuleta Benny, Professional Management Solutions, Pall Corporation? Approx. \$2,634/month. Forecast multiplied by 12 = \$31,608

60-50-44 NEED TO SEE THIS RESOLUTION/ORDINANCE

60-50-50 NEED TO SEE THIS LOAN AGREEMENT

60-50-51 NEED TO SEE THIS LOAN AGREEMENT

60-50-52 NEED TO SEE THIS LOAN AGREEMENT

60-50-55 PAYMENTS TO US BANK FOR WHAT? WHY AREN'T WE JUST USING DEBT SERVICE TO PAY ALL OF THE LOAN REPAYMENTS?

60-50-70 \$15,000 for spare water treatment parts

60-50-77 \$7,500 for Tools to outfit trucks for leaks and other daily issues that require tools; \$2,000 for welder generator combo

60-59-99 Transfer to reserves for deferred maintenance, equipment replacement, and improvements

ACCOUNT	DESCRIPTION	PROPOSED FY-24 BUDGET	ADOPTED FY-24 BUDGET
WASTEWATER			
WASTEWATER UTILITY REVENUE			
70-37-01	SEWER BASE CHARGE	\$ 884,000.00	\$ -
70-37-04	SEWER TAPS	\$ -	\$ -
70-37-05	SEWER RENTAL PROPERTY	\$ -	\$ -
70-37-07	SALES & SERVICE	\$ -	\$ -
70-37-08	PASS THROUGH FUNDS	\$ -	\$ -
70-37-09	INTEREST INCOME	\$ 23,000.00	\$ -
70-37-10	WWTP PAYBACK FUND	\$ -	\$ -
70-37-11	WWTP PAYBACK INTEREST	\$ -	\$ -
70-37-12	RENTS	\$ -	\$ -
70-37-13	GRANT REVENUE	\$ -	\$ -
70-37-14	MISCELLANEOUS REVENUE	\$ -	\$ -
	Subgroup : Total Revenue	\$ 907,000.00	\$ -
WASTEWATER			
WASTEWATER UTILITY PERSONNEL SERVICES			
70-51-02	TRUSTEE/ADMIN SALARIES	\$ 40,750.00	\$ -
70-51-03	SALARIES & WAGES	\$ 237,000.00	\$ -
70-51-04	EMPLOYER FICA	\$ 18,250.00	\$ -
70-51-05	EMPLOYER MEDICARE	\$ 4,500.00	\$ -
70-51-06	UNEMPLOYMENT TAX	\$ 2,500.00	\$ -
70-51-07	INSURANCE BENEFITS	\$ 52,000.00	\$ -
70-51-08	RETIREMENT BENEFITS	\$ 14,500.00	\$ -
70-51-09	LIFE/DISABILITY INSURANCE	\$ 750.00	\$ -
70-51-10	WORKMEN'S COMPENSATION	\$ 5,200.00	\$ -
70-51-11	OVERTIME	\$ 16,000.00	\$ -
	Subgroup : Personnel Services	\$ 391,450.00	\$ -
WASTEWATER			
WASTEWATER UTILITY OPERATING EXPENSES			
70-51-15	OFFICE SUPPLIES	\$ 2,000.00	\$ -
70-51-16	OPERATING SUPPLIES	\$ 7,500.00	\$ -
70-51-17	POSTAGE	\$ 4,000.00	\$ -
70-51-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$ 15,250.00	\$ -
70-51-21	AUDIT & BUDGET EXPENSE	\$ 7,700.00	\$ -
70-51-22	REPAIRS & MAINTENANCE	\$ 75,000.00	\$ -
70-51-23	VEHICLE EXPENSE	\$ 6,500.00	\$ -
70-51-24	RENTALS	\$ 2,500.00	\$ -
70-51-25	SHOP EXPENSE	\$ 11,500.00	\$ -
70-51-26	TRAVEL, MEETINGS & TRAININGS	\$ 1,000.00	\$ -
70-51-27	INSURANCE & BONDS	\$ 6,750.00	\$ -
70-51-28	UTILITIES	\$ 40,000.00	\$ -
70-51-29	TELEPHONE & INTERNET	\$ 1,350.00	\$ -
70-51-30	PUBLISHING ADS	\$ 500.00	\$ -
70-51-31	DUES & SUBSCRIPTIONS	\$ 4,450.00	\$ -
70-51-32	FEES & PERMITS	\$ 7,700.00	\$ -
70-51-33	DATA PROCESSING	\$ 8,500.00	\$ -
70-51-40	MISCELLANEOUS	\$ 1,500.00	\$ -
70-51-41	WRITEOFF - UNCOLLECTABLE	\$ -	\$ -
70-51-42	CONTRACT SERVICES	\$ 7,500.00	\$ -
70-51-43	GAGING STATION	\$ -	\$ -
70-51-50	DOLA PRINCIPAL & INTEREST	\$ -	\$ -
70-51-51	RURAL DEVELOPMENT PRINCIPAL & INTEREST	\$ 73,250.00	\$ -
70-51-52	WWTP PAYBACK FUND EXPENDITURES	\$ -	\$ -
70-51-53	ISSUANCE COSTS	\$ -	\$ -
70-51-54	DEBT RESERVE	\$ 24,000.00	\$ -
70-51-55	CROUSEN LOAN PRINCIPAL	\$ -	\$ -
70-51-56	CROUSEN LOAN INTEREST	\$ -	\$ -
70-51-57	DEVANEY LOAN PRINCIPAL	\$ -	\$ -
70-51-58	DEVANEY LOAN INTEREST	\$ -	\$ -
	Subgroup : Operating Expenses	\$ 308,450.00	\$ -

WASTEWATER				
WASTEWATER UTILITY CAPITAL OUTLAY & TRANSFERS				
70-51-70	CAPITAL OUTLAY	\$	75,000.00	\$ -
70-51-71	PASS THROUGH FUNDS	\$	-	\$ -
70-51-72	ASSET REPLACEMENT RESERVE	\$	-	\$ -
70-51-73	PASS THROUGH OPERATING	\$	-	\$ -
70-51-75	GRANT PROJECTS	\$	-	\$ -
70-51-76	BUILDING IMPROVEMENTS	\$	-	\$ -
70-51-77	MACHINERY & EQUIPMENT	\$	132,000.00	\$ -
70-51-99	TRANSFERS	\$	-	\$ -
	Subgroup : Wastewater Capital Outlay & Transfers	\$	207,000.00	\$ -
WASTEWATER				
WASTEWATER UTILITY DEPRECIATION				
70-59-99	DEPRECIATION	\$	100.00	\$ -
	Subgroup : Wastewater Depreciation	\$	100.00	\$ -
WASTEWATER				
	NET INCOME (LOSS) - Wastewater Utility	\$	-	\$ -

NOTES: WASTEWATER UTILITY EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

70-37-01 Approx. \$63,047.22/month. Forecast multiplied by 12 = \$756,566.64 + \$130,000 from reserves

70-37-09 Approx. \$2,011.96/month. Forecast multiplied by 12 = \$24,143.52

70-51-02 Incls. Cell Phone Allowance

70-51-07 Health, Vision, Dental

70-51-09 Includes an increase in rate for death benefit of \$100,000

70-51-15 Reallocating portion Amdin Office Supplies to Water - most office supplies in Admin are utilized for utility billing

70-51-16 Approx. \$655.88/month. Forecast multiplied by 12 = \$7,870.56

70-51-17 Approx. \$183.56/month. Forecast multiplied by 12 = \$2,202.72

70-51-20 Approx. \$1,271.09/month. Forecast multiplied by 12 = \$15,253.08

70-51-21 \$5,000 in Admin; \$7,700 Water; \$7,700 Wastewater; \$7,700 Solid Waste

70-51-22 Approx. \$35,277.81/month on normal (non-emergency repairs). Forecast multiplied by 12 = \$423,333.72

70-51-23 Approx. \$527.73/month. Forecast multiplied by 12 = \$6,332.76

70-51-25 Approx. \$1,014.02/month. Forecast multiplied by 12 = \$12,168.24

70-51-27 \$3,253.37 vehicles + \$705.52 +705.52 + 148.51 + 49.23 + 220.17 + 39.48 + 32.01 + 83.36 + 392.24 + \$902.62 (sep. exposures)

70-51-28 Approx. \$3,266.49/month. Forecast multiplied by 12 = \$39,197.88

70-51-31 \$1,200 Text my Gov

70-51-32 Approx. \$633.48/month. Forecast multiplied by 12 = \$7,601.76

70-51-40 \$1,000 for North Fork Mosquito Abatement District (sprays at ponds)

70-51-42 ORC Benny Archuleta, Professional Management Solutions

70-51-51 WE NEED THE LOAN DOCUMENTS ON THIS BOND TO SEE HOW MUCH LONGER WE HAVE IN DEBT SERVICE

70-51-54 WE NEED THE LOAN DOCUMENTS ON THIS US BANK TO SEE HOW MUCH LONGER WE HAVE IN DEBT SERVICE

70-51-55 WHAT IS THIS?

70-51-56 WHAT IS THIS?

70-51-57 WHAT IS THIS?

70-51-58 WHAT IS THIS?

70-51-77 \$2,000 for welder generator combo; \$130,000 for jet/vac trailer

70-59-99 NOT PUTTING ENOUGH INTO RESERVES FOR FUTURE WASTEWATER IMPROVEMENTS AND REPAIRS

ACCOUNT	DESCRIPTION	PROPOSED		ADOPTED	
		FY-24 BUDGET		FY-24 BUDGET	
SANITATION					
SANITATION UTILITY REVENUE					
80-30-02	TRASH CHARGES	\$	320,000.00	\$	-
80-30-03	BULK TRASH CHARGE	\$	1,500.00	\$	-
80-30-04	TIRE PICK UP	\$	-	\$	-
	Subgroup : Total Revenue	\$	321,500.00	\$	-
SANITATION					
SANITATION UTILITY PERSONNEL SERVICES					
80-52-02	CONTRACT/ADMIN SALARIES	\$	12,000.00	\$	-
80-52-03	SALARIES & WAGES	\$	93,000.00	\$	-
80-52-04	EMPLOYER FICA	\$	6,800.00	\$	-
80-52-05	EMPLOYER MEDICARE	\$	1,600.00	\$	-
80-52-06	UNEMPLOYMENT TAX	\$	900.00	\$	-
80-52-07	INSURANCE BENEFITS	\$	23,000.00	\$	-
80-52-08	RETIREMENT BENEFITS	\$	5,700.00	\$	-
80-52-09	LIFE/DISABILITY INSURANCE	\$	500.00	\$	-
80-52-10	WORKMEN'S COMPENSATION	\$	4,250.00	\$	-
80-52-11	OVERTIME	\$	4,750.00	\$	-
	Subgroup : Personnel Services	\$	152,500.00	\$	-
SANITATION					
SANITATION UTILITY OPERATING EXPENSES					
80-52-15	OFFICE SUPPLIES	\$	2,000.00	\$	-
80-52-16	OPERATING SUPPLIES	\$	1,500.00	\$	-
80-52-17	POSTAGE	\$	2,500.00	\$	-
80-52-20	LEGAL, ENGINEERING & PROFESSIONAL SERVICES	\$	5,500.00	\$	-
80-52-21	AUDIT & BUDGET EXPENSE	\$	7,700.00	\$	-
80-52-22	REPAIRS & MAINTENANCE	\$	2,500.00	\$	-
80-52-23	VEHICLE EXPENSE	\$	15,000.00	\$	-
80-52-24	RENTALS	\$	5,000.00	\$	-
80-52-25	SHOP EXPENSE	\$	2,500.00	\$	-
80-52-26	TRAVEL, MEETINGS & TRAININGS	\$	1,000.00	\$	-
80-52-27	INSURANCE & BONDS	\$	6,800.00	\$	-
80-52-28	UTILITIES	\$	3,000.00	\$	-
80-52-29	TELEPHONE & INTERNET	\$	1,400.00	\$	-
80-52-30	PUBLISHING ADS	\$	-	\$	-
80-52-31	DUES & SUBSCRIPTIONS	\$	2,700.00	\$	-
80-52-32	FEES & PERMITS	\$	1,000.00	\$	-
80-52-33	DATA PROCESSING	\$	5,000.00	\$	-
80-52-40	MISCELLANEOUS	\$	1,000.00	\$	-
80-52-41	WRITEOFF - UNCOLLECTABLE	\$	-	\$	-
80-52-42	LANDFILL FEES	\$	38,100.00	\$	-
80-52-43	CLEAN UP DAYS	\$	7,000.00	\$	-
	Subgroup : Operating Expenses	\$	111,200.00	\$	-
SANITATION					
SANITATION UTILITY CAPITAL OUTLAY & TRANSFERS					
80-52-70	CAPITAL OUTLAY	\$	-	\$	-
80-52-71	PASS THROUGH FUNDS	\$	-	\$	-
80-52-75	GRANT PROJECTS	\$	-	\$	-
80-52-76	BUILDING IMPROVEMENTS	\$	-	\$	-
80-52-77	MACHINERY & EQUIPMENT	\$	-	\$	-
80-52-99	TRANSFERS	\$	-	\$	-
	Subgroup : Sanitation Capital Outlay & Transfers	\$	-	\$	-
SANITATION					
SANITATION UTILITY DEPRECIATION					
70-59-99	DEPRECIATION	\$	57,800.00	\$	-
	Subgroup : Sanitation Depreciation	\$	57,800.00	\$	-
SANITATION					
	NET INCOME (LOSS) - Wastewater Utility	\$	-	\$	-

NOTES: SANITATION UTILITY EXPENSES

MEANS NEW ACCOUNT NUMBER OR NAME CHANGE

80-30-02 Approx. \$29,976.97/month. Forecast multiplied by 12 = \$323,723.64
80-30-03 Formerly "X-TRASH"
80-30-04 PRACTICE DISCONTINUED - SHOULD REMOVE TO CLEANUP GL

80-52-02 Incls. Cell Phone Allowance

80-52-08 Health, Vision, Dental

80-52-09 Includes an increase in rate for death benefit of \$100,000

80-52-15 Reallocating portion Amdin Office Supplies to Water - most office supplies in Admin are utilized for utility billing

80-52-17 BALANCE AFTER ALL OTHER DEPARTMENTS BUDGETED WHEN COMPARED TO ANNUAL ACTUAL COST

80-52-21 \$5,000 in Admin; \$7,700 Water; \$7,700 Wastewater; \$7,700 Solid Waste

80-52-23 Approx. \$745.33/month. Forecast multiplied by 12 = \$8,943.96

80-52-26 Sanitation share of vehicle and liability

80-52-31 \$1,200 for Text my gov

80-52-41 TIPPING FEES AT DELTA COUNTY LANDFILL Approx. \$3,001.10/month. Forecast multiplied by 12 = \$36,013.20
80-52-42 WHAT IS THIS, SHOULD IT BE FUNDED?

70-59-99 RESERVE FOR FUNDING NEW EQUIPMENT/TRUCK

Addenda

- Supporting Documentation for Revenue Forecasts
- Supporting Documentation for Expenditure Requests

**STATE OF COLORADO
TOWN OF PAONIA, COLORADO**

RESOLUTION NO. 2022-15

A RESOLUTION OF THE TOWN OF PAONIA ESTABLISHING WATER RATES AND CHARGES

WHEREAS, Section 13-1-20 of the Paonia Municipal Code authorizes the Board of Trustees to establish by resolution all water rates and charges and the effective date of said rates and charges; and

WHEREAS, the Board of Trustees has made a thorough review of its existing Ordinances pertaining to water rates and charges; and

WHEREAS, the rates levied for water services must be calculated to meet the cost of providing water services, including maintenance, capital reinvestment, and related debt service to avoid deficit spending.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO that the following water rates shall be charged by the Town of Paonia:

A) Basic Water Rate within the Town

The basic in-Town water rate shall be increased by **three dollars (\$3.00)** from **thirty-seven dollars (\$37.00)** per month to **forty dollars (\$40.00)** for each residential customer service account and from **forty-seven dollars (\$47.00)** to **fifty dollars (\$50.00)** per month for each commercial customer service account.

B) Basic Water Rate outside the Town

The basic out-of-Town water rate shall be increased from **forty-seven dollars (\$47.00)** per month to **fifty dollars (\$50.00)** for each residential customer service account and from **sixty-two dollars (\$62.00)** per month to **sixty-five dollars (\$65.00)** for each commercial customer service account. Out-of-Town water users using municipal water through a single water meter shall be charged and shall be responsible for such water individually.

C) Usage

An additional water rate shall be charged a user (customer service account/meter) for each 1,000 gallons and proportionately for each fractional part thereof, as follows:

All Users

1-1,000 gallons	\$0.00 increased to	\$ 2.50 per thousand gallons
1,000-3,000 gallons	\$2.40 increased to	\$ 2.50 per thousand gallons
3,000-10,000 gallons	\$3.30 increased to	\$ 3.50 per thousand gallons

10,000-25,000 gallons	\$4.20 increased to	\$ 4.50 per thousand
25,000-50,000 gallons	\$5.50 increased to	\$ 7.50 per thousand
50,000-75,000 gallons	\$10.00 increased to	\$ 15.50 per thousand
75,000-100,000 gallons	\$11.00 increased to	\$ 20.50 per thousand
100,000-99,999,999 gallons	\$12.00 increased to	\$ 20.50 per thousand

D) Public Tap

All persons receiving municipal water from the public tap furnished by the Town shall continue to pay for such water at the rate of **three** dollars (**\$3.00**) per one hundred (100) gallons.

E) Service Fee

There shall continue to be a charge of **fifty** dollars (**\$50.00**) for a new account set up. There shall continue to be a charge of **twenty-five** dollars (**\$25.00**) for final meter readings. There may be a charge of **one-hundred** dollars (**\$100.00**) for same-day water shut-off/on for repairs or maintenance, when requested by property owner or agent.

F) Effective Date


The water rates set forth herein shall become effective on January 1, 2022, to reflect on the first bill in February 2023.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Trustees of the Town of Paonia, Colorado, on this 29th day of November 2022.

Attest:


Amanda Mojarro, Interim Town Clerk




Mary Bachran, Mayor

Sent
6/13/22
3,356

TOWN OF CRAWFORD

RESOLUTION NO. 3

SERIES OF 2022

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF CRAWFORD, CO AMENDING DOMESTIC WATER ASSESSMENTS RATES FOR THE USE AND OPERATION OF THE MUNICIPAL WATER SYSTEM OF THE TOWN.

WHEREAS, the Board of Trustees, pursuant to the provisions of Section 13-2-80, Crawford Municipal Code, may amend the water rates of the Town following at least one public hearing: and

WHEREAS, following public hearing duly convened on the 8th day of June, 2022, Board of Trustees of the Town of Crawford finds it necessary and desirable for the continued responsible operation and maintenance of the Town's domestic and municipal water system to revise its monthly water minimum and excess rate schedule for all users of the Town's system, and

WHEREAS, the municipal water system of the Town is an enterprise of the Town of Crawford and said domestic water assessments are not subject to the provisions of Section 20, Article X, of the Colorado Constitution requiring voter approval for certain increases in public revenues.

NOW THEREFORE, BE IT RESOLVED, by the Board of Trustees of the Town of Crawford, Colorado, as follows:

SECTION 1. Water rates. The water rates for domestic water service on the Town of Crawford Municipal Water System shall be as follows:

A. Residential. All municipal water furnished by the Town of Crawford for residential purposes within the Town of Crawford shall be metered and delivered at the following monthly minimum and excess rates and charges:

1. Minimum rate:

The first 6,000 gallons included within a base rate of \$35.00 per month (A Capital Improvement Fee of \$3.00 shall be included in this base rate for the purpose of creating a reserve to pay for large water infrastructure projects). Water use that exceeds 6,000 gallons shall be charged at the following, tiered rate structure:

6,001 to 10,000 gallons	\$1.00 per thousand gallons
10,001 to 15,000 gallons	\$1.50 per thousand gallons
15,001 to 20,000 gallons	\$2.00 per thousand gallons
20,001 to 25,000 gallons	\$3.50 per thousand gallons
25,001 to 30,000 gallons	\$5.00 per thousand gallons
30,001 to 50,000 gallons	\$7.50 per thousand gallons
50,001 to 75,000 gallons	\$10.00 per thousand gallons
75,001+ gallons	\$12.50 per thousand gallons



B. Rural (Residential and Commercial). All municipal water furnished by the Town of Crawford for rural, commercial and residential purposes outside of Crawford Town limits, shall be metered and delivered at the following monthly minimum and excess rates and charges:

1. Minimum rate: The first 5,000 gallons included within a base rate of \$38.00 per month (A Capital Improvement Fee of \$3.00 shall be included in this base rate for the purpose of creating a reserve to pay for large, water infrastructure projects). Water use that exceeds 5,000 gallons per month shall be charged at the following rates:

5,001 to 10,000 gallons	\$1.50 per thousand gallons
10,001 to 15,000 gallons	\$2.00 per thousand gallons
15,001 to 20,000 gallons	\$3.00 per thousand gallons
20,001 to 25,000 gallons	\$4.00 per thousand gallons
25,001 to 30,000 gallons	\$7.00 per thousand gallons
30,001 to 50,000 gallons	\$10.00 per thousand gallons
50,001+ gallons	\$15.00 per thousand gallons

C. Commercial. All Commercial water furnished by the Town of Crawford for commercial purposes within the Town of Crawford, shall be metered and delivered at the following monthly minimum and excess rate charges:

1. Minimum rate: The first 10,000 gallons included within a base rate of \$38.00 per month (A Capital Improvement Fee of \$3.00 shall be included within a base rate for the purpose of creating a reserve to pay for large, water infrastructure projects). Commercial water use after 10,000 gallons of usage shall be equal to residential rates.

SECTION 2. The water system service charges for the municipal water system of the Town of Crawford established hereinabove shall become effective from and after July 1, 2022.

ADOPTED AND APPROVED BY MAJORITY VOTE of the members of the Board of Trustees of the Town of Crawford, Colorado, at a regular meeting of the Board held on June 8, 2022 by a vote of 6 in favor and 0 opposed.

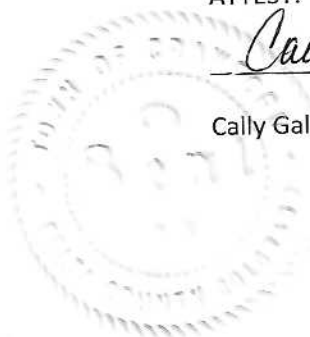
ATTEST:



Cally Gallegos, Town Clerk



Wanda Gofforth, Mayor



TOWN OF CRAWFORD

RESOLUTION NO. 4

SERIES OF 2022

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF CRAWFORD, CO AMENDING DOMESTIC WASTEWATER ASSESSMENTS RATES FOR THE USE AND OPERATION OF THE MUNICIPAL WASTEWATER SYSTEM OF THE TOWN.

WHEREAS, the Board of Trustees, pursuant to the provisions of Section 13-1-160, Crawford Municipal Code, may amend the sewer rates of the Town by resolution: and

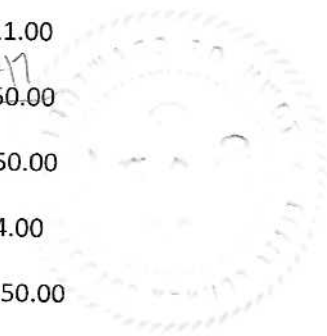
WHEREAS, following public hearing duly convened on the 8th day of June, 2022, Board of Trustees of the Town of Crawford finds it necessary and desirable for the continued responsible operation and maintenance of the Town's domestic and municipal sewer system to revise its monthly sewer system charges and rate schedule for all users of the Town's system, and

WHEREAS, the municipal sewer system of the Town is an enterprise of the Town of Crawford and said domestic water assessments are not subject to the provisions of Section 20, Article X, of the Colorado Constitution requiring voter approval for certain increases in public revenues.

NOW THEREFORE, BE IT RESOLVED, by the Board of Trustees of the Town of Crawford, Colorado, as follows:

SECTION 1. Sewer rates. The sewer rates for service on the Town of Crawford Municipal Sewer System shall be as follows:

Use of Property served	Inside town	Outside town
Single Family Dwelling, Mobile Homes, Trailers, Each Dwelling Unit	\$38.00 ^{35.00}	\$47.00 ⁴⁴
Hotel And Motels- Manager Unit	\$38.00	\$47.00
Hotel Or Motel – Room No Cooking Facilities	\$6.00	\$9.00
Hotel Or Motel – Room With Cooking Facilities	\$8.00	\$11.00
Bars And Restaurants	\$41.00 ³⁹	\$50.00 ⁴⁷
Service Station	\$41.00	\$50.00
Laundry Business Each Machine	\$3.00	\$4.00
Car Wash	\$41.00	\$50.00



	Inside Town	Outside Town
Churches and Lodges	\$41.00	\$50.00
Individual Business and Offices	\$41.00 ³⁸	<u>\$50.00</u> ⁴⁷
Schools	\$246.00	\$375.00
Business Operated In Residence or Resident Dwelling	\$41.00	\$50.00
Crawford State Park		\$600.00

SECTION 2. A Capital Improvement Fee of \$3.00 shall be included in this assessment for the purpose of creating a reserve to pay for large waste water projects and infrastructure replacement.

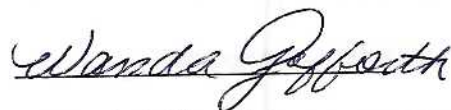
SECTION 3. The sewer system service charges for the municipal sewer system of the Town of Crawford established hereinabove shall become effective from and after June 30, 2022.

ADOPTED AND APPROVED BY MAJORITY VOTE of the members of the Board of Trustees of the Town of Crawford, Colorado, at a regular meeting of the Board held on June 8th, 2022 by a vote of 6 in favor and 0 opposed.

ATTEST:



Cally Gallegos, Town Clerk



Wanda Gofforth, Mayor





Paonia Drinking Water Cost-of-Service Analysis

Rural Community
Assistance Corporation



November 2021

Author: Ty Leydig, RCAC

Table of Contents

1	Introduction	4
2	System Basic Statistics	6
3	Current Financial condition and analysis	11
4	Future Financial condition and Rate Scenarios.....	17
5	Recommendations	26

Executive Summary

In August 2021 Paonia town staff reached out to RCAC to inquire about completing a cost-of-service analysis for the drinking water system. The town had multiple considerations they were hoping to address with the cost-of-service analysis:

1. Current financial sustainability given current expenses and revenues associated with the drinking water system.
2. The Town had recently completed an Asset Management Plan through SGM engineers as well as a Capital Improvement Plan (CIP) through JDS Hydro. Through both documents, Town staff were made aware of aging infrastructure. The analysis addressed future CIP projects and the associated impacts to future expenses.
3. Consider alternative rate structures and classifications and their associated impacts on revenue generated and affordability.

RCAC met with Town staff to acquire the needed documentation to complete the cost-of-service analysis and presented preliminary findings at a publicly held workshop on November 2, 2021, to the Board of Trustees, Paonia Town staff and community members.

Preliminary findings indicated that the Town's water enterprise was sufficient to meet debt service requirements and Operation & Maintenance expenses but was not fully funding a Capital Improvement Reserve.

During the publicly held workshop, the Board of Trustees asked to see multiple scenarios for rate increases as well as an alternative to reduce the number of tiers in their usage structure. Alternative tier structure is identified in Table 14.

Six (6) scenarios are provided in this document to the Board of Trustees found on pages 20-25 and include:

1. Do Nothing
2. Base rate increase needed to meet expectations found on page 19.
3. Annual base rate increases needed to meet expectations found on page 19.
4. Funding the CIP reserve for projects needing replacement in 30 years.
5. Funding the CIP reserve for projects needing replacement in 50 years.
6. An initial base rate increase plus annual base rate increases in subsequent years.

Scenarios 1, 4 & 5 would require no change to current rates to meet expectations found on page 19.

Scenarios 2, 3 & 6 best reflect the true cost-of-service of providing drinking water to customers. It is recommended that the Board of Trustees consider one of these three (3) scenarios as potential drinking water rates as best reflects their community priorities.

1 Introduction

1.1 Introduction

1.1.1

Founded in 1978, RCAC provides training, technical, and financial resources and advocacy so rural communities can achieve their goals. Since 1978, our dedicated staff and active board, coupled with our key values: leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in rural communities across the West.

RCAC's work includes environmental infrastructure (water, wastewater and solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, Tribal organizations, farmworkers, colonias and other specific populations. Headquartered in West Sacramento, California, RCAC's employees serve rural communities in 13 western states and the Pacific islands.

1.1.2 *Purpose of Cost-of-Service Analysis*

In August 2021 Paonia town staff reached out to RCAC to inquire about completing a cost-of-service analysis for the drinking water system. The town had multiple considerations they were hoping to address with the cost-of-service analysis:

4. Current financial sustainability given current expenses and revenues associated with the drinking water system.
5. The Town had recently completed an Asset Management Plan through SGM engineers as well as a Capital Improvement Plan (CIP) through JDS Hydro. Through both documents, Town staff were made aware of aging infrastructure. The analysis will address future CIP projects and the associated impacts to future expenses.
6. Consider alternative rate structures and classifications and their associated impacts on revenue generated and affordability.

Guiding principles used throughout cost-of-service analysis and recommendations.

1. Must achieve a balanced budget.
2. Promote conservation.
3. Usage structure can be simplified.
4. Balance between affordability, equality/fairness and revenues required.
5. Meet debt obligations.

RCAC met with the Town Board of Trustees, staff, and community members in a public meeting workshop on November 2, 2021, to discuss cost-of-service preliminary findings. At the conclusion of the workshop the Trustees agreed upon three (3) different scenarios they would like to consider:

1. What is the 5-year budget projection if an eight (8) dollar increase in base rates across all classifications were to be implemented?
2. What initial base rate increase would be needed if an annual percentage increase was implemented on base rates to maintain financial sustainability.

3. What base rate is needed if CIP were to be funded with asset reaching life cycle expectancy within 30-years and 50-years.

1.1.3 Board Responsibilities

The Board of Trustees has a fiduciary responsibility to ensure that the water enterprise remains financially solvent while also providing customers with safe, affordable drinking water.

1.1.4 Disclaimer

The findings, recommendations, and conclusions contained in this financial analysis are based on financial information provided to RCAC by the Town of Paonia. Although reasonable care 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. Any action taken on the basis of such findings, recommendations, or conclusions is undertaken at the discretion of the Town of Paonia. In no event will RCAC or its partners, employees, or agents, be liable for any decision made or action taken in reliance on the information contained in this analysis.

2 System Basic Statistics

2.1 Community

2.1.1 Location & Map

Paonia is situated in eastern Delta County, Colorado, adjacent to Highway 133.



Figure 1. Google Maps

2.1.2 History

The town was officially incorporated in 1902 and had its first election in July of that year. The peony roots that Samuel Wade brought with him to Colorado in 1881 inspired him to submit the Latin name for peony, "Paeonia" as a town name. The post office wouldn't allow the extra vowel, so Paeonia became Paonia. Significant industries include ranching, mining, and orchard farming. *Paonia History, 2021.* <https://townofpaonia.colorado.gov/history/paonia-history>.

2.1.3 Legal Entity

Per Paonia Ordinance 2014-04,
WHEREAS, the Town of Paonia (the "Town"), is a duly organized and existing statutory municipality of the State of Colorado, created and operating pursuant to the Colorado Revised Statutes; and
WHEREAS, the members of the Board of Trustees of Paonia (the "Board") have been duly elected and qualified; and
WHEREAS, pursuant to 1-16-202, C.R.S, the Town is authorized to enact any ordinance which adopts any code by reference in whole or in part.

2.1.4 Governing body/staff

Paonia governmental structure is mayor-council. Six (6) duly elected Board of Trustees and an elected Mayor.

2.1.5 MHI and % LMI

According to the 2020 census, Paonia has 1,447 residents and an Median Household Income (MHI) of \$41,683 which is below the MHI for the State of Colorado at \$77, 127. % LMI data is not available at the time of this report.

2.2 System Description

2.2.1 Service area

The Town of Paonia is roughly 1 sq. mile. However, the Town provides water to a number of Water Companies that exist outside of city limits.

2.2.2 System history

The system is supplied by roughly 15 active wells (Loberg, 2021) and consists of and associated raw water infrastructure, two water treatment plants, two finished water storage tanks, and multiple miles of distribution piping. The Town’s treated water distribution system consists of approximately 22.7 miles of piping, all fed by gravity from the WTP (SGM, 2021. p. 3-1.)

During 2020, the Town implemented Ordinance 2020-1, which places a moratorium on future domestic water taps. Additionally, water rates were increased.

2.3 Customer Base description

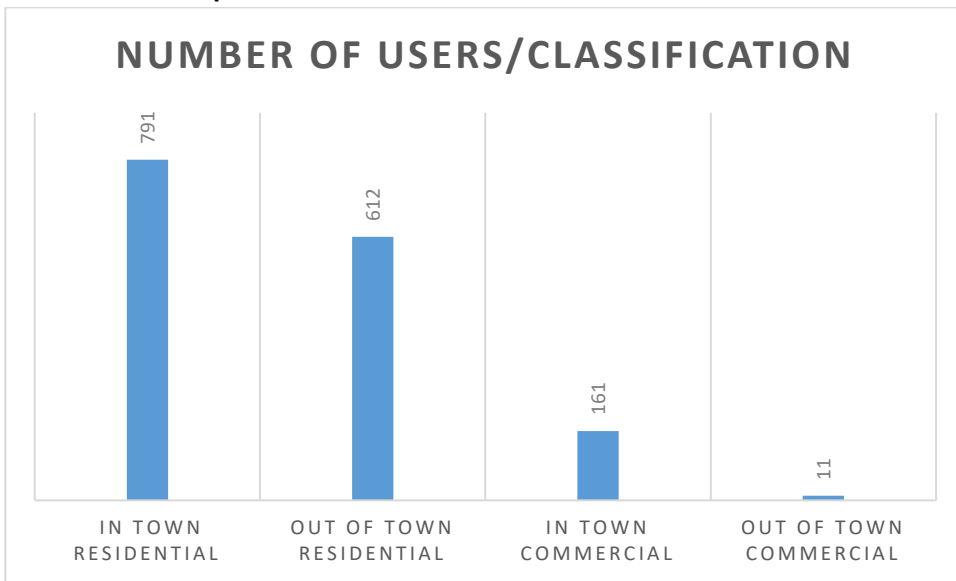


Figure 2. Number of Users per Classification.

Figure 2 lists the number of users per classification in accordance with billing practices. Two (2) considerations were made to determine values. First, water companies were accounted for by number of connections. For example, if Water Company X has 40 service connections, the number of users equals 40. Second, some users are billed multiple “units”. These situations were accounted for in the same manner as water companies. With these considerations in place, the total number of users is 1575.

2.4 Customer water use statistics

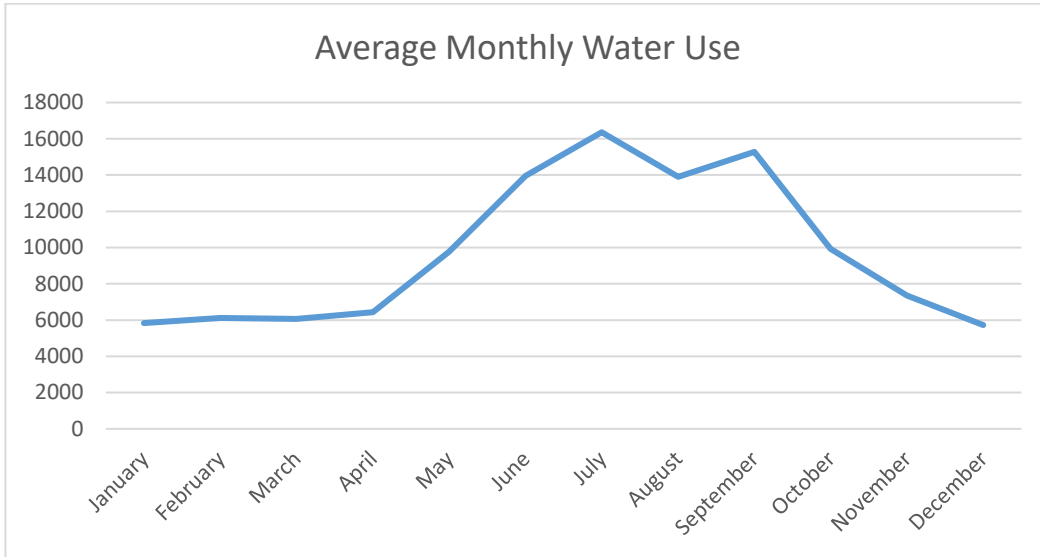


Figure 3. Average Monthly Water Use

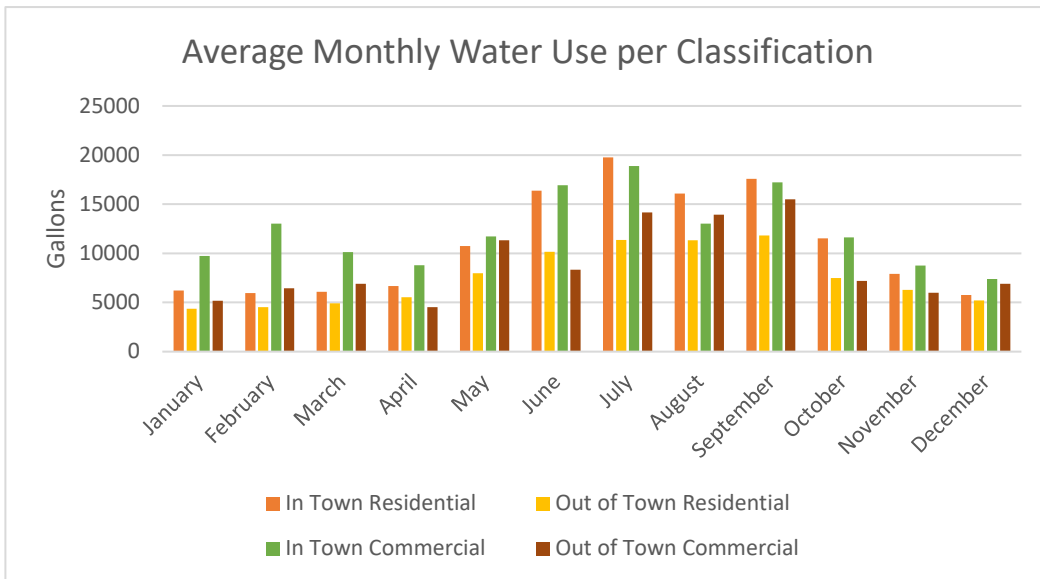


Figure 4. Average Monthly Water Use per Classification.

Total Annual Use/Customer		Average Monthly Use/Customer	
17608	10th Percentile	1467	10th Percentile
33000	20th Percentile	2750	20th Percentile
48744	30th Percentile	4062	30th Percentile
56880	40th Percentile	4740	40th Percentile
77300	50th Percentile	6442	50th Percentile
87242	60th Percentile	7270	60th Percentile
104562	70th Percentile	8714	70th Percentile
146756	80th Percentile	12230	80th Percentile
241970	90th Percentile	20164	90th Percentile
+			
39060	25th Percentile	3255	25th Percentile
77300	50th Percentile	6442	50th Percentile
121980	75th Percentile	10165	75th Percentile

Table 1. Percentile Usage/Customer

Table 1 is a breakdown of usage/customer for annual total usage and monthly average water use. Using this information, it can be inferred that 50% of all customers use less than 77,300 gal/year or 6,442 gal/month.

2.5 Current water rate structure

The Town of Paonia uses a Tiered Block rate structure and four (4) classifications (Table 2). Base rates are variable based on classification (Table 3), and usage rates are the same across all classifications (Table 4).

In Town Residential	Tiered Block	A
Out of Town Residential	Tiered Block	B
In Town Commercial	Tiered Block	C
Out of Town Commercial	Tiered Block	D

Table 2. Current User Classifications. (Resolution 2020-18)

Rate Schedules				
A	B	C	D	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	
\$32.00	\$42.00	\$42.00	\$57.00	

Table 3. Current Base Rate/Classification (Resolution 2020-18)

Gallons	Cost/1,000 Gallons
1 - 1,000	\$ 2.40
1,001 - 3,000	\$ 2.70
3,001 - 5,000	\$ 3.00
5,001 - 10,000	\$ 3.30
10,001 - 15,000	\$ 3.60
15,001 - 20,000	\$ 3.90
20,001 - 30,000	\$ 4.20
30,001 - 40,000	\$ 4.50
40,001 - 50,000	\$ 8.50
50,001 - 75,000	\$ 10.00
75,001 - 100,000	\$ 11.00
100,001 or more	\$ 12.00

Table 4. Current Usage Rates (Resolution 2020-18)

2.6 Future population and usage projections

The Town of Paonia has currently enacted a moratorium on new water taps (Ordinance 2020-1) and therefore future population projections are 0%. Usage projections are estimated to 0% for the first two (2) years, followed by a 1% growth each year. It is assumed that customers will limit their usage immediately following a rate increase due to cost uncertainty. There is also an assumption that conservation will increase 1% year over year. Water conservation is a priority for the Town of Paonia given the uncertainty of potential drought and water supply.

Growth of Consumption over Base year	Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor	1.0%	2.0%	3.0%	4.0%	5.0%
Usage Growth Factor	0.0%	0.0%	1.0%	2.0%	3.0%

Table 5. Conservation and Usage Factors.

3 Current Financial condition and analysis

3.1 Current rate schedule/structure

3.1.1 Customers are billed on a monthly basis. During winter months, some customers’ meters are unable to be read. During these months customers are billed, however, water bills are reconciled, typically in April, when meters are read. Tables 1-4 describe the current rate structure and classifications.

3.1.2 The current structure has some advantages and disadvantages. Currently, the classification system, which utilizes a more zoning concept is simple to administer and easy to determine. However, it does not necessarily reflect the impact that a customer may have on the water system, specifically water supply and needed infrastructure. It would be recommended that the Town move to a rate structure based on meter size. This would likely require a multi-year process of evaluating specific customer water usage demands and the replacement of meters to meet usage demand.

Another consideration is the number of usage tiers currently utilized. There are 12 tiers which are used calculate the usage costs. While this structure does capture more specific usage and costs associated, it can be more challenging to administer and may be more difficult for customers to fully understand their water bills. It is recommended that the Town consider reducing the number of usage tiers and recalculate usage rates to ensure revenue generated meets expenses and funder requirements.

3.2 Current budget

3.2.1 Historical revenue and expenses

EXPENSES AND SOURCES OF FUNDS	2019	2020	2021	% Belonging to Water	2022	2023	2024	2025	2026
OPERATIONS & MAINTENANCE EXPENSES									
Wages	222,984	178,297	201,599	100%	207,647	213,876	220,293	226,901	233,708
Retirement	20,160	20,160	20,160	100%	20,765	21,388	22,029	22,690	23,371
Work Comp	5,252	3,736	3,220	100%	3,317	3,416	3,519	3,624	3,733
Office Supplies	245	300	320	100%	330	339	350	360	371
Operating Supplies	17,241	17,050	10,950	100%	11,279	11,617	11,965	12,324	12,694
Postage	3,867	4,900	3,925	100%	4,043	4,164	4,289	4,418	4,550
Legal & Engineering Services	1,799	7,500	500	100%	515	530	546	563	580
Audit	11,280	11,280	11,000	100%	11,330	11,670	12,020	12,381	12,752
Repairs and Maintenance	123,640	202,940	194,656	100%	200,496	206,511	212,706	219,087	225,660
Vehicle expense	8,468	10,000	6,219	100%	6,406	6,598	6,796	7,000	7,210
Shop Expense	3,578	4,250	3,305	100%	3,404	3,506	3,611	3,720	3,831
Travel & Meetings	1,129	3,500	1,957	100%	2,016	2,076	2,138	2,203	2,269
Insurance & Bonds	20,586	19,715	23,508	100%	24,213	24,940	25,688	26,458	27,252
Utilities	25,191	25,000	27,325	100%	28,145	28,989	29,859	30,755	31,677
Telephone	4,130	4,175	4,200	100%	4,326	4,456	4,589	4,727	4,869
Publishing & Ads	12	710	179	100%	184	190	196	201	208
Dues & Subscriptions	1,835	1,850	1,855	100%	1,911	1,968	2,027	2,088	2,150
Fees & Permits	10,521	8,500	11,661	100%	12,011	12,371	12,742	13,125	13,518
Data Processing	10,272	7,980	13,656	100%	14,066	14,488	14,922	15,370	15,831
Interim Financing	2	25	10	100%	10	11	11	11	12
Capital Outlay	0	28,000	150,000	100%	154,500	159,135	163,909	168,826	173,891
Total Operation and Maintenance Expenses:	492,192	559,868	690,205		710,911	732,238	754,206	776,832	800,137

Table 6. Historical O&M Expense Budget

The historical O&M expense budget was created using the 2019 audit, 2020 budget and 2021 budget. The projection for the following years is based on a compounding 3.0% inflation rate.

GENERAL & ADMINISTRATIVE EXPENSES	2019	2020	2021	%	2022	2023	2024	2025	2026
Operating Reserve Funding					0	0	0	0	0
Emergency Reserve Funding					0	0	0	0	0
Debt Reserve Funding					0	0	0	0	0
Replacement of Existing Capital Assets	311,327	318,082	318,698		596,372	596,372	596,372	486,873	491,917
Replacement of Funded Project Assets					690,100	46,007	46,007	46,007	46,007
Reserves for Additional Capital Assets					70,618	70,618	70,618	70,618	70,618
Debt Service					197,162	197,162	197,162	197,162	197,162
Total General and Administrative Expenses:	311,327	318,082	318,698		1,554,252	910,159	910,159	800,660	805,704
TOTAL EXPENSES	803,519	877,950	1,008,903		2,265,163	1,642,397	1,664,364	1,577,491	1,605,840

Table 7. Historical General and Administrative Expenses.

Table 7 is other expenses identified on the 2019 Audit, 2020 and 2021 Budgets. Replacement of Existing, funded and additional capital assets are calculated through the CIP and can be seen in Table 17. Total expenses identified are both O&M expenses and CIP expenses, assuming a fully funded CIP program. One scenario asked by the Board of Trustees to consider is the effect on cost-of-service for a CIP that is funded through 30 & 50 years. This scenario will be discussed further in the report, but there will be a reduction in the total expenses due to only partial funding of the CIP.

SOURCE OF FUNDS / REVENUES RECEIVED	2019	2020	2021	%	2022	2023	2024	2025	2026
Sales Revenue (Base + Usage)	761,739	831,497	1,193,494		1,404,382	1,414,539	1,434,951	1,455,476	1,476,098
WATER TAPS	57,000			100%	0	0	0	0	0
SALES & SERVICES	4,982	3,650	4,500	100%	4,635	4,774	4,917	5,065	5,217
STANDBY TAP FEES	45,486	44,115	56,484	100%	58,179	59,924	61,722	63,573	65,480
BULK WATER	4,964	4,550	5,650	100%	5,820	5,994	6,174	6,359	6,550
GRANT FUNDS		14,000		100%	0	0	0	0	0
PENALTIES	1,255	2,500	1,000	100%	1,030	1,061	1,093	1,126	1,159
RENTS	1,500	1,000	100	100%	103	106	109	113	116
TOTAL REVENUE	876,926	901,312	1,261,228		1,474,148	1,486,398	1,508,965	1,531,711	1,554,620
NET LOSS OR GAIN:	73,407	23,362	252,325		-791,016	-156,000	-155,399	-45,780	-51,221
NET CASH FLOW (Contribution to Reserves)	384,734	341,444	571,023		566,075	556,997	557,598	557,717	557,321

Table 8. Historical Revenues.

3.3 Current dedicated reserves

3.3.1 Operations & Maintenance Reserve

The O&M Reserve defined within the model an account worth 45 days of expenditures. The intent with this reserve is to maintain enough monies to cover 1.5x billing cycle to cover monthly or frequent expenditures. This reserve is designed to be very liquid and is typically consider funds found within a checking account or cash on hand. Under the agreement set forth by the Water & Power Authority, a current funder for the Town, the operation and maintenance reserve must maintain at least 3 months of expenditures minus depreciation (2020 Audit, p. 41)

3.3.2 Emergency Reserve

Emergency reserves are typically considered in an organizational savings account. The monies are very liquid but are not expected to be used unless an emergency occurs and therefore, are placed in an account to earn interest if possible. The emergency reserve is typically tied directly to the replacement or repair cost of the most critical asset within the system.

3.3.3 Debt:

Debt reserves are typically required by funders as a mechanism to ensure that borrowers are able to pay back loans. These types of debts are commonly associated with major Capital Improvement projects. The Town currently holds two notes: one with the Water & Power Authority and the with the Colorado State Revolving Fund. Under the current agreements, the Town pledged revenues is required to provide rates and charges in order to maintain coverage

of 110% of the debt service due on the governmental agency bond coming due in each calendar year (2020 Audit, p. 40).

3.3.3.1 Capital improvement:

There is currently \$382,000 set aside for Capital Reserves.

3.3.3.2 Analysis of current dedicated reserves.

Existing Debt				
Description	Annual Payment	Maturity	Reserve Required	Reserve Allocated
Water & Power Auth.	\$ 173,819	2034	\$ 191,201	\$ 191,201
Drinking Water Revolving Fund	\$ 23,343	2029	\$ 25,677	\$ 25,677
3 month O&M (WPA) reserve			\$ 329,000	\$ 329,000
Total	\$ 197,162		\$ 545,878	\$ 545,878
Existing Reserves				
	Amount			
Debt Reserve	\$545,878	As per lending agreement(s)		
Operating Reserve	\$99,745	Often in Checking Account		
Emergency Reserve	\$50,000	Often in Savings Account		
Capital Reserve	\$382,000	Mostly in CDs or other investments		
Total	\$1,077,623			
Reserve Targets				
	Amount	Make Up Period	First Year Reserve Addition	Excess funds to be transfer to CIP
Debt Reserve	\$545,878	See F20:F25	\$0	\$0
Operating Reserve	\$88,864		\$0	\$10,881
Emergency Reserve	\$50,000		\$0	\$0
Available for Capital Reserve	\$392,881	This is the total amount currently available		

Table 9. Existing Reserves.

It is important to note that the Town using different terms for the reserves and due to funder requirements, funds may be held in differently named accounts from Table 9, however, their use is the same. As an example, \$164,000 is dedicated to the WPA O&M reserve requirement and is held within the Town’s O&M reserve, per the funding agreement. But to ensure that the funds are accounted for appropriately with the cost-of-service model, these funds have been placed under the existing debt requirements with no annual payment requirement. This is the explanation for the low operating reserve seen above. The Town, as of November 2, 2021, held \$485,785 in the Operating Reserve. This value included the emergency reserve as well as the 3-month O&M reserve.

3.4 Analysis of current financial condition

3.4.1 Revenue sufficiency associated with current rates

Current base and usage rates are meet debt service and all reserve requirements except for CIP. The water enterprise has a balanced budget but is not fully funding the CIP program. In order to fund projects according to guidance given by Town staff, rates will need to increase. An important caveat to make is that due to the high number of usage tiers employed but the Town’s current structure, the model could not account for all tiers (Table 11). Some tiers were

combined using average rates across the tiers. This methodology, while not exact, does provide an accurate depiction of the Town’s current financial condition related to the water enterprise.

Results of the new rates	2022	2023	2024	2025	2026	5 Years
TOTAL EXPENSES	\$2,268,819	\$1,646,053	\$1,668,021	\$1,579,911	\$1,607,852	\$8,770,657
TOTAL REVENUE	\$1,408,831	\$1,420,238	\$1,441,122	\$1,462,201	\$1,483,459	\$7,215,850
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$859,989	-\$225,816	-\$226,899	-\$117,710	-\$124,393	-\$1,554,806
NET CASH FLOW (Contribution to Reserves)	\$500,757	\$490,837	\$489,754	\$488,207	\$486,161	\$2,455,716

Table 10. 5-year Budget Projection with a fully funded CIP at current rates.

1,000	1,000	1,000	1,000
3,000	3,000	3,000	3,000
10,000	10,000	10,000	10,000
25,000	25,000	25,000	25,000
50,000	50,000	50,000	50,000
75,000	75,000	75,000	75,000
100,000	100,000	100,000	100,000
99,999,999	99,999,999	99,999,999	99,999,999
\$2.40	\$2.40	\$2.40	\$2.40
\$2.70	\$2.70	\$2.70	\$2.70
\$3.00	\$3.00	\$3.00	\$3.00
\$3.30	\$3.30	\$3.30	\$3.30
\$3.90	\$3.90	\$3.90	\$3.90
\$6.00	\$6.00	\$6.00	\$6.00
\$10.00	\$10.00	\$10.00	\$10.00
\$12.00	\$12.00	\$12.00	\$12.00

Table 11. Tier Structure and Associated Rates to Assess Current Financial Condition.

3.4.2 Rate equability and affordability criteria of current rates.

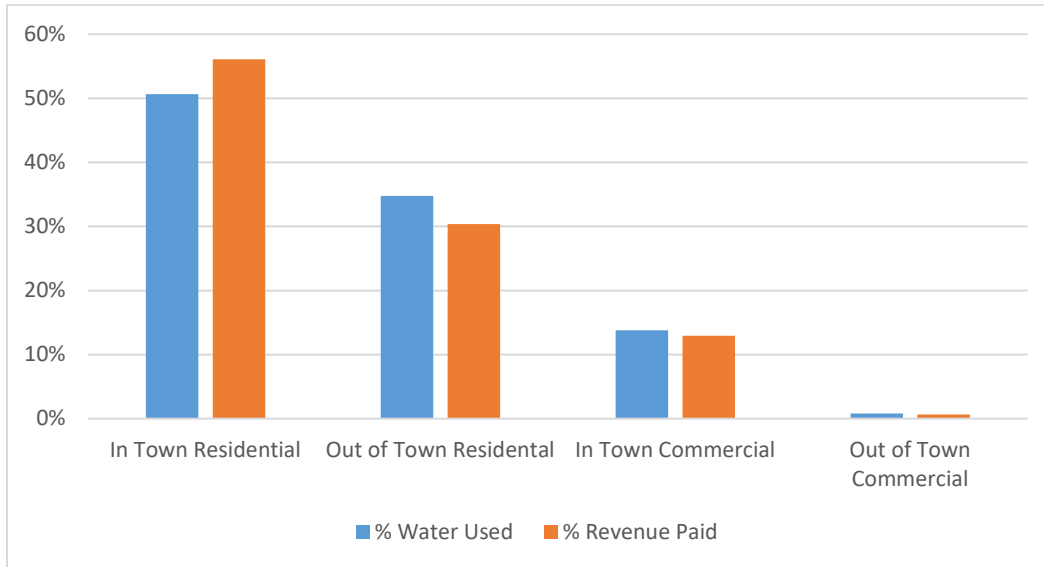


Table 12. Water Usage vs. Revenue Paid per Classification.

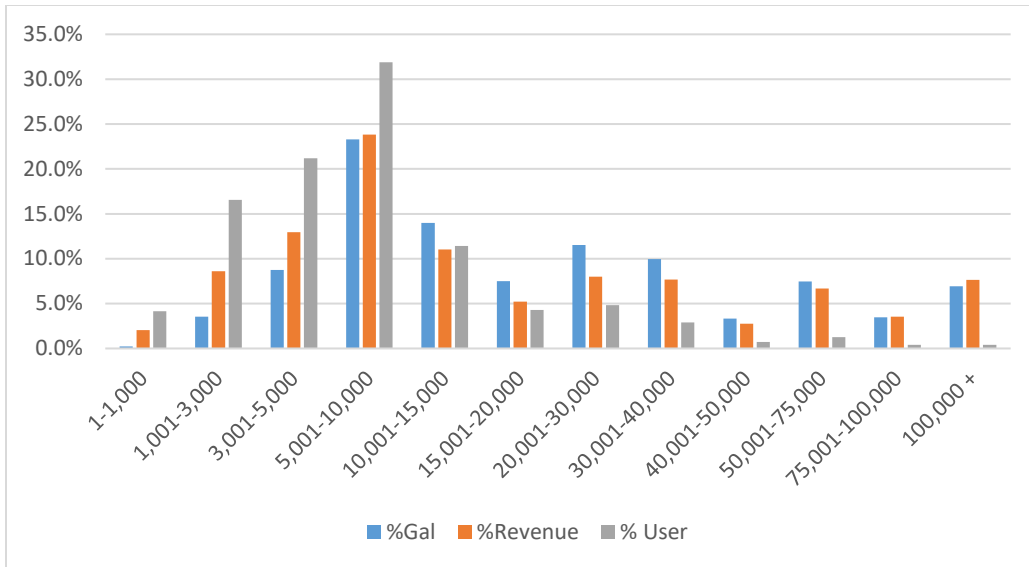


Table 13. Water Usage vs. Revenue Paid per Usage Tier.

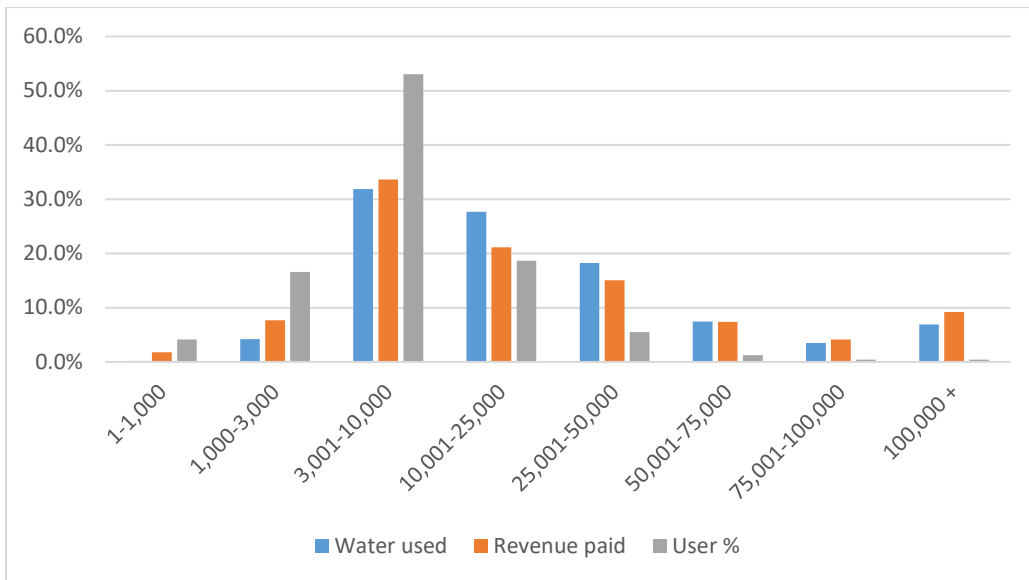


Table 14. Proposed Usage Tiers.

Keep in mind that no rate structure with a base rate and commodity or usage charge will be 100% equitable.

Tables 12-14 provide valuable information about water usage as it relates to revenues paid. Table 12 looks at classification while Table 13 is looking at tier structure. Table 13 & 14 also include customers whose usage falls within that tier.

A few insights using Tables 12-14.

- There is reasonable equability between user classifications. However, In-Town Residential customers are paying higher cost/1000 gallons than Out-of-Town Residential, even with the difference in base rate.
- 73% of all customers use on average less than 10,000 gallons/month (Table 14).
- Equability across the tier structure is within reason. Although customers who use between 10,000 gallons/month and 50,000 gallons/month should likely be paying more per month in revenue.
- Table 14 information generated using Table 15 usage rates.

1	1,000	1,000	1,000	1,000
2	3,000	3,000	3,000	3,000
3	10,000	10,000	10,000	10,000
4	25,000	25,000	25,000	25,000
5	50,000	50,000	50,000	50,000
6	75,000	75,000	75,000	75,000
7	100,000	100,000	100,000	100,000
8	99,999,999	99,999,999	99,999,999	99,999,999
1	\$0.00	\$0.00	\$0.00	\$0.00
2	\$2.40	\$2.40	\$2.40	\$2.40
3	\$3.30	\$3.30	\$3.30	\$3.30
4	\$4.20	\$4.20	\$4.20	\$4.20
5	\$5.50	\$5.50	\$5.50	\$5.50
6	\$10.00	\$10.00	\$10.00	\$10.00
7	\$11.00	\$11.00	\$11.00	\$11.00
8	\$12.00	\$12.00	\$12.00	\$12.00

Table 15. Proposed usage tiers and rates.

Affordability criteria-

According to AWWA, affordability using MHI is defined as less than 2.5%. Using 2020 census data, Paonia’s MHI was \$41,683. Applying AWWA’s criteria, this would mean that the average customer’s water bill must remain at or below \$86.84. (Improving the Evaluation of Household-Level Affordability in SDWA Rulemaking: New Approaches, April 2021). Current rates are below this threshold.

Results of the new rates	2022	2023	2024	2025	2026
Affordability assuming MHI of \$41683 for residential meters.	2.18%	2.20%	2.23%	2.27%	2.30%

Table 16. Affordability calculation

Table 16 is an entire list of all water assets that could be identified. Cost estimates were derived from a recent SGM Capital Improvement Plan, JDS Hydro and Travis Loberg, Paonia PW Director.

The table is considering age of asset, expected life, and current cost. Using this data, along with funding expectations in Table 17 and annual inflation costs, an estimated annual reserve is calculated for each asset. In total, to fully fund the CIP, the Town must dedicate \$1,360,746/year to Capital Reserves.

Default Funding of Asset Replacements				
Replacement Value From To		Cash	Grant	Loan
\$0	\$20,000	100%	0%	0%
\$20,001	\$50,000	100%	0%	0%
\$50,001	\$1,000,000	50%	50%	0%
\$1,000,001	\$9,999,999	10%	50%	40%
\$10,000,000	\$9,999,999	5%	50%	45%

Table 18. Expected Funding Rates based on cost of asset.

4.2 Suggested rates

Based on a public workshop held on November 2, 2021, The Board of Trustees listed four (4) scenarios they would like to consider. Scenarios 1 & 6 are suggested alternatives provided by the author.

1. Do nothing
2. What would be the needed base rate increase to meet expectations listed below?
3. What would be the 5-year budget impact if annual increases were placed on base rates and what effect would this have on initial base rate increase for 2022?
4. What would the 5-year budget impact be if the CIP was only funded with asset replacement for 30 years?
5. What would the 5-year budget impact be if the CIP was only funded with asset replacement for 50 years?

Requirements to be met, if possible, by each recommendation:

1. Positive contribution to the CIP reserve year over year.
2. By year 4, a net positive contribution to CIP reserve.
3. Affordability to remain below 2.75%.
4. Equability and fairness be maintained across customer class be maintained.

Assumption

1. Proposed usage tiers and rates in Table 14 will be used for each scenario. Note that there is no usage charge for customers that use under 1000/month. This is offset some costs associated with the potential base rate increases.

Scenario 1. Do nothing

Results of the new rates	2022	2023	2024	2025	2026	5 Years
TOTAL EXPENSES	\$2,268,819	\$1,646,053	\$1,668,021	\$1,579,911	\$1,607,852	\$8,770,657
TOTAL REVENUE	\$1,408,831	\$1,420,238	\$1,441,122	\$1,462,201	\$1,483,459	\$7,215,850
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$859,989	-\$225,816	-\$226,899	-\$117,710	-\$124,393	-\$1,554,806
NET CASH FLOW (Contribution to Reserves)	\$500,757	\$490,837	\$489,754	\$488,207	\$486,161	\$2,455,716
Affordability assuming MHI of \$41683 for residential meters.	2.18%	2.20%	2.23%	2.27%	2.30%	
Are you putting enough money in reserves?	No	No	No	No	No	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes	

A balance budget would be achieved but the CIP program would be severely impacted and within 5-years would under funded by roughly \$1.55M. Not recommended.

Scenario 2. What is the needed base rate increase across all classifications?

Tiered Block	Meter Size	A	B	C	D	E	F
Base	0.625	\$37.00	\$47.00	\$47.00	\$62.00		
	0.750	\$37.00	\$47.00	\$47.00	\$62.00		
	1.000	\$37.00	\$47.00	\$47.00	\$62.00		
	1.500	\$37.00	\$47.00	\$47.00	\$62.00		
	2.000	\$37.00	\$47.00	\$47.00	\$62.00		
	3.000	\$37.00	\$47.00	\$47.00	\$62.00		
	4.000	\$37.00	\$47.00	\$47.00	\$62.00		
	6.000	\$37.00	\$47.00	\$47.00	\$62.00		
	8.000	\$37.00	\$47.00	\$47.00	\$62.00		
	10.000	\$37.00	\$47.00	\$47.00	\$62.00		
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000		
	2	3,000	3,000	3,000	3,000		
	3	10,000	10,000	10,000	10,000		
	4	25,000	25,000	25,000	25,000		
	5	50,000	50,000	50,000	50,000		
	6	75,000	75,000	75,000	75,000		
	7	100,000	100,000	100,000	100,000		
	8	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		
	2	\$2.40	\$2.40	\$2.40	\$2.40		
	3	\$3.30	\$3.30	\$3.30	\$3.30		
	4	\$4.20	\$4.20	\$4.20	\$4.20		
	5	\$5.50	\$5.50	\$5.50	\$5.50		
	6	\$10.00	\$10.00	\$10.00	\$10.00		
	7	\$11.00	\$11.00	\$11.00	\$11.00		
	8	\$12.00	\$12.00	\$12.00	\$12.00		
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base Usage		0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2022	2023	2024	2025	2026	5 Years
	TOTAL EXPENSES	\$2,268,819	\$1,646,053	\$1,668,021	\$1,579,911	\$1,607,852	\$8,770,657
	TOTAL REVENUE	\$1,573,692	\$1,586,832	\$1,611,196	\$1,635,752	\$1,660,494	\$8,067,966
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$695,127	-\$59,222	-\$56,824	\$55,841	\$52,642	-\$702,690
	NET CASH FLOW (Contribution to Reserves)	\$665,619	\$657,431	\$659,829	\$661,759	\$663,195	\$3,307,833
	Affordability assuming MHI of \$41683 for residential meters.	2.48%	2.50%	2.54%	2.58%	2.62%	
	Are you putting enough money in reserves?	No	No	No	Yes	Yes	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes		

The cost-of-service model suggests that a \$5/month increase in base rates will meet the expectations identified on page 19. It also keeps 2022 rates under the affordability threshold of 2.5%. However, after 5-years, the CIP still runs a significant deficit.

Scenario 3. Annual Increase in Base Rate.

Tiered Block	Meter Size	A	B	C	D	E	F
Base	0.625	\$32.00	\$42.00	\$42.00	\$57.00		
	0.750	\$32.00	\$42.00	\$42.00	\$57.00		
	1.000	\$32.00	\$42.00	\$42.00	\$57.00		
	1.500	\$32.00	\$42.00	\$42.00	\$57.00		
	2.000	\$32.00	\$42.00	\$42.00	\$57.00		
	3.000	\$32.00	\$42.00	\$42.00	\$57.00		
	4.000	\$32.00	\$42.00	\$42.00	\$57.00		
	6.000	\$32.00	\$42.00	\$42.00	\$57.00		
	8.000	\$32.00	\$42.00	\$42.00	\$57.00		
	10.000	\$32.00	\$42.00	\$42.00	\$57.00		
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000		
	2	3,000	3,000	3,000	3,000		
	3	10,000	10,000	10,000	10,000		
	4	25,000	25,000	25,000	25,000		
	5	50,000	50,000	50,000	50,000		
	6	75,000	75,000	75,000	75,000		
	7	100,000	100,000	100,000	100,000		
	8	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		
	2	\$2.40	\$2.40	\$2.40	\$2.40		
	3	\$3.30	\$3.30	\$3.30	\$3.30		
	4	\$4.20	\$4.20	\$4.20	\$4.20		
	5	\$5.50	\$5.50	\$5.50	\$5.50		
	6	\$10.00	\$10.00	\$10.00	\$10.00		
	7	\$11.00	\$11.00	\$11.00	\$11.00		
	8	\$12.00	\$12.00	\$12.00	\$12.00		
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base Usage		10.00%	5.00%	3.00%	3.00%	
			0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2022	2023	2024	2025	2026	5 Years
	TOTAL EXPENSES	\$2,268,819	\$1,646,053	\$1,668,021	\$1,579,911	\$1,607,852	\$8,770,657
	TOTAL REVENUE	\$1,479,432	\$1,552,898	\$1,610,442	\$1,655,901	\$1,702,173	\$8,000,847
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$789,387	-\$93,155	-\$57,578	\$75,990	\$94,321	-\$769,810
	NET CASH FLOW (Contribution to Reserves)	\$571,359	\$623,498	\$659,075	\$681,908	\$704,874	\$3,240,713
	Affordability assuming MHI of \$41683 for residential meters.	2.34%	2.45%	2.54%	2.61%	2.68%	
Are you putting enough money in reserves?	No	No	No	Yes	Yes		
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes		

Scenario 3 meets all expectations outlined on page 19 and is similar to Scenario 2 except that contributions to reserves is less in 2022 and 2023, but is increased in 2025 & 2026. This scenario also better meets the affordability threshold in 2022 & 2023 but becomes more unaffordable than Scenario 2 in 2025 & 2026. Finally, the 5-year projection for Capital reserve funding is less than in Scenario 2. After 5 years, the base rate for an In-Town Residential user will be \$39.21.

Scenario 4. Annual Increase in Base Rate needed if CIP is funded through 30-year Assets.

Tiered Block	Meter Size	A	B	C	D	E	F
Base	0.625	\$32.00	\$42.00	\$42.00	\$57.00		
	0.750	\$32.00	\$42.00	\$42.00	\$57.00		
	1.000	\$32.00	\$42.00	\$42.00	\$57.00		
	1.500	\$32.00	\$42.00	\$42.00	\$57.00		
	2.000	\$32.00	\$42.00	\$42.00	\$57.00		
	3.000	\$32.00	\$42.00	\$42.00	\$57.00		
	4.000	\$32.00	\$42.00	\$42.00	\$57.00		
	6.000	\$32.00	\$42.00	\$42.00	\$57.00		
	8.000	\$32.00	\$42.00	\$42.00	\$57.00		
	10.000	\$32.00	\$42.00	\$42.00	\$57.00		
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000		
	2	3,000	3,000	3,000	3,000		
	3	10,000	10,000	10,000	10,000		
	4	25,000	25,000	25,000	25,000		
	5	50,000	50,000	50,000	50,000		
	6	75,000	75,000	75,000	75,000		
	7	100,000	100,000	100,000	100,000		
	8	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		
	2	\$2.40	\$2.40	\$2.40	\$2.40		
	3	\$3.30	\$3.30	\$3.30	\$3.30		
	4	\$4.20	\$4.20	\$4.20	\$4.20		
	5	\$5.50	\$5.50	\$5.50	\$5.50		
	6	\$10.00	\$10.00	\$10.00	\$10.00		
	7	\$11.00	\$11.00	\$11.00	\$11.00		
	8	\$12.00	\$12.00	\$12.00	\$12.00		
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base Usage		0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2022	2023	2024	2025	2026	5 Years
	TOTAL EXPENSES	\$1,965,277	\$1,342,511	\$1,364,478	\$1,293,409	\$1,326,978	\$7,292,654
	TOTAL REVENUE	\$1,479,432	\$1,492,572	\$1,516,936	\$1,541,492	\$1,566,234	\$7,596,666
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$485,845	\$150,061	\$152,458	\$248,083	\$239,256	\$304,013
	NET CASH FLOW (Contribution to Reserves)	\$571,359	\$563,171	\$565,569	\$567,499	\$568,935	\$2,836,533
	Affordability assuming MHI of \$41683 for residential meters.	2.34%	2.36%	2.40%	2.44%	2.48%	
	Are you putting enough money in reserves?	No	Yes	Yes	Yes	Yes	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes		

This scenario does meet all of the expectations set on page 19; however, it does not fully fund the CIP. An important concept when discussing the true cost-of-service is that customers are using the infrastructure today and should be responsible for paying for that use, regardless of age. This scenario is suggesting that customers should not be paying for infrastructure they are using if it does not need to be replaced in the next 30 years. This scenario is not recommended.

Scenario 5. Annual Increase in Base Rate needed if CIP is funded through 50-year Assets.

		Rate Schedules					
Tiered Block	Meter Size	A	B	C	D	E	F
Base	0.625	\$32.00	\$42.00	\$42.00	\$57.00		
	0.750	\$32.00	\$42.00	\$42.00	\$57.00		
	1.000	\$32.00	\$42.00	\$42.00	\$57.00		
	1.500	\$32.00	\$42.00	\$42.00	\$57.00		
	2.000	\$32.00	\$42.00	\$42.00	\$57.00		
	3.000	\$32.00	\$42.00	\$42.00	\$57.00		
	4.000	\$32.00	\$42.00	\$42.00	\$57.00		
	6.000	\$32.00	\$42.00	\$42.00	\$57.00		
	8.000	\$32.00	\$42.00	\$42.00	\$57.00		
	10.000	\$32.00	\$42.00	\$42.00	\$57.00		
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000		
	2	3,000	3,000	3,000	3,000		
	3	10,000	10,000	10,000	10,000		
	4	25,000	25,000	25,000	25,000		
	5	50,000	50,000	50,000	50,000		
	6	75,000	75,000	75,000	75,000		
	7	100,000	100,000	100,000	100,000		
	8	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		
	2	\$2.40	\$2.40	\$2.40	\$2.40		
	3	\$3.30	\$3.30	\$3.30	\$3.30		
	4	\$4.20	\$4.20	\$4.20	\$4.20		
	5	\$5.50	\$5.50	\$5.50	\$5.50		
	6	\$10.00	\$10.00	\$10.00	\$10.00		
	7	\$11.00	\$11.00	\$11.00	\$11.00		
	8	\$12.00	\$12.00	\$12.00	\$12.00		
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base Usage		0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2022	2023	2024	2025	2026	5 Years
	TOTAL EXPENSES	\$2,072,587	\$1,449,821	\$1,471,788	\$1,390,787	\$1,421,075	\$7,806,060
	TOTAL REVENUE	\$1,479,432	\$1,492,572	\$1,516,936	\$1,541,492	\$1,566,234	\$7,596,666
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$593,155	\$42,751	\$45,148	\$150,705	\$145,158	-\$209,393
	NET CASH FLOW (Contribution to Reserves)	\$571,359	\$563,171	\$565,569	\$567,499	\$568,935	\$2,836,533
	Affordability assuming MHI of \$41683 for residential meters.	2.34%	2.36%	2.40%	2.44%	2.48%	
	Are you putting enough money in reserves?	No	Yes	Yes	Yes	Yes	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes		

This scenario does meet all of the expectations set on page 19; however, it does not fully fund the CIP. An important concept when discussing the true cost-of-service is that customers are using the infrastructure today and should be responsible for paying for that use, regardless of age. This scenario is suggesting that customers should not be paying for infrastructure they are using if it does not need to be replaced in the next 50 years. This scenario is not recommended.

Scenario 6. Annual Increase in Base Rate and Years 3 & 4 Annual Base Rate Increase.

Tiered Block	Meter Size	A	B	C	D	E	F
Base	0.625	\$37.00	\$47.00	\$47.00	\$63.00		
	0.750	\$37.00	\$47.00	\$47.00	\$63.00		
	1.000	\$37.00	\$47.00	\$47.00	\$63.00		
	1.500	\$37.00	\$47.00	\$47.00	\$63.00		
	2.000	\$37.00	\$47.00	\$47.00	\$63.00		
	3.000	\$37.00	\$47.00	\$47.00	\$63.00		
	4.000	\$37.00	\$47.00	\$47.00	\$63.00		
	6.000	\$37.00	\$47.00	\$47.00	\$63.00		
	8.000	\$37.00	\$47.00	\$47.00	\$63.00		
	10.000	\$37.00	\$47.00	\$47.00	\$63.00		
Tier Break (All yellow cells in this Tier Break table must contain data.)	1	1,000	1,000	1,000	1,000		
	2	3,000	3,000	3,000	3,000		
	3	10,000	10,000	10,000	10,000		
	4	25,000	25,000	25,000	25,000		
	5	50,000	50,000	50,000	50,000		
	6	75,000	75,000	75,000	75,000		
	7	100,000	100,000	100,000	100,000		
	8	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		
	2	\$2.40	\$2.40	\$2.40	\$2.40		
	3	\$3.30	\$3.30	\$3.30	\$3.30		
	4	\$4.20	\$4.20	\$4.20	\$4.20		
	5	\$5.50	\$5.50	\$5.50	\$5.50		
	6	\$10.00	\$10.00	\$10.00	\$10.00		
	7	\$11.00	\$11.00	\$11.00	\$11.00		
	8	\$12.00	\$12.00	\$12.00	\$12.00		
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base Usage		0.00%	3.00%	3.00%	0.00%	
			0.00%	0.00%	0.00%	0.00%	
Results of the new rates		2022	2023	2024	2025	2026	5 Years
TOTAL EXPENSES		\$2,268,819	\$1,646,053	\$1,668,021	\$1,579,911	\$1,607,852	\$8,770,657
TOTAL REVENUE		\$1,573,692	\$1,586,832	\$1,632,122	\$1,678,232	\$1,702,973	\$8,173,851
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$695,127	-\$59,222	-\$35,899	\$98,320	\$95,121	-\$596,806
NET CASH FLOW (Contribution to Reserves)		\$665,619	\$657,431	\$680,754	\$704,238	\$705,674	\$3,413,717
Affordability assuming MHI of \$41683 for residential meters.		2.48%	2.50%	2.57%	2.65%	2.69%	
Are you putting enough money in reserves?		No	No	No	Yes	Yes	
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes	

This Scenario is a combination of Scenarios 2 & 3 where an initial base rate increase of \$5 is applied with a subsequent 3% increase in base rates for Years 3 & 4 while meeting expectations on page 19. In Year 5, the base rate for an In-Town Residential user will be \$39.25 compared to Scenario 3 where \$39.21. Affordability is consistent with Scenario 3 and the Capital Reserve deficit is reduced by \$106,000 and \$173,000 for Scenario 2 & 3 respectively.

5 Recommendations

5.1 Summary of rates, reserve funding, other recommendations

5.1.1 Recommendations for improving financial position

The Town does need to increase revenues for the water enterprise. Given that the Town has enacted a moratorium on new water taps, revenues will need to be generated from existing customers. This can be done with an initial base rate increase as seen in Scenario 2, a gradual but steady increase in base rates through a percent increase year over year as seen in Scenario 3, or a combination as seen in Scenario 6.

5.1.2 Reserve Funding

All reserve requirements are being met except for the capital improvement reserve. This is main reason for the needed rate increase. Future projects along with currently aging infrastructure will place a heavy burden on customers in future years if adjustments are not made.

5.1.2.1 Alternatives

There are a number of alternatives that the Town can consider to increase revenues. Initial increase in base rates, increase usage rates, an annual percent increase in base rates or usage rates. An alternative was given to reduce the usage tier structure from 12 to 8. This reduction placed a similar amount of revenue generated through usage charges as the current structure. The town has a heavy reliance on usage rates to cover expenses. This does lower the base rate, but if water usage declines, so does revenues and maintaining revenues equal to expenses is important to financial sustainability.

5.1.2.2 If no action is taken, the Town will continue to debt service requirements but will struggle to meet O&M costs due to rising costs and inflation. A do-nothing approach is not recommended.

5.1.2.3 One consideration for the Town to potentially decrease CIP costs is to consider grants and loans for assets between \$50,000 and \$1M. Currently, the Town would fund these projects 50% cash/ 50% grant. While this is feasible, one way to reduce the initial cost is to take out loans. While not the most cost effective, they do have the advantage of spreading the cost over longer terms which allows for all customers to contribute to the cost of the asset over its lifetime.

**STATE OF COLORADO
TOWN OF PAONIA, COLORADO**

ORDINANCE NO. 2022-08

**AN ORDINANCE OF THE TOWN OF PAONIA ESTABLISHING
WASTEWATER/SEWER RATES AND CHARGES**

WHEREAS, Section 13-5-230 of the Paonia Municipal Code authorizes the Board of Trustees to establish by ordinance all wastewater/sewer rates and charges and the effective date of said rates and charges; and

WHEREAS, the Board of Trustees has made a thorough review of its existing Ordinances pertaining to wastewater/sewer rates and charges; and

WHEREAS, the rates levied for wastewater/sewer services must be calculated to meet the cost of providing wastewater/sewer services, including maintenance, capital reinvestment, and related debt service to avoid deficit spending.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO that the following wastewater/sewer rates shall be charged by the Town of Paonia:

Section 13-5-230 shall be amended to incorporate the following subparagraphs:

A) Wastewater/Sewer Rate within the Town

The in-Town wastewater/sewer rate shall be increased by **seventeen** dollars (**\$17.00**) from **thirty-eight** dollars (**\$38.00**) to **fifty-five** dollars (**\$55.00**) per month for each residential unit and increased by **twenty-two** dollars (**\$22.00**) from **thirty-eight** dollars to **sixty** dollars (**\$60.00**) per month for each commercial unit within the boundaries of the Town of Paonia.

B) Wastewater/Sewer Rate outside the Town

The out-of-Town wastewater/sewer rate shall be increased by **three** dollars (**\$3.00**) from **fifty-seven** dollars (**\$57.00**) to **sixty** dollars (**\$60.00**) per month for each residential and commercial unit outside the boundaries of the Town of Paonia.

C) Wastewater/Sewer Standby Fee

The wastewater/sewer standby fee shall be increased by **twenty-five** dollars (**\$25.00**) from **thirty** dollars (**\$30.00**) to **fifty-five** dollars (**\$55.00**) per month for each unit.

D) Notice

1. Notice of the wastewater/sewer rates shall be given by publication of this Ordinance in a newspaper of general circulation in the County so as to inform all users of such changes.

2. A copy of this Ordinance shall also be mailed to the owners of properties outside the boundaries of the Town of Paonia using the wastewater/sewer system at the last known address of said owners as shown in the records of the Town.

E) Effective Date

The wastewater/sewer rates set forth herein shall become effective on January 1, 2023.


INTRODUCED, READ, APPROVED, ADOPTED AND ORDERED TO BE PUBLISHED at a regular meeting of the Board of Trustees of the Town of Paonia, Colorado, on this 29th day of November 2022.

ATTEST:



Amanda Mojarro, Interim Town Clerk




Mary Bachran, Mayor

Wastewater Cost of Service Study

Town of Paonia, Colorado

at the request of the Town of Paonia



Prepared by: Kate Sawyer

Rural Community
Assistance Corporation
3120 Freeboard Drive, Suite 201
West Sacramento, CA 95691

January 2023

This report was prepared using funds supported under a grant by the USEPA and produced as part of the RCAP Treatment Works contract.

RCAC is an equal opportunity provider and employer.

Table of Contents

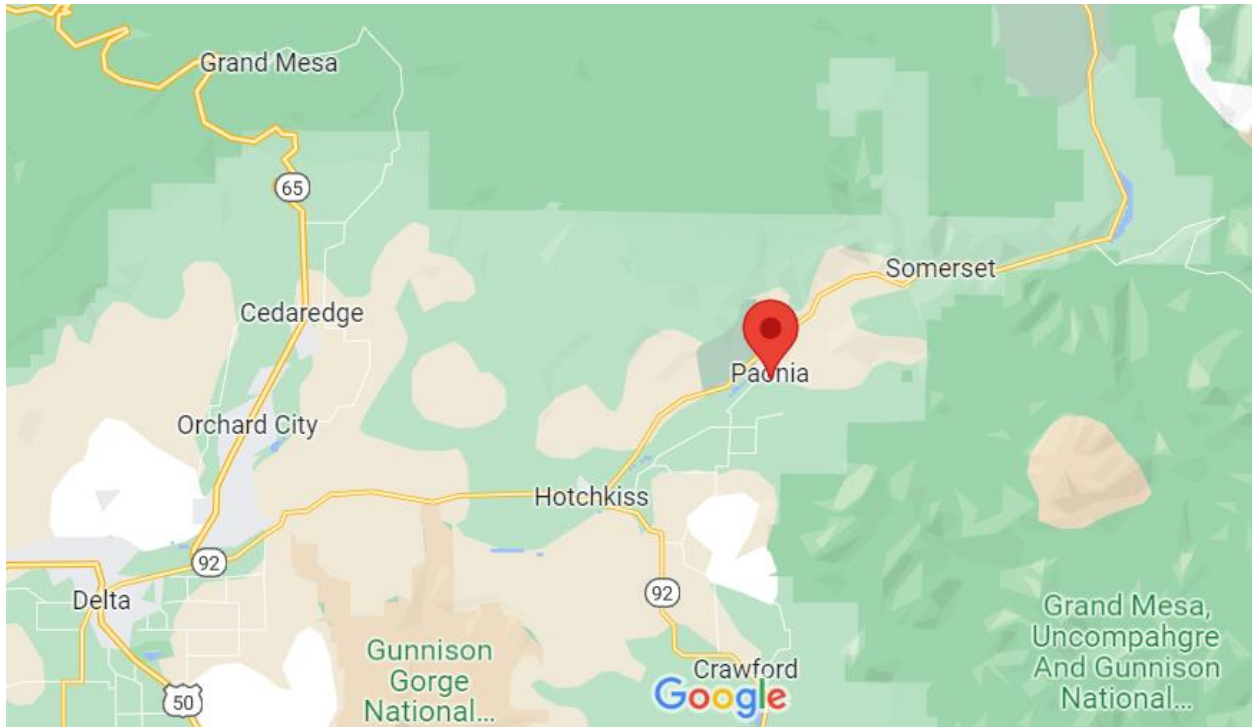
1. Town of Paonia Sewer Enterprise.....	3
Community.....	3
Governing body of the Sewer Enterprise.....	3
Customers	4
Current Storage/Processing Capacity	4
Current Rates	4
Funding of this report	4
Disclaimer.....	4
2. Guiding Principles of this Rate Study	6
Sustainability.....	6
Fairness	6
Justifiable	6
Purpose of this study	6
Board Decision	7
3. Rate Study Process.....	8
4. Capital Replacement Program	10
Source of the Data	10
Sources of Funding.....	10
Description	11
Alternative.....	14
5. Budget.....	14
Source	14
Reserve Funding.....	14
Alternatives	17
Investment changes	17
6. Financial Outlook for 2023 adopted rates	18
Rate Selected	18

Income Generated by the Selected Rate 18
Impact on Budget and Reserve Contributions 18
Affordability 19
7. Scenarios 19

1. Town of Paonia Sewer Enterprise

Community

The Town of Paonia is located in Delta County, on the Western Slope of Colorado. It is a Statutory Town within the State of Colorado, incorporated in 1902. According to the 2010 US Census, the population is 1451 and Median Household Income (MHI) is estimated to be \$51,071.



Governing body of the Sewer Enterprise

The Town (hereafter called “Town” or “Paonia”) owns and manages the Sewer Enterprise which controls, collects and processes wastewater for customers. The Town is governed by an elected Board of Directors, which has oversight of the Sewer Enterprise. Board members do not actively participate in the management of the utilities but do make decisions and set a budget.

In 2022, RCAC supported the Town to conduct a Cost of Service Analysis for their Drinking Water system with a final report and recommendations delivered to the Town Board. The Town requested a follow up study to be completed in 2023 for the Sewer Enterprise. Through this study, RCAC has recommended the Town to strategically set target contributions for reserves and has a look into the future with a five-year financial forecast to start saving for replacement of assets. Also on the 5 year horizon is a potential major upgrade to lagoon/WWTF to comply with tightening CDPHE nutrient effluent limits and rehabilitate/repair the aging collection system.

A key input for this study was a comprehensive Master Plan performed by SGM Engineering in 2021 which provided an evaluation of the current sewer system assets.

Customers

Based on figures provided by the Town staff, the Sewer Enterprise has 1143, served by a collection system and lagoon treatment system. This is comprised of 750 customers within Town limits, 124 residential customers outside of Town limits, 185 commercial customers within Town limits, 13 commercial customers outside of Town limits, and 65 standby customers.

Current Storage/Processing Capacity

The existing wastewater collection system receives wastewater from residential and commercial customers and conveys it to the Wastewater Treatment Plant (WWTP, Colorado Discharge Permit System Number CO0047431). The collection system is entirely a gravity system, consisting of service laterals, manholes, and gravity sewer mains. There are approximately 10.5 miles of pipe in the Town's collection system. The collection system is composed of approximately 63% PVC piping and 37% vitrified clay piping (VCP). The WWTF was constructed in 2005. The WWTP consists of a manual bar screen, two aerated lagoons, a settling/polishing pond, a serpentine chlorine contact chamber and dichlorination features. Treated wastewater is discharged to the North Fork of the Gunnison River. The WWTF has a permitted rated capacity of 0.495 MGD and typically treats 0.15 MGD.

Current Rates

Sewer customers are currently charged a flat monthly rate according to their classification, per the table below.

Name of Class	Rate Structure	Current Rate
Residential in-town	Flat	\$38.00
Residential out-town	Flat	\$57.00
Commercial in-town	Flat	\$38.00
Commercial out-town	Flat	\$57.00
Standby	Flat	\$30.00

Funding of this report

This study is made available at no charge to the District, has been supported under a grant by the USEPA, and produced as part of the RCAP Treatment Works contract.

Disclaimer

The recommendations contained in this study are based on financial information provided to RCAC by the Town. 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.

Any opinions, findings, and conclusions or recommendations expressed in this material are solely the responsibility of the authors and do not necessarily represent the official views of the EPA, Office of Wastewater Management or USDA Rural Utilities Service.

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

2. Guiding Principles of this Rate Study

Sustainability

Rates should cover the costs to the system to allow it to provide services now, and in the foreseeable future. The staff & board should stay aware of the changes to existing laws, community growth and demand which will require more water rights or further treatment, and therefore keep their capital replacement plan up to date.

Fairness

Rates should be fair to all rate payers. No single rate payer or group of rate payers should be singled out for different rates without logic & justification. Current and proposed rates are a base rate, which is consistent with the characterization of customer connections, with different rates for in-town and out-of-town customers.

The Town should not charge more for sewer than the cost to provide the service and save appropriately for future expenses, nor should customers be charged more for the sewer service than the cost to provide that service. However, the costs should include: operations, repairs, interest, loan principal, and all other costs related to the collection, treatment and disposal of waste water, now and in the foreseeable future.

Unreasonably low rates for current customers will require unreasonably high rates for future customers, which should be avoided. To keep up with inflation, all scenarios considered in this study included an annual increase to the base rate year over year.

Justifiable

Water rates must be based on actual needs of the Town. Revenue generated from wastewater rates can't be used for anything else but to pay for the costs of collecting, treating and disposal of wastewater within its service area, plus any administrative costs. The reserves set aside for future capital improvements are also significant and are considered in the proposed rates.

One caveat for Colorado is that a water system that has debt can charge up to 50% of the average monthly sewer bill to undeveloped lots within the service area. Also vice versa, a sewer system that has debt can charge undeveloped lots 50% of the monthly water bill. This is called Availability of Service Fee, and is justifiable in that a vacant lot's value is increased based on the fact that utilities are available.

Purpose of this study

The purposes of this study are:

- Ensure the financial strength of the Town well into the future,
- Expose the need to set reserves aside for future replacement of failing components and anticipated upgrades,
- Identify any other financial deficiencies of the Town

Board Decision

While this document recommends certain rates, the ultimate decision rests with the Town’s board members. However, the Board has a fiduciary responsibility to set the rates at such a level that the Town will be able to continue to operate in the future, including providing funds to replace all parts of the respective systems as they wear out.

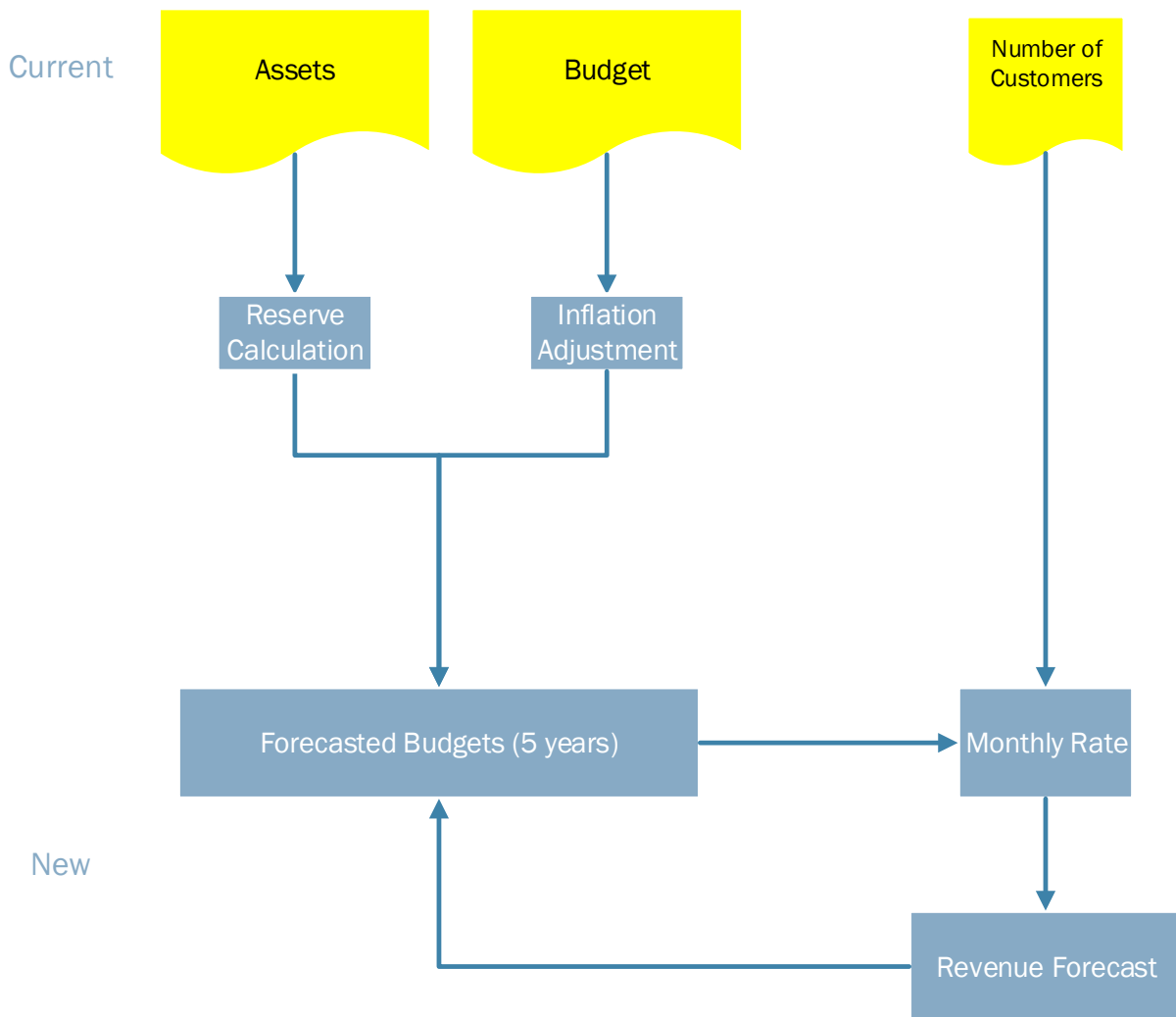
At a board meeting on December 2, 2022, the board decided on new rates:

Name of Class	Rate Structure	Current Rate
Residential in-town	Flat	\$55.00
Residential out-town	Flat	\$60.00
Commercial in-town	Flat	\$60.00
Commercial out-town	Flat	\$60.00
Standby	Flat	\$55.00

3. Rate Study Process

The figure¹ below explains the process of setting rates. Note that only flat rate structures were considered for this model as requested by Town staff. Classification was determined only by in-town vs out-of-town customers, which also makes sense as there was no information provided to RCAC about variation in meter sizes which would have been another way to distinguish classification.

We begin with the list of all capitalized assets, the current budget and the current number of customers, as provided by the District 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.)

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

The Budget is adjusted for 4.5% inflation.

This report assumes a 0% growth factor in population due to information provided by the Town. The study does NOT consider conservation of water as a response to the adjustment in usage costs.

Growth of Consumption over Base year

Conservation Factor

Community Growth Factor

Total Consumption Adjustment

(Cumulative year to year)

Year 1	Year 2	Year 3	Year 4	Year 5
0%	0%	0%	0%	0%
0%	0%	0%	0%	0%
1%	2%	3%	4%	5%

The expenses, including the reserve requirements are then allocated among all customers. If the resulting rates are not acceptable to the board, an acceptable rate is negotiated and entered into the model. The model then calculates the shortfall in the budget and resulting shortfall in the ability to replace the failing components of the system, respectively.

To lessen the impact on customers, the scenarios models considered smaller annual increases over five years.

4. Capital Replacement Program

Source of the Data

The data in the Capital Replacement Program (CRP) comes from the data supplied by the Town staff, the 2021 Town Master Plan prepared by SGM Engineering, and AWWA standards. The Capital Improvement Plan is shown on the first sheet of the Excel model and attached as Exhibit 1.

The list of the components, their installation date and their original costs or reasonable replacement or repair estimations were all supplied by the Town Clerk and the Master Plan.

The Normal Estimated Life and Estimated Remaining Life is based on AWWA standards and adjusted for actual conditions.

Sources of Funding

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

While the possibility of receiving substantial grants to replace a portion of the system is fair at this time, and the Town has received substantial grant funding in the past, these possibilities will diminish over time as government funding capabilities will diminish and the goal of these programs is to foster financially sustaining utilities that do not need to return to request agency funding.

The current Median Household Income (MHI) of \$51,071 is below the State non-metro MHI, and therefore may qualify the Town for up to 80% grant funding of many construction or replacement projects. However, this window of grant opportunity is closing and cannot be counted on for all future replacement projects. Additionally, the existing base rate of \$38 is below the threshold (1.5% MHI) where funding agencies typically provide grants. In other words, the low rates currently charged for the drinking water services would not make a favorable case for grant funding. The former wastewater rate was at 0.89% affordability, with the 2023 rate increase bringing it to 1.23%.

This study assumes that small items will be funded with cash and larger replacement projects will be funded with the following schedule. This funding schedule was determined based on past funded projects per information provided by the Town.

Default Funding of Drinking Water Asset Replacements

Replacement Value	From	To	Cash	Grant	Loan
	\$0	\$20,000	100%	0%	0%
	\$20,001	\$50,000	100%	0%	0%
	\$50,001	\$1,000,000	50%	30%	20%
	\$1,000,001	\$10,000,000	10%	40%	50%

Description

The CRP provides us with a detail of the reserves needed to replace the capital assets.

The Sewer Enterprise does have significant infrastructure to maintain and can expect significant capital expenses in the near future. However, the enterprise has \$1.08M in reserves saved which will help greatly with all upcoming projects and improvements. **The CRP created within this study recommends saving \$237,865 annually towards capital reserves.** In the near term, an estimated 20,551 linear feet of the collection system are past or very near their useful life and should be rehabilitated or replaced in the coming years. These sections of line have an estimated replacement value of \$3.15M.

In the longer term, the Town should consider a potential major upgrade or replacement of their existing wastewater lagoon to meet tightening nutrient effluent limits from CDPHE in 2028. Depending on if this is something the Town decides to pursue and the costs associated with the selected technology, the timing and cash needed for such an upgrade may vary greatly. In Scenario 5 of this report (later in the report) considers a lower-cost project and how it would impact the recommended scenario. It is recommended that the Town should consult their engineers to inquire about the costs associated with potential solutions.

Also, we can see that at the recommended and chosen rates the enterprise is able to save for all its anticipated costs below \$50,000, while also saving at the recommended rates for larger projects that will receive some financing package. This system provides a good savings for those future infrastructure costs.

There are three sections in the CRP:

- Existing Capital Replacement Program: assets the water and wastewater enterprises currently have in place or share. This included the oldest sections of the collection system because there are currently no concrete plans for a major replacement project.
- New Project Replacement Program: This section would be for known improvements the Town anticipates making to the wastewater system and are starting to plan. No such impending projects were included in this study.
- Future Capital Replacement Program: This is where the potential new WWTF upgrade was estimated for Scenario 5. This figure only applied to Scenario 5 of this study and is not included in the Exhibit below as it does not apply to the enterprise's concrete plan.

Exhibit 1 Capital Improvement Program

Capital Replacement Program		AWWA Cash-Needs Approach										Exhibit 1			
Paonia Sewer															
													Date:	2/3/23	
													System Number:	0	
													Service Connections:	1,136	
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		
Replacement of Existing Capital Assets															
168	manholes	1983	7,500	C	100%	75	36	6,145,497	10%	40%	50%	80,997	13,373		
1	WWTF	2005	6,000,000	C	100%	50	33	25,644,181	10%	40%	50%	385,700	59,981		
1	Backhoe	2009	60,000	h	33%	20	7	40,757	100%	0%	0%	19,252	2,985		
1	dumprtruck	2000	15,000	h	33%	20	1	10,209	100%	0%	0%	6,280	3,929		
1	dumprtruck	2003	9,000	h	33%	20	1	5,606	100%	0%	0%	3,448	2,157		
1	4-wheeler	2008	5,000	h	100%	20	6	10,144	100%	0%	0%	5,008	835		
1	4-wheeler	2009	4,000	h	100%	20	7	8,234	100%	0%	0%	3,889	603		
1	truck	2003	9,744	h	100%	20	1	18,390	100%	0%	0%	11,312	7,077		
1	truck	2007	8,756	h	100%	20	5	17,510	100%	0%	0%	9,032	1,661		
1	Pond liner	2005	150,000	C	100%	20	3	171,175	50%	30%	20%	48,212	12,316		
					100%				0%	0%	100%	0	0		
446	Gravity sewer main 8" PVC Box Elder Traller Park (Blue Zoning) to	1980	150	C	100%	100	58	859,352	10%	40%	50%	4,301	1,207		
302	Gravity sewer main 8" PVC Box Elder Traller Park (Blue Zoning) to	1980	150	C	100%	100	58	581,893	10%	40%	50%	2,912	818		
746	Gravity sewer main 8" PVC Box Elder Traller Park (Blue Zoning) to	1980	150	C	100%	100	58	1,437,391	10%	40%	50%	7,193	2,018		
248	Gravity sewer main 8" PVC Rio Grande between 3rd/4th	1980	150	C	100%	100	58	477,846	10%	40%	50%	2,391	671		
348	Gravity sewer main 8" PVC Rio Grande between 3rd/4th	1980	150	C	100%	100	58	670,526	10%	40%	50%	3,356	942		
242	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	466,285	10%	40%	50%	2,333	655		
249	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	479,773	10%	40%	50%	2,401	674		
404	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	778,426	10%	40%	50%	3,896	1,093		
696	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	1,341,051	10%	40%	50%	6,711	1,883		
324	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	624,282	10%	40%	50%	3,124	877		
431	Gravity sewer main 8" PVC Apple Valley Subdivision	1980	150	C	100%	100	58	830,450	10%	40%	50%	4,156	1,166		
104	Gravity sewer main 8" PVC 2nd Street East and West of Poplar	1985	150	C	100%	100	63	249,719	10%	40%	50%	1,003	322		
90	Gravity sewer main 8" PVC 2nd Street East and West of Poplar	1985	150	C	100%	100	63	216,103	10%	40%	50%	868	279		
18	Gravity sewer main 8" PVC 2nd Street East and West of Poplar	1985	150	C	100%	100	63	43,221	10%	40%	50%	174	56		
332	Gravity sewer main 8" PVC 2nd Street East and West of Poplar	1985	150	C	100%	100	63	797,179	10%	40%	50%	3,201	1,029		
397	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	1,187,926	10%	40%	50%	3,828	1,415		
254	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	760,033	10%	40%	50%	2,449	905		
928	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,776,815	10%	40%	50%	8,948	3,307		
398	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	1,190,919	10%	40%	50%	3,838	1,418		
694	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,076,627	10%	40%	50%	6,692	2,473		
478	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	1,430,299	10%	40%	50%	4,609	1,703		
64	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	191,504	10%	40%	50%	617	228		
808	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,417,744	10%	40%	50%	7,791	2,879		
449	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	1,343,524	10%	40%	50%	4,329	1,600		
797	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,384,829	10%	40%	50%	7,685	2,840		
750	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,244,193	10%	40%	50%	7,232	2,673		
163	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	487,738	10%	40%	50%	1,572	581		
779	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,330,969	10%	40%	50%	7,512	2,776		
186	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	556,560	10%	40%	50%	1,794	663		
102	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	305,210	10%	40%	50%	984	363		
125	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	374,032	10%	40%	50%	1,205	445		
567	Gravity sewer main 8" PVC High School to CDOT	1990	150	C	100%	100	68	1,696,610	10%	40%	50%	5,467	2,021		
817	Gravity sewer main 8" PVC Hidden Valley to Pink Zoning Parcel	1990	150	C	100%	100	68	2,444,675	10%	40%	50%	7,878	2,912		
384	Gravity sewer main 8" PVC High School to CDOT	1990	150	C	100%	100	68	1,149,027	10%	40%	50%	3,703	1,368		
448	Gravity sewer main 8" PVC High School to CDOT	1990	150	C	100%	100	68	1,340,531	10%	40%	50%	4,320	1,597		
341	Gravity sewer main 8" PVC High School to CDOT	1990	150	C	100%	100	68	1,020,360	10%	40%	50%	3,288	1,215		
684	Gravity sewer main 8" PVC High School to CDOT	1990	150	C	100%	100	68	2,046,704	10%	40%	50%	6,595	2,438		
87	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	370,210	10%	40%	50%	839	391		
225	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	957,441	10%	40%	50%	2,170	1,010		
20	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	85,106	10%	40%	50%	193	90		
98	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	417,019	10%	40%	50%	945	440		
310	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	1,319,140	10%	40%	50%	2,989	1,392		
179	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	761,697	10%	40%	50%	1,726	804		
73	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	310,636	10%	40%	50%	704	328		
312	Gravity sewer main 8" PVC Meadowbrook Subdivision	1998	150	C	100%	100	76	1,327,651	10%	40%	50%	3,008	1,401		
225	Gravity sewer main 8" PVC Box Elder/North Fork/School Area	1998	150	C	100%	100	76	957,441	10%	40%	50%	2,170	1,010		
158	Gravity sewer main 8" PVC Box Elder/North Fork/School Area	1998	150	C	100%	100	76	672,336	10%	40%	50%	1,524	709		
274	Gravity sewer main 8" PVC Box Elder/North Fork/School Area	1998	150	C	100%	100	76	1,165,950	10%	40%	50%	2,642	1,230		
103	Gravity sewer main 8" PVC Clark Ave between 2nd/3rd	2020	100	C	100%	100	98	769,544	10%	40%	50%	662	604		
235	Gravity sewer main 8" PVC Clark Ave between 2nd/3rd	2020	100	C	100%	100	98	1,755,757	10%	40%	50%	1,511	1,377		
178	Gravity sewer main 8" PVC Clark Ave between 2nd/3rd	2020	100	C	100%	100	98	1,329,892	10%	40%	50%	1,144	1,043		
109	Gravity sewer main 8" PVC Clark Ave between 2nd/3rd	2020	100	C	100%	100	98	814,372	10%	40%	50%	701	639		

5698	Gravity sewer main 15" PVC Price Rd/Stahl Rd to Samuel Wade	2004	100	C	100%	100	82	21,050,299	10%	40%	50%	36,629	20,384
277	Gravity sewer main 15" PVC Price Rd/Stahl Rd to Samuel Wade	2004	100	C	100%	100	82	1,023,330	10%	40%	50%	1,781	991
415	Gravity sewer main 15" PVC Price Rd/Stahl Rd to Samuel Wade	2004	100	C	100%	100	82	1,533,147	10%	40%	50%	2,668	1,485
9	Gravity sewer main 15" PVC Price Rd/Stahl Rd to Samuel Wade	2004	100	C	100%	100	82	33,249	10%	40%	50%	58	32
812	Gravity sewer main 15" PVC Price Rd/Stahl Rd to Samuel Wade	2004	100	C	100%	100	82	2,999,797	10%	40%	50%	5,220	2,905
349	Gravity sewer main 15" PVC Samuel Wade/Niagara Ave (East) to	2012	100	C	100%	100	90	1,833,545	10%	40%	50%	2,243	1,593
211	Gravity sewer main 15" PVC Samuel Wade/Niagara Ave (East) to	2012	100	C	100%	100	90	1,108,533	10%	40%	50%	1,356	963
173	Gravity sewer main 15" PVC Samuel Wade/Niagara Ave (East) to	2012	100	C	100%	100	90	908,892	10%	40%	50%	1,112	790
190	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	28,500	10%	40%	50%	1,832	0
203	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	30,450	10%	40%	50%	1,957	0
366	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	54,900	10%	40%	50%	3,529	0
403	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	60,450	10%	40%	50%	3,886	0
196	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	29,400	10%	40%	50%	1,890	0
350	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	52,500	10%	40%	50%	3,375	0
660	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	99,000	10%	40%	50%	6,364	0
73	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	10,950	10%	40%	50%	704	0
61	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	9,150	10%	40%	50%	588	0
272	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	40,800	10%	40%	50%	2,623	0
983	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	147,450	10%	40%	50%	9,479	0
240	Gravity sewer main 15" VCP CDOT to Niagara Ave to Samuel	1970	150	C	100%	50	0	36,000	10%	40%	50%	2,314	0
					100%				0%	0%	100%	0	0
	Subtotal Replacement of Existing Capital Assets							147,385,833	10%	40%	50%	1,080,314	237,865

Alternative

If the Town decides not to fund the annual capital reserve requirement sufficiently, the Town will have to come up with these amounts from other sources, or from steeper rate increases in future years. The Town can't count on the future generosity of the state or other government sources to provide any substantial grants.

It will require a substantial effort from the Town's staff to obtain grants and low interest loans. The amount of grants obtained 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.

5. Budget

Source

All expenses shown in Exhibit 2 (5-Year Budget sheet) are based on the Town's 2020-2023 Budgets. Further review of each line-item costs was analyzed by the staff to assure it is a continual expense.

The Cash Revenue shown is a calculated number based on:

- Rates entered for each Scenario modeled (below for Scenario 2, the situation if the Board keeps the 2023 adopted rates for the next 5 years).
- 2023 forecasted number of customers
- Current debt service
- An annual inflation factor of 4.5%.

Reserve Funding

There are four types of reserves the Town must consider:

1. Debt Reserve: Currently fully funded at \$107,000, per requirements of the existing bond for the Sewer Enterprise.
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. The sewer budget (excluding reserves) puts the target operations reserve at \$53,348. This operating reserve target is currently achieved by the system. According to information provided by Town Staff, \$481,000 currently exists in the operating reserve, and this report recommends transferring \$427,652 from that account into the Capital Reserve account.

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. We estimate that \$100,000 would be adequate for the wastewater system, these reserve targets are achieved currently with the existing reserves in the bank in excess by \$86,000, which we recommend transferring this excess into the Capital Reserve account.
4. **Capital Replacement Reserve:** This reserve is strictly to be used to fund the wastewater portions of any replacement of capital assets that wear out. The annual reserve requirement of the Capital Replacement Program was calculated in the previous section of this report, and adjusted for the existing Capital Reserves, as shown here. This figure considers the \$1.08M currently available to the Capital Reserve account after the transfers recommended above.

Target and Existing Reserves

	Current	Target
Debt Reserve	\$107,000	\$107,000
Operating Reserve	\$481,000	\$53,348
Emergency Reserve	\$186,000	\$100,000

Exhibit 2

Budget							Date: 02/03/23		Exhibit 2	
Paonia Sewer							Inflation Factor (%): 4.50			
							Loan Interest Rate (%): 2.75			
							System Number: 0			
EXPENSES AND SOURCES OF FUNDS		2020	2021	2022	% Belonging to Water	2023	2024	2025	2026	2027
OPERATIONS & MAINTENANCE EXPENSES										
Supplies		10,208	13,040	16,605	100%	17,352	18,133	18,949	19,802	20,693
Repairs and Maintenance		126,315	41,588	59,965	100%	62,663	65,483	68,430	71,509	74,727
Utilities <i>Aerators will increase Utility demand</i>		31,325	33,593	35,951	100%	37,569	39,259	41,026	42,872	44,801
Vehicle expense		7,704	18,214	20,300	100%	21,214	22,168	23,166	24,208	25,297
Gauging station		3,935	5,360	4,100	100%	4,285	4,477	4,679	4,889	5,109
Shop expense				6,130	100%	6,406	6,694	6,995	7,310	7,639
Total Operation and Maintenance Expenses:		179,487	111,795	143,051		149,488	156,215	163,245	170,591	178,268
GENERAL & ADMINISTRATIVE EXPENSES										
Operating Reserve Funding						0	0	0	0	0
Emergency Reserve Funding						0	0	0	0	0
Debt Reserve Funding						0	0	0	0	0
Replacement of Existing Capital Assets						237,865	226,412	226,412	211,338	211,338
Replacement of Funded Project Assets						0	0	0	0	0
Reserves for Additional Capital Assets						0	0	0	0	0
Debt Service						110,000	110,000	110,000	122,767	122,767
Salaries and wages		89,286	120,936	135,048	100%	141,125	147,476	154,112	161,047	168,294
Employee benefits		26,799	37,875		100%	0	0	0	0	0
Professional fees		32,176	4,500	5,500	100%	5,748	6,006	6,276	6,559	6,854
Telephone		1,578	1,863	1,973	100%	2,062	2,155	2,252	2,353	2,459
Postage		2,125	2,857	2,695	100%	2,816	2,943	3,075	3,214	3,358
Travel and meetings		32	1,090	2,400	100%	2,508	2,621	2,739	2,862	2,991
Insurance and bonds		7,948	9,131	11,195	100%	11,699	12,225	12,775	13,350	13,951
Fees and permit		6,828	7,179	7,382	100%	7,714	8,061	8,424	8,803	9,199
Data processing				13,650	100%	14,264	14,906	15,577	16,278	17,010
Miscellaneous		16,738	27,979	2,000	100%	2,090	2,184	2,282	2,385	2,492
Bond issuance costs		75,050	0	0	100%	0	0	0	0	0
					100%	0	0	0	0	0
added Payroll for 2023 and beyond						87,270	91,197	95,301	99,589	104,071
Sewer line collapse				141,744		100,000				
Total General and Administrative Expenses:		258,560	213,410	323,587		725,161	626,186	639,226	650,546	664,786
										466,363
TOTAL EXPENSES		438,047	325,205	466,638		874,650	782,402	802,471	821,137	843,053
SOURCE OF FUNDS / REVENUES RECEIVED										
Sales Revenue (Base + Usage)		531,364	530,967	536,856		769,080	769,080	769,080	769,080	769,080
New connections		42,500	4,500	5,000	100%	5,225	5,460	5,706	5,963	6,231
Interest income		4,589	452	400	100%	418	437	456	477	498
Uncollectable Receivables						0	0	0	0	0
Reconnect/Admin					100%	0	0	0	0	0
Fees Late/NSF					100%	0	0	0	0	0
Bulk Sales					100%	0	0	0	0	0
Misc revenue		2,172			100%	0	0	0	0	0
Transfers from outside this enterprise										
Grant/Loan Income		53,588								
TOTAL REVENUE		634,213	535,919	542,256		774,723	774,977	775,242	775,520	775,809
NET LOSS OR GAIN:		196,166	210,714	75,618		-99,927	-7,425	-27,229	-45,617	-67,244
NET CASH FLOW (Contribution to Reserves)		196,166	210,714	75,618		137,939	218,988	199,183	165,721	144,094
Affordability assuming MHI of \$51071 for residential meters.						1.29%	1.29%	1.29%	1.29%	1.29%
Does the Budget Balance?						No	No	No	No	No
Positive Annual Cash Flow?						Yes	Yes	Yes	Yes	Yes

Alternatives

If the board does not fund its budget by setting appropriate water and wastewater rates, the Town will still be able to pay its bills. However, the Town is not providing for future replacement of the capital assets and will not be able to guarantee the continuing operation of these utility services. This leaves the Town more vulnerable during emergencies and other unforeseen events.

The Board has a fiduciary responsibility to set rates to a level where the Town can continue to operate and provide wastewater services for the foreseeable future.

Investment changes

The current investment strategy keeps most funds in savings accounts at a very low interest rate. By identifying the timing of the need of the funds, certain funds can be invested for a longer term, 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 Town: Recommend to split between 1, 2 and 3 year CDs. 1-year insured CD rates are about 1.25% and 5 year rates are about 2%. If the Board feels comfortable with higher paying insured instruments, they have the option to do so.
2. The “Debt Reserve” account does not need to be invested in tax free investments as the Town does not pay taxes. You probably will get a higher rate of return when you invest in “taxable” investments, on which you do not pay taxes anyway because you are a Public Water District.
3. All other funds can be kept in savings accounts for liquidity.

Periodically, any excess operating funds above the operating reserve target should be transferred to the Capital Reserve accounts.

6. Financial Outlook for 2023 adopted rates

Exhibit 3

The below table specifies for each **class** of customers, their **rate structure** and the **rate schedule**.

Proposed Customer Classes	Name of Class	Rate Structure	Schedule	
1	Residential in town	Flat	A	Go to row 42 and enter the flat
2	Residential out of town	Flat	B	Go to row 42 and enter the flat
3	Commercial in town	Flat	C	Go to row 42 and enter the flat
4	Commercial out of town	Flat	D	Go to row 42 and enter the flat
5	Standby	Flat	E	Go to row 42 and enter the flat

The below tables specify the **Base** and **Usage rates** (in \$) of each **rate structure** (D29 to D38) and **rate schedule** (F29 to F38).

Rate Structures		Rate Schedules					
Flat	Meter Size	A	B	C	D	E	F
	1	2	3	4	5	6	7
Base	0.625	\$55.00	\$60.00	\$60.00	\$60.00	\$55.00	

Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5
Base	\$3 annual increase	0.0%	0.0%	0.0%	0.0%
Base dollar amount		\$ 55	\$ 55	\$ 55	\$ 55

Results of the new rates	2023	2024	2025	2026	2027	5 Years
TOTAL EXPENSES	\$874,650	\$782,402	\$802,471	\$821,137	\$843,053	\$4,123,713
TOTAL REVENUE	\$774,723	\$774,977	\$775,242	\$775,520	\$775,809	\$3,876,271
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$91,927	-\$7,425	-\$27,229	-\$45,617	-\$67,244	-\$239,442
NET CASH FLOW (Contribution to Reserves)	\$137,939	\$218,988	\$199,183	\$165,721	\$144,094	\$865,925
Affordability assuming MHI of \$51071 for residential meters.	1.29%	1.29%	1.29%	1.29%	1.29%	

Are you putting enough money in reserves?	No	No	No	No	No
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes

Rate Selected

At the December 2022 board meeting, Ordinance NO. 2022-08 was passed which adjusted rates for the Sewer Enterprise as described on page 7 of this report.

Income Generated by the Selected Rate

The new drinking water rate would generate \$769,080 annually as adopted given no change in the rates nor population change over the years. This assumes all billings are collected and estimations of conservation response to usage tiers are accurate.

Impact on Budget and Reserve Contributions

The new drinking water rate and new usage charge will NOT balance the budget for all years. 2023 is particularly negative due to an estimated expenditure of \$100,000 on sewer line emergency replacement. The outlook for 2024 looks is better, being only an estimated \$7,425 short of the full capital reserve annual contribution. But this deficit grows in the 3-5th years as the budget increases with expected cost increases, and without rates increasing accordingly.

Affordability

The approved rate calculates an affordability index of 1.29%. This means that 0.90% of the Median Household Income (MHI) is spent on wastewater services. To be competitive for grants and low interest loans, the affordability rate should be between 1.5% and 4% of MHI.

7. Scenarios

Multiple rounds of scenarios were presented to the Town Staff before being able to come to a conclusion.

Scenario 1: 2022 Rates with no change

The below table specifies for each class of customers, their rate structure and the rate schedule.							
Proposed Customer Classes	Name of Class	Rate Structure	Schedule				
1	Residential in town	Flat	A	Go to row 42 and enter the flat			
2	Residential out of town	Flat	B	Go to row 42 and enter the flat			
3	Commercial in town	Flat	C	Go to row 42 and enter the flat			
4	Commercial out of town	Flat	D	Go to row 42 and enter the flat			
5	Standby	Flat	E	Go to row 42 and enter the flat			
The below tables specify the Base and Usage rates (in \$) of each rate structure (D29 to D38) and rate schedule (F29 to F38).							
Rate Structures		Rate Schedules					
Flat	Meter Size	A	B	C	D	E	F
	1	2	3	4	5	6	7
Base	0.625	\$38.00	\$57.00	\$38.00	\$57.00	\$38.00	
Rate Schedules							
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5		
	Base \$3 annual increase	0.0%	0.0%	0.0%	0.0%		
	Base dollar amount	\$ 38	\$ 38	\$ 38	\$ 38		
Results of the new rates		2023	2024	2025	2026	2027	5 Years
TOTAL EXPENSES		\$890,665	\$789,861	\$809,931	\$837,275	\$859,192	\$4,186,925
TOTAL REVENUE		\$554,895	\$555,149	\$555,414	\$555,692	\$555,981	\$2,777,131
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$335,770	-\$234,712	-\$254,517	-\$281,584	-\$303,210	-\$1,409,794
NET CASH FLOW (Contribution to Reserves)		-\$81,889	-\$840	-\$20,645	-\$62,744	-\$84,370	-\$250,488
Affordability assuming MHI of \$51071 for residential meters.		0.89%	0.89%	0.89%	0.89%	0.89%	
Are you putting enough money in reserves?		No	No	No	No	No	
Positive Annual Cash Flow?		No	No	No	No	No	

If the Board did nothing to increase the 2022 rates, there would be a \$1.4M deficit over the next 5 years. In fact, cash flow would be negative and bills would likely not be able to be paid.

Scenario 2: 2023 Adopted Rates With No Annual Increases

The below table specifies for each class of customers, their rate structure and the rate schedule.							
Proposed Customer Classes	Name of Class	Rate Structure	Schedule				
1	Residential in town	Flat	A	Go to row 42 and enter the flat			
2	Residential out of town	Flat	B	Go to row 42 and enter the flat			
3	Commercial in town	Flat	C	Go to row 42 and enter the flat			
4	Commercial out of town	Flat	D	Go to row 42 and enter the flat			
5	Standby	Flat	E	Go to row 42 and enter the flat			
The below tables specify the Base and Usage rates (in \$) of each rate structure (D29 to D38) and rate schedule (F29 to F38).							
Rate Structures		Rate Schedules					
Flat	Meter Size	A	B	C	D	E	F
	1	2	3	4	5	6	7
Base	0.625	\$55.00	\$60.00	\$60.00	\$60.00	\$55.00	
		Rate Schedules					
Growth Factor of Rates			Year 2	Year 3	Year 4	Year 5	
	Base	\$3 annual increase	0.0%	0.0%	0.0%	0.0%	
	Base dollar amount		\$ 55	\$ 55	\$ 55	\$ 55	
Results of the new rates		2023	2024	2025	2026	2027	5 Years
TOTAL EXPENSES		\$874,650	\$782,402	\$802,471	\$821,137	\$843,053	\$4,123,713
TOTAL REVENUE		\$774,723	\$774,977	\$775,242	\$775,520	\$775,809	\$3,876,271
NET LOSS OR GAIN: (Short/Over to Reserves)		-\$91,927	-\$7,425	-\$27,229	-\$45,617	-\$67,244	-\$239,442
NET CASH FLOW (Contribution to Reserves)		\$137,939	\$218,988	\$199,183	\$165,721	\$144,094	\$865,925
Affordability assuming MHI of \$51071 for residential meters.		1.29%	1.29%	1.29%	1.29%	1.29%	
Are you putting enough money in reserves?		No	No	No	No	No	
Positive Annual Cash Flow?		Yes	Yes	Yes	Yes	Yes	

This scenario is shown in Exhibit 3 and impacts described in detail above in Section 6.

Scenario 3: 2023 Adopted Rates with small Annual Increases – RCAC's Recommendation

The below table specifies for each class of customers, their rate structure and the rate schedule.

Proposed Customer Classes	Name of Class	Rate Structure	Schedule	
1	Residential in town	Flat	A	Go to row 42 and enter the flat
2	Residential out of town	Flat	B	Go to row 42 and enter the flat
3	Commercial in town	Flat	C	Go to row 42 and enter the flat
4	Commercial out of town	Flat	D	Go to row 42 and enter the flat
5	Standby	Flat	E	Go to row 42 and enter the flat

The below tables specify the Base and Usage rates (in \$) of each rate structure (D29 to D38) and rate schedule (F29 to F38).

Rate Structures		Rate Schedules					
Flat	Meter Size	A	B	C	D	E	F
	1	2	3	4	5	6	7
Base	0.625	\$55.00	\$60.00	\$60.00	\$60.00	\$55.00	

Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5
Base	\$3 annual increase	3.6%	3.5%	3.4%	3.3%
Base dollar amount		\$ 57	\$ 59	\$ 61	\$ 63

Results of the new rates	2023	2024	2025	2026	2027	5 Years
TOTAL EXPENSES	\$874,650	\$782,402	\$802,471	\$821,137	\$843,053	\$4,123,713
TOTAL REVENUE	\$774,723	\$802,943	\$831,175	\$859,419	\$887,676	\$4,155,937
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$91,927	\$20,542	\$28,704	\$38,282	\$44,622	\$40,224
NET CASH FLOW (Contribution to Reserves)	\$137,939	\$246,954	\$255,117	\$249,621	\$255,961	\$1,145,591
Affordability assuming MHI of \$51071 for residential meters.	1.29%	1.34%	1.39%	1.43%	1.48%	
Are you putting enough money in reserves?	No	Yes	Yes	Yes	Yes	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes	

In Scenario 3, we modeled the 2023 newly adopted rates with an annual increase between 3.3-3.6% (which would lead to a \$2.00 annual increase in the base rate). This scenario generates \$887,676 in revenue by Year 5 and allows revenue to keep up with increasing costs, and allows the enterprise to continue the current recommended requirements to the Capital Reserve Fund with a small annual surplus in Years 2-5. The affordability index rises to 1.48% by year 5.

Scenario 4: Scenario 3 (RCAC's Recommendation) with a major WWTF Upgrade in 2028

Due to the Town's understanding that a major WWTF Upgrade may be required in future years due to impending tightening nutrient effluent limitations on their lagoon system, Paonia is interested to understand how a new wastewater plant would impact their 5-year projections.

For this scenario, an \$8M WWTF upgrade was modeled during 2027 in per the capital replacement schedule (10% cash, 40% grant, 50% loan) along with \$200,000 in engineering costs in the 2025 budget.

In short, this increases the Capital Reserve Requirement by an additional ~\$200,000 annually for the next 4 years in order to pay the down payment required for a likely funding package from either USDA or the State SRF. It also assumes the 2027 debt service increasing by ~\$220,000, which is an estimate of a \$200,000 annual payment on a 40-year loan of \$4M with 4.00% interest rate, plus the \$20,000 debt reserve contribution for this new annual payment.

The below table specifies for each class of customers, their rate structure and the rate schedule.							
Proposed Customer Classes	Name of Class	Rate Structure	Schedule				
1	Residential in town	Flat	A	Go to row 42 and enter the flat			
2	Residential out of town	Flat	B	Go to row 42 and enter the flat			
3	Commercial in town	Flat	C	Go to row 42 and enter the flat			
4	Commercial out of town	Flat	D	Go to row 42 and enter the flat			
5	Standby	Flat	E	Go to row 42 and enter the flat			
The below tables specify the Base and Usage rates (in \$) of each rate structure (D29 to D38) and rate schedule (F29 to F38).							
Rate Structures		Rate Schedules					
Flat	Meter Size	A	B	C	D	E	F
	1	2	3	4	5	6	7
Base	0.625	\$55.00	\$60.00	\$60.00	\$60.00	\$55.00	
Rate Schedules							
Growth Factor of Rates		Year 2	Year 3	Year 4	Year 5		
	\$3 annual increase	3.6%	3.5%	3.4%	3.3%		
	Base dollar amount	\$ 57	\$ 59	\$ 61	\$ 63		
Results of the new rates		2023	2024	2025	2026	2027	5 Years
	TOTAL EXPENSES	\$1,073,156	\$980,908	\$1,200,977	\$1,019,643	\$1,063,053	\$5,337,738
	TOTAL REVENUE	\$774,723	\$802,943	\$831,175	\$859,419	\$887,676	\$4,155,937
	NET LOSS OR GAIN: (Short/Over to Reserves)	-\$290,433	-\$177,964	-\$369,802	-\$160,224	-\$175,378	-\$1,173,801
	NET CASH FLOW (Contribution to Reserves)	\$137,939	\$246,954	\$55,117	\$249,621	\$35,961	\$725,591
	Affordability assuming MHI of \$51071 for residential meters.	1.29%	1.34%	1.39%	1.43%	1.48%	
	Are you putting enough money in reserves?	No	No	No	No	No	
	Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes	

The result of such this Scenario shows that the Town would be over \$1.17M short of having a total balanced budget over a 5-year period, after considering the estimated down payment, engineering design fees, and debt service described above.

Nevertheless, it is important to note that the Town is still not in such a dire situation should this Scenario arise, in that the cash flow is still positive for all 5 years, even with an estimated \$725,591 contributed to reserves. The reason for this is really the \$1.08M currently available in Capital Reserves to fund such a future project.

If the Town decides to undertake such a project, it is recommended that this Rate Study be updated accordingly.

TOWN OF PAONIA, COLORADO

RESOLUTION NO. 2022-14

A RESOLUTION OF THE TOWN OF PAONIA ESTABLISHING GARBAGE RATES AND CHARGES

WHEREAS, Ordinance 2018-01 of the Town of Paonia authorizes the Board of Trustees to establish by resolution all garbage rates and charges and the effective date of said rates and charges; and

WHEREAS, the Board of Trustees has made a thorough review of its existing Ordinances pertaining to garbage rates and charges; and

WHEREAS, the rates levied for garbage services must be calculated to meet the cost of providing garbage services, including landfill tipping fees, maintenance, capital reinvestment, and related debt service, to avoid deficit spending.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, that the following garbage rates and charges shall be levied by the Town of Paonia:

1. Rates for regular refuse collection:

A) The basic rate for each weekly pickup shall be increased as follows:

- (1) The charge per month for a single 33-gallon container shall be increased by **eight dollars (\$8.00)** from **seventeen dollars (\$17.00)** to **twenty-five dollars (\$25.00)**. To qualify for the single 33-gallon container charge, the person responsible for paying the trash bill must sign an agreement with the Town stating that they will not exceed the single, weekly, 33-gallon container limitation.
- (2) The charge for two or three 33-gallon containers will increase **seven dollars (\$7.00)** from **twenty-three dollars (\$23.00)** to **thirty dollars \$30.00** per month.
- (3) The charge for four or five 33-gallon containers will increase **fifteen dollars (\$15.00)** from **thirty dollars (\$30.00)** to **forty-five dollars \$45.00** per month.
- (4) It is the decision of the Town Clerk and/or Administrator to determine which users fit into each of the categories listed herein based upon the average monthly usage of the user. Any perceived needed change in basic rate based on usage will be brought to the users attention by letter prior to changing any rates.
- (5) In addition, a **\$25.00** per month fee shall be charged for each additional 33-gallon container, or the equivalent refuse equal in volume to a 33-gallon container, placed out for collection that exceeds the user's categorized limit.

B) For each weekly pickup from a two cubic yard dumpster, the charge shall be increased by **ten dollars (\$10.00)** from **fifty dollars (\$50.00)** to **sixty dollars (\$60.00)** per month, and for a three cubic yard dumpster, rates shall be increased by **ten dollars (\$10.00)** from **sixty dollars (\$60.00)** to **seventy dollars (\$70.00)** per month.

C) For pickups more frequent than weekly, the per gallon charge shall be multiplied by the number of pickups per week.

2. Oversize Refuse, Collection Rates. The following rates shall be levied by the Town for oversize refuse collection:

A) Oversize refuse or garbage that does not fit in an approved container may be placed adjacent to the regularly sized refuse containers for collection. The cost of removing the oversized refuse or garbage as determined by the garbage collectors, using the 33-gallon container equivalents as noted in Section 1, will be considered as part of the category limit for the user.

B) The Town may, at its discretion, apply an extra charge for each oversize item using the following formula:

Oversize items that can be handled easily by one garbage collector will be charged **\$20.00**.

Oversize items that can be handled easily by two garbage collectors will be charged **\$30.00**.

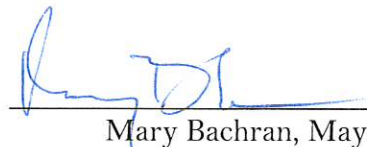
Oversize items that can be handled by three garbage collectors will be charged **\$40.00**.

3) **Effective Date.** This Resolution and the garbage rates set forth herein shall become effective on December 1, 2022.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Trustees of the Town of Paonia, Colorado, on this 29th day of November 2022.

Attest:


Amanda Mojarro, Interim Town Clerk


Mary Bachran, Mayor

ORDINANCE NO. 2021-02

FRANCHISE AGREEMENT
BETWEEN THE TOWN OF PAONIA AND
DELTA-MONTROSE ELECTRIC ASSOCIATION

AN ORDINANCE GRANTING A FRANCHISE BY THE TOWN OF PAONIA, COLORADO, TO DELTA-MONTROSE ELECTRIC ASSOCIATION, ITS SUCCESSORS AND ASSIGNS, TO LOCATE, BUILD, CONSTRUCT, RECONSTRUCT, REPLACE, MODIFY, UPGRADE, UPRATE, RELOCATE, REMOVE, ACQUIRE, PURCHASE, EXTEND, MAINTAIN, AND OPERATE INTO, WITHIN, AND THROUGH THE TOWN OF PAONIA, DELTA COUNTY, COLORADO, ALL FACILITIES NECESSARY FOR, OR RELATED TO, THE PURCHASE, TRANSMISSION, AND DISTRIBUTION OF ELECTRICITY TO THE TOWN OF PAONIA AND THE RESIDENTS, BUSINESSES AND INDUSTRY OF THE TOWN OF PAONIA, BY MEANS OF LINES, WIRE, CABLES, FIBER, POLES, FACILITIES, EQUIPMENT OR OTHERWISE, OVER, UNDER, ALONG, ACROSS, AND THROUGH ANY AND ALL STREETS, ALLEYS, VIADUCTS, BRIDGES, ROADS, LANES, AND OTHER PUBLIC WAYS AND PLACES IN SAID TOWN OF PAONIA, AND FIXING THE TERMS AND CONDITIONS THEREOF.

WHEREAS, the Town of Paonia (the "Town") is a statutory Town in accordance with C.R.S. 31-1-203; and

WHEREAS, the Town has those powers vested pursuant to C.R.S. 31-15-101 et. seq.; and

WHEREAS, pursuant to C.R.S. 31-32-101 et. seq. the Town has the authority to enter into franchise agreements; and

WHEREAS, DELTA-MONTROSE ELECTRIC ASSOCIATION ("DMEA" or the "Company") is a Colorado cooperative electrical association that that provides an electrical utility; and

WHEREAS, the Town by and through its board of Trustees wishes to enter into a franchise agreement with DMEA.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, THAT:

ARTICLE 1
TITLE AND DEFINITIONS

- 1.1 This Chapter shall be known and may be cited as the "Delta-Montrose Electric Association Franchise Chapter".
- 1.2 For the purpose of this Franchise agreement, the following words and phrases shall have the meaning given in this Article. When not inconsistent with context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined in this article shall be given their common and ordinary meaning.
- 1.3 "Board of Trustees" refers to and is the legislative body of the Town.
- 1.4 "Company" refers to and is Delta-Montrose Electric Association, a Colorado cooperative electric association, and is the grantee of rights under this Franchise.
- 1.5 "Facilities" or "Company Facilities" refer to and are all of the Company's facilities reasonably necessary to provide electric service and communication fiber into, within and through the Town, including but not limited to substations, transmission and distribution structures, lines, wires, electrical equipment, transformers, overhead and underground lines, meters, meter reading devices, control equipment, street lights, wires, cables, fiber optic cables, electric transportation charging facilities and poles.
- 1.6 "Franchise" refers to the terms and conditions of this ordinance.
- 1.7 "Gross Revenues" refers to those amounts of money that the Company receives from the sale and/or delivery of electricity in the Town, after adjusting for refunds, net write-offs of accounts, corrections, or Regulatory Adjustments (as defined below). "Gross Revenues" shall exclude any revenue from the sale and/or delivery of electricity to the Town as a customer of the Company.
- 1.8 "Industrial Customers" refer to those Town customers which meet the criteria under applicable "Industrial — Distribution Voltage" and "Industrial – Transmission Voltage" rate tariffs for the Company.
- 1.9 "Party" or "Parties" refers to and includes the Company and the Town, either singly or collectively as the context requires.
- 1.10 "Public Project" means (1) any public work or improvement within the Town that is wholly or beneficially owned by the Town or is the result of a request and/or required by the Town as part of a development application pursuant the Town of Paonia Municipal Code; or (2) any public work or improvement within the Town where fifty percent (50%) or more of the funding is provided by any combination of the Town, the federal government, the State of Colorado, a Colorado county, or other governmental or quasi-governmental entities. For purposes of this agreement, "public work or improvement" means any project for the new construction or reconstruction of a project such as public buildings; public roads; public highways; public streets; publicly owned water mains and sewers; public parks and playgrounds; public convention facilities which are financed at least in part with public

money; jails and prisons; and all other similar publicly-owned works and property. Public work or improvement does not include any project done for primarily aesthetic purposes, beautification, or view protection.

- 1.11 "PUC" refers to and is the Public Utilities Commission of the State of Colorado or other state agency succeeding to the regulatory powers of the Public Utilities Commission.
- 1.12 "Regulatory Adjustments" refers to any adjustments to the Company's revenues pursuant to federal, state or other governmental regulations, including but not limited to, credits, surcharges, refunds, and pro-forma adjustments.
- 1.13 "Residents" refer to and include all persons, businesses, industry, governmental agencies, and any other entity whatsoever, presently located or to be located, in whole or in part, within the territorial boundaries of the Town.
- 1.14 "Rights-of-Way" refer to and are streets, alleys, viaducts, bridges, roads, lanes, public utility easements, and other public rights-of-way and public places in the Town, excluding any easement the terms of which do not permit the use thereof by the Company. The phrase "in the Rights-of-Way" shall mean upon, above, under, across, along and within said Rights-of-Way.
- 1.15 "Town" refers to and is the municipal corporation designated as the Town of Paonia, Delta County, Colorado, and is the grantor of rights under this Franchise.
- 1.16 "Uncontrollable Forces" means the inability to undertake an obligation of this Franchise due to a cause that could not be reasonably anticipated by a Party or is beyond its reasonable control after exercise of reasonable efforts to perform, including, without limitation, accidents, breakdown of equipment, acts of God, floods, storms, fires, sabotage, terrorist attack, strikes, riots, war, labor disputes, forces of nature, epidemics, pandemics, orders of the government or unavailability or shortages of materials or equipment.
- 1.17 "Utility Service" means the obligation to furnish, sell, and distribute electricity.

ARTICLE 2 GRANT OF FRANCHISE

2.1 Grant of Franchise.

- (A) The Town grants to the Company, for the period specified in and subject to the conditions, terms, and provisions contained in this Franchise:
 - (1) The non-exclusive right, and the Company assumes the obligation, to provide Utility Service to the Town and to all Residents of the Town.
 - (2) The non-exclusive right, and the Company assumes the obligation, to acquire, construct, install, locate, maintain, upgrade, operate, and extend into,

within and through the Town all Facilities reasonably necessary to furnish, sell, and distribute electricity within and through the Town.

- (3) The non-exclusive right, and the Company assumes the obligation, to make reasonable use in the Rights-of-Way as may be necessary to carry out the terms of this Franchise subject to the Town's prior right of usage for municipal purposes and subject to applicable laws, ordinances, and regulations. These rights and obligations shall extend to all areas of the Town as it is now or hereafter constituted.
 - (4) The non-exclusive right, and the Company hereby assumes the obligation, to provide street lighting service within the Town which shall be governed by this Franchise, applicable Town Codes and regulations, and Company's tariffs.
- (B) The rights granted by this Franchise are not, and shall not, be deemed to be granted exclusively to the Company, and the Town reserves the right to make or grant a similar franchise to any other person, firm, or corporation as allowed by law. Notwithstanding the foregoing, the Town agrees that the Company is the holder of Certificate of Public Convenience and Necessity granting the Company an exclusive service territory for the distribution of electric service to the Town subject to the rules and regulations of the PUC and the Town's rights of eminent domain as provided for, and limited by, Article II, Section 15 of Colorado Constitution and C.R.S. § 40-9.5-201, *et seq.*
- (C) Except as otherwise specifically provided in this Franchise, the Town retains the right to use, control, and regulate, through the exercise of its police power, the use of the Rights-of-Way, and the space above and beneath said Rights-of-Way; and the Town retains the right to impose such other local codes or administrative regulations as may be determined by the Town to be necessary in the exercise of the police power to protect the health, safety, and welfare of the public.
- (D) Neither the Town nor the Company waives any rights under the statutes and constitution of the State of Colorado or of the United States except as otherwise specifically stated in this Franchise.
- (E) This Franchise constitutes a valid and binding contract between the Company and the Town. In the event that the Franchise Fee (defined below) is declared illegal, unconstitutional, or void for any reason by any court or other proper authority, the Company shall be contractually bound to collect and pay monthly rental fees to the Town in an aggregate amount that would be, as nearly as practicable, equivalent to the amount which would have been paid by the Company as a Franchise Fee as consideration for use of the Town's Rights-of-Way.
- (F) Nothing in this Franchise shall prohibit the Company from using its Facilities as authorized by applicable laws and regulations, including leasing its Facilities to any

third-party. The Company shall not take any unilateral action which materially changes the mutual promises in this Franchise.

ARTICLE 3 TERM OF FRANCHISE

- 3.1 Term of Franchise. This Franchise shall take effect on its adoption by the Board of Trustees, and shall supersede any prior franchise grants to the Company by the Town relating to the Utility Service. Unless terminated prior to twenty (20) years in accordance with other provisions of this Franchise, the term of this Franchise shall be for twenty (20) years. Notwithstanding the foregoing, the Franchise is not deemed by the Town to be a multi-year fiscal obligation. Nevertheless, any monies required by the Town to be expended under this Franchise shall be subject to annual appropriation by the Town.

ARTICLE 4 FRANCHISE FEE

4.1 Franchise Fee.

- (A) In consideration for the rights granted in this Franchise, which provide, among other things, for the Company's use of the Rights-of-Way, which are valuable public properties acquired and maintained by the Town at great expense to its Residents, and in recognition that the grant to the Company of the use of those Rights-of-Way, and of the right to provide service to the Town's Residents, which are valuable rights, the Company shall collect and pay the Town the sums provided in this Section. Except as specified in this Franchise, payment of the Franchise Fee shall not exempt the Company from any other lawful taxes or fees; however, the Franchise Fee shall constitute the exclusive monetary payment by the Company to the Town for the Company's use and occupancy of the Rights-of-Way except as specifically provided for in this Franchise.
- (B) The Company shall collect from its customers within the Town limits and pay to the Town a sum of three percent (3%) of its annual Gross Revenue derived from the sale of electricity to Residents, excluding Industrial Customers, within the corporate limits of the Town (the "Franchise Fee"). The Company will not collect said 3% Franchise Fee from the Town for Utility Service provided directly or indirectly to the Town for its own consumption, including street lighting service.
- (C) A transaction or arrangement between the Company and any third-party which has the effect of circumventing payment of required Franchise Fees or evasion of payment of Franchise Fees by non-collection, non-reporting, or any other means which evade the actual collection of revenues by the Company for services delivered over the system or businesses the Company pursues derived from the operation of the system is prohibited except any such transaction which may be required by law.

- (D) No acceptance of payment by the Town from the Company shall be construed as an agreement that the amount paid is the correct amount, nor shall acceptance be construed as a release of any claim of which the Town may have for additional sums due and payable under this Franchise.
- 4.2 Remittance Schedule. The Company shall remit the Franchise Fee to the Town in monthly installments not more than thirty (30) days following the close of each month. All payments shall be made to the Town. In the event that either the Town or the Company discovers that there has been an error in the calculation of the Franchise Fee payment to the Town, the error shall be corrected in the next monthly payment; except that, in the event an error by the Company results in an overpayment of the Franchise Fee to the Town, and said overpayment is in excess of Ten Thousand Dollars (\$10,000), credit for the overpayment shall be spread over the same period the error was undiscovered. If the overpayment is less than Ten Thousand Dollars (\$10,000), credit shall be taken against the next payment. In no event shall either Party be required to credit or pay any under- or overpayment which occurred more than three (3) years prior to the discovery of the error. Underpayments shall be subject to up to 1 ½% interest per month until paid or credited in full.
- 4.3 Franchise Fee Payment not in Lieu of Permit or Other Fees. Payment of the Franchise Fee by the Company is accepted by the Town in lieu of any utility occupation tax or any rental fee, for the Company's use or occupation of Town's Rights-of-Way, or for the installation, operation and maintenance of Company Facilities. Payment of the Franchise Fee does not exempt the Company from any other lawful tax or fee, including any fee for an excavation permit, street cut permit, or similar requirement.
- 4.4 Changes in Town Boundaries. The Town shall reasonably notify the Company in writing of annexations (or de-annexation) of property into (or out of) the domain of the Town so that DMEA may appropriately adjust its collection of the Franchise Fee from Residents within the Town limits. Any amounts received for Utility Services provided to customers within the new Town limits will be included in the Gross Revenues no later than ninety (90) days after such written notice. The Company shall not be required to retroactively collect or pay any Franchise Fees on such Utility Services from Residents in any annexed area of the Town if the Town fails to provide written notice of the annexation to the Company.

ARTICLE 5 MODIFICATION OF FRANCHISE FEE

- 5.1 Change of Franchise Fee and Other Terms. In recognition of the length of the term of this Franchise, and in further recognition of the possibility of legislative and/or regulatory amendments which may allow for the wheeling of electricity through Facilities owned by the Company and located within the Town, the Parties agree that in the event of such legislative or regulatory amendments, or in any unexpected event which would result in a significant decrease in fees collected on behalf of the Town, the Company and the Town may agree to modify the computation of the Franchise Fee. Said modified computation may

be based upon volume of electricity delivered rather than the percentage of revenue, at the Town's discretion. The Parties agree, to the extent permitted by law, to cooperate in modifying section 4.1(B) of this Franchise to assure that the Company collects, and the Town receives the Franchise Fees or some other form that is at least the same amount as the Franchise Fees collected by the Company as of the effective date of this Franchise, and for any increases in usage.

In the event that the computation of the Franchise Fee is modified and based upon volume of electricity delivered in accordance with the provisions of this Franchise, both Parties agree that, to the extent allowable by law, the Company shall be responsible for the collection of such Franchise Fee as measured against the total amount of kilowatt-hour consumption of electricity in each month by each Resident, from all electric providers and/or distributors. Both Parties further agree that such volumetric computation shall be subject to annual adjustment to reflect inflation in accordance with a mutually acceptable price index.

Modification of the Franchise Fee as provided herein is an express term of this Agreement.

ARTICLE 6 DISCLOSURE OF RECORDS

6.1 Town Information Rights.

- (A) The Town or its designated representative or agent, shall have access to the books and records of the Company relevant for the purpose of ascertaining compliance with the terms of this Franchise during normal business hours upon reasonable notice. The Town may use such information for the purposes of enforcing its laws, ordinances, and regulations. Nothing in this Franchise shall exempt the Company from any other requirements regarding the production of information as provided in the laws, ordinances and regulations of the Town.
- (B) To the extent allowable by law, the Company shall supply the Town with all of the following information annually without cost to the Town:
 - (1) Annual reports, including but not limited to, its annual report to its consumers; and
 - (2) Annual financial summaries of the revenues collected within the Town during the previous year.
- (C) To the extent allowable by law and reasonably available, the Company shall supply the Town with all of the following information upon written request:
 - (1) Copies of the official minutes of Board of Directors meetings for the previous year;

- (2) A summary of conversions and replacements within the Town which have been accomplished or are underway by the Company, if applicable;
- (3) The Company's plans for additional conversions and replacements within the Town, if applicable;
- (4) Copies of tariffs including but not limited to all tariffs, rules, regulations, and policies relating to service by the Company to the Town and its Residents;
- (5) Copies of supporting documentation for the calculation of the Franchise Fee;
- (6) An inventory of the Company's Facilities within the Town; and
- (7) Annual and long-term reports for capital improvements planned within the Town.

6.2 Enforcement of Town Ordinances. The Town may use the Company's metered information obtained from audits for the purposes of enforcing its laws, ordinances, and regulations.

6.3 Protection of Confidential Information. Except as expressly authorized in this Franchise, or as may be considered a public record under Colorado law, all information obtained by the Town pursuant to this Section 6 shall be kept confidential and shall be utilized for the sole purpose of verifying that the Franchise Fee has been correctly computed and paid.

ARTICLE 7 RATES

7.1 General Provisions. Rates charged by the Company for service provided pursuant to this Franchise shall be fair and reasonable. The Company agrees that it shall be subject to all authority now or hereafter possessed by any regulatory body having jurisdiction to fix just, reasonable, and compensatory electric rates. The Company further agrees that the system shall be so designed, constructed, and sources of electricity utilized as to provide the most economic development and favorable rate structure possible while taking into account deliverability of electricity and other pertinent design conditions which maintain high safety and service reliability standards.

7.2 Comparable rates. For each rate category within the Company's service area, the rates charged to customers within the Town shall be no higher than the lowest rates charged to the Company's customers in the same rate category, excluding franchise fees, rental fees, surcharges and other taxes, if applicable.

7.3 Rates applicable to Town Street Lighting and Town-owned facilities. Rates charged to the Town by the Company for street lighting and Town-owned facilities shall be no higher than the lowest rates charged to the Company's customers for the same rate category, excluding franchise fees, rental fees, surcharges and other taxes, if applicable.

ARTICLE 8
SUPPLY, CONSTRUCTION AND DESIGN

8.1 Supply; Reliability.

- (A) The Company shall at all times take all reasonable and necessary steps to assure the adequate supply, transmission, and distribution of electricity to the Town and its Residents at the lowest reasonable cost consistent with the terms of this Franchise. In addition, the Company shall operate its Facilities pursuant to the highest practicable level of service quality and reliability in providing electricity to the Town and its Residents. The Company recognizes that maintaining service reliability is a substantial obligation under this Franchise. Upon the Town's request, the Company will provide the Town copies of service reliability reports.
- (B) If the supply, transmission, or distribution of electricity to the Town or any Resident is interrupted, the Company shall take all necessary and reasonable actions to restore such supply in the shortest practicable time. If the supply of electricity is to be interrupted due to a planned outage, except in cases of emergency outage repair, the Company shall take adequate reasonable efforts to notify its customers and the Town in advance. The Company shall keep on file in its office and/or on its website, copies of its rate schedules, standards for service, rules, policies, and regulations concurrently in effect or filed with the PUC or other competent authority having jurisdiction in the premises, which copies shall be made available to the Town and its Residents upon written request.
- (C) The Company shall provide to the Town telephone numbers of the Company's dispatch center that will permit the Town to obtain status reports from the Company on a twenty-four hour basis concerning interruptions of the supply of electricity in any portion of the Town. The Town agrees that any non-published Company telephone numbers shall be considered confidential and not disclosed to any third-parties, to the extent permitted by law.

8.2 Obligations Regarding Company Facilities.

- (A) All work by the Company shall be done:
 - (1) in a high-quality manner;
 - (2) in a timely and expeditious manner;
 - (3) in a manner which minimizes inconvenience to the public and individuals;
 - (4) in a cost-effective manner, which may include the use of qualified private contractors; and
 - (5) in accordance with Company policies and procedures but all times subject to applicable laws, ordinances, and regulations.

- (B) The installation, repair, or maintenance of Company Facilities shall not interfere with other uses of the Rights-of-Way, including but not limited to water facilities, sanitary or storm sewer facilities, communication facilities. Interference with private property, landscaping and other natural features shall be minimized. Company will use reasonable efforts to not unduly interfere with the rights or reasonable convenience of property owners who adjoin the Rights -of-Way.
- (C) The Company shall promptly repair all damage caused by Company activities or Facilities within the Town to substantially its former condition. If such damage poses a threat to the health, safety, or welfare of the public or individuals, the Town may cause repairs to be made, and the Company shall promptly reimburse the Town for the reasonable cost of such repairs. The Company shall undertake this repair of the Rights-of-Way at its own expense, restoring any damage or disturbance as a result of its operation, construction, or maintenance of the Facilities to a condition reasonably comparable to the condition of the Rights-of-Way immediately prior to such damage or disturbance, in a workmanlike manner subject to the approval by the Town, and in accordance with the Town Municipal Code. The Company shall use due care not to interfere with or damage any water mains, sewers, or other structures now in place or which may hereafter be placed in the Rights-of-Way, and the Company shall, at its own expense, repair in a workmanlike manner subject to the approval of the Town and in accordance with the provisions of the Town Municipal Code, any such water mains, sewers, or other structures which are damaged through the action of the Company, provided, however, that the Town may make such repairs and charge the reasonable cost thereof to the Company. Except as otherwise specifically provided herein, the Town retains the right to use, control, and regulate, through the exercise of its police power, the use of streets, and other public ways and places, and the Town retains the right to impose such other regulations as may be determined by the Town to be necessary in the exercise of the police power to protect the health, safety and welfare of the public. Notwithstanding anything to the contrary in this Franchise, provided that the Company has followed its requirements under Colorado's 811 "call-before-you-dig" law, the Company shall not be responsible for the repair or cost of any damages due to an improperly identified locate or an unidentified water main, sewer, or other structure.
- (D) All non-electrical work performed by the Company is subject to inspection, by the Town and a determination by the Town that said work has been performed in accordance with all applicable laws, ordinances, and regulations of the Town. The Company shall promptly perform reasonable remedial action required by the Town pursuant to any such inspection. The Company shall have the authority under this Franchise to cut, prune, and/or remove vegetation in accordance with its standard vegetation management requirements and procedures. Upon request by the Town and in accordance with Company's applicable policies, Company will provide as-built drawings, but only if such drawings exist, for Company Facilities in the Rights-of-Way.

- (E) Except in emergency situations, where the installation, upgrade or replacement of any Facilities in the Rights-of-Way by or on behalf of the Company requires relocation of Company Facilities in the Rights-of-Way, the location shall be subject to inspection and approval by the Town; provided that, the Town agrees that such location shall be consistent with the current location of any upgrade or replacement of any existing Facilities, for example, overhead Facilities shall remain overhead and underground Facilities shall remain underground. Such inspection and approval may include, but not be limited to, the following matters implicated by relocation of Facilities in the Rights-of-Way: cutting and trimming of trees and shrubs and disturbance of pavements, sidewalks, and surfaces of streets.
- (F) The Company and all of its contractors shall comply with all applicable Town laws, ordinances, and regulations. The Company shall require its contractors working in the Rights-of-Way to hold the necessary licenses and permits required by the Town and other entities having jurisdiction.
- (G) The Company shall provide, when available, as-built drawings in digital formats and providing such details as reasonably requested by the Town in accordance with Company's applicable policies, of each Company Facility which exists within the Town.

8.3 Excavation and Construction. The Company shall be responsible for obtaining all applicable permits, including any excavation and/or street cut permits, in the manner required by the laws, ordinances, and regulations of the Town. All public and private property whose use conforms to restrictions in public easements disturbed by Company construction or excavation activities shall be restored by the Company at its expense to substantially its former condition according to then existing Town laws, ordinances, and regulations.

8.4 Relocation of Company Facilities.

- (A) Except as provided in 8.4(B) below, relocation of electric Facilities installed or maintained in the Rights-of-Way or Town property pursuant to this Franchise or any previous franchises shall be made by the Company at its expense, if at any time the Town requests the Company to relocate the same in order to permit the construction of a Public Project.
- (B) The provisions of 8.4(A) above are intended to be applied to Public Projects only. The provisions shall not apply, and the Company shall not be responsible for, payment of costs associated with relocation of Facilities when the following apply:
 - (1) relocation of the Facilities is primarily for aesthetic purposes, beautification or view protection; or
 - (2) relocation involves Facilities owned by the Company in privately held easements, including without limitation, Facilities located in prescriptive easements benefitting the Company; or

- (3) relocation involves existing underground utilities properly located within public easements according to Town specifications, if such relocation is not necessary to the Public Project.
 - (C) The Company shall complete such relocations as soon as practicable from the date when the Town makes its request, but in any event within 90 days after such request; except that the Company may be granted an extension of time for completion equivalent to any delay caused by conditions not under its control. Upon written request, the Town may extend the period of time for completion of a relocation where the scope of the relocation and/or existing circumstances makes a 90-day completion time unreasonable. In such cases, the Town's consent to a longer completion time shall not be unreasonably withheld or conditioned.
 - (D) When requested by the Town or the Company, representatives of the Town and the Company shall meet to share information regarding anticipated Town projects that will require relocation of Company Facilities. Such meetings shall be for the purpose of providing both Parties the opportunity to, in good faith, evaluate reasonable alternatives and/or cost saving measures in an attempt to minimize the fiscal impact upon the Company from the proposed relocation, and establish timetables with anticipated commencement and completion dates.
 - (E) Following relocation, all property shall be restored to substantially its former condition by the Company at its expense (or at Town's expense in accordance with Section 12.1) in accordance with then existing Town laws, ordinances, and regulations.
 - (F) The Town shall use its best efforts to obtain funding for utility relocations in connection with Public Projects receiving federal or state funds. When public funds are utilized for the purposes of utility relocation, the Town shall utilize said funds for Company utility relocations in a manner consistent with other utility relocations.
 - (G) No expenses pursuant to this article paid or reimbursed shall be surcharged specifically against Residents of the Town.
- 8.5 Service to New Areas. If the boundaries of the Town are expanded during the term of this Franchise, the Company shall extend service to Residents in the expanded area at the earliest practicable time and in accordance with the Company's extension policy. Service to the expanded area shall be in accordance with the terms of this Franchise, including payment of Franchise Fees.
- 8.6 Town Not Required to Advance Funds. Upon receipt of the Town's authorization for billing and construction, the Company shall extend its Facilities to provide Utility Service to the Town for municipal uses within the Town limits or for any major municipal facility outside the Town limits, and within the Company's certificated service area, without requiring the Town to advance funds prior to construction. Upon completion, the Town shall pay all invoices within 30 days of receipt.

8.7 Technological Improvements.

- (A) The Company shall generally introduce and install, as soon as practicable, technological advances in its equipment and Utility Service within the Town when such advances are technically and economically feasible and are safe and beneficial to the Town and its Residents.
- (B) While maintaining flexibility in the provision of Utility Services, the Company's system shall, at all times, be no less advanced than any other system operated by the Company within the Company's service area; provided, however, should an upgrade of the Utility Services provided to customers within the Town be requested by the Town Board of Trustees, the Company shall have the right to meet, confer, and negotiate with the Town concerning the economic practicality of such an upgrade, giving due consideration to the remaining term of the Franchise and other reasonable incentives. The Company shall submit to the Town related information upon the Town Board of Trustees' request, including, but not limited to a plan for provision of such services, or a justification indicating the reason(s) such services are not feasible for the Company's customers within the Town. Company retains the right to make the final decision as to the technological improvements and/or upgrades made by the Company.

8.8 Scope of Activities Authorized By Franchise. The provisions of this Franchise apply specifically to electric services, including telecommunications relating to electric services. Nothing in this agreement precludes the Company from engaging in any other lawful activities that are not subject to franchise agreements.

8.9 Service Standards. Upon reasonable written request of the Town in accordance with the Company's information request policy and subject to applicable confidentiality protections, the Company shall use reasonable efforts to prepare and submit (no more than annually) to the Town a map, in format reasonably determined by Company, showing the reasonable depiction of the location of the Company's systems within the Town of Paonia.

8.10 No Discrimination. The Company shall not deny service, deny access, or otherwise discriminate against Residents on the basis of race, color, religion, national origin, age, [sexual orientation](#), [gender expression](#) or sex.

**ARTICLE 9
COMPLIANCE**

9.1 Town Regulation. The Town expressly reserves, and the Company expressly recognizes, the Town's right and duty to adopt, from time to time, in addition to the provisions herein contained, such laws, ordinances, and regulations deemed necessary by the Town in the exercise of its police power for the protection of the health, safety, and welfare of its citizens. The Company shall comply with all applicable laws, ordinances, and regulations of the Town, including but not limited to all Town building and zoning codes, and requirements regarding curb and pavement cuts, excavating, digging, and other construction activities.

- 9.2 Town Review of Plans. Prior to construction of any significant electric Facilities such as transmission lines and substations within the Town, or of a building or other structure within the Town, the Company shall furnish to the Town the plans and a description of the proposed location of such Facilities, building, or structure. In addition, upon request by the Town, the Company shall assess and report on the impact of its proposed construction on the Town environment. Such plans and reports may be reviewed by the Town to ensure that all applicable laws, including building and zoning codes and air and water pollution requirements, are met, that aesthetic and good planning principles have been given due consideration, and that adverse impact on the environment has been minimized. The Company shall comply with all regulatory requirements of the Town and shall incorporate all other reasonable changes requested by the Town.
- 9.3 Inspection. The Town shall have the right to inspect, at all reasonable times, any portion of the Company's Facilities in the Town's Rights-of-Way. The Company agrees to cooperate with the Town in conducting the inspection and to correct any safety issues affecting the Town's interest in a prompt and efficient manner. Said inspection shall be performed only by qualified inspectors working under a professional engineer's license.

ARTICLE 10 USE OF COMPANY FACILITIES

- 10.1 Town Use. The Town shall be permitted to make all reasonable use of the Company's distribution poles and street lighting poles for any Town purpose so long as such use complies with appropriate safety codes, including the Company's safety regulations. To the extent permitted by law, said use shall be without cost to the Town so long as such use does not unreasonably interfere with the Company's use of its Facilities for distribution of electricity or telecommunications services or create a hazard. The Town shall be responsible for all costs, including maintenance costs, associated with any modifications to the Company's Facilities to accommodate the Town's use of such Facilities. To the extent permitted by law, the Town shall hold harmless and indemnify the Company for the Town and its employees, agents, and representatives acts or failures to act related to the Town's use of Company's Facilities.
- 10.2 Non-Competitor's Use. The Company shall allow telecommunications companies and/or cable companies who hold a franchise or encroachment permit from the Town to utilize the Company's distribution poles and other suitable overhead structures for the placement of their facilities based upon the Company's joint use pole attachment agreement, so long as such terms and conditions are not inconsistent with the Company's obligations under this Franchise. The Company shall not be required to assume any liability nor to be put to any additional expense in connection with any such use; nor be required to permit any such use for the distribution of electricity. No such use shall be required if it would constitute a safety hazard or would unreasonably interfere with the Company's existing or documented future use of the same.

- 10.3 Competitor's Use. If the Company chooses, or is required by law, to transport electricity supplied by other entities over the Company's Facilities to Town Residents, such transportation shall not be prohibited under this Franchise. The Company shall periodically report to the Town a list of all entities for which the Company is providing such transport services, and to the extent allowable by law the names and addresses of each such entity and each Town Resident to whom electricity is transported, and the amount of electricity transported by the Company for each such entity. Nothing in this Franchise shall preclude the Town from collecting from such entities or Residents all applicable taxes and fees required by the Town's laws, ordinances, and regulations.
- 10.4 Emergency Use. In the case of any emergency or disaster, the Company shall, upon reasonable request of the Town, make available its Facilities for emergency use during the emergency or the disaster period. Such use of Company Facilities shall be of a limited duration and will only be allowed if the use does not interfere with the Company's own use of its Facilities occasioned by such emergency or disaster. To the extent permitted by law, the Town shall hold harmless and indemnify the Company for the Town and its employees, agents, and representatives acts or failures to act related to such use of Company's Facilities.
- 10.5 Trenches Available for Town Use. The Town and Company agree that it is in the best interest of the community for the Town and Company to share and combine Company Facilities and Town facilities in common trenches, ductways, etc. The Company and Town agree to work together to see that such facilities are combined to minimize impacts to the community. The Town's installation of its facilities shall not interfere with the Company's Facilities or delay the commencement or completion of the Company's construction projects.

ARTICLE 11 INDEMNIFICATION OF THE TOWN

11.1 Town Held Harmless.

- (A) The Company shall construct, maintain, and operate its Facilities in a manner which provides reasonable protection against injury or damage to persons or property; provided, however, said obligation of the Company shall not increase or decrease its liability on third-party claims.
- (B) The Company shall save the Town, its officers, boards, commissions, agents, and employees, harmless and indemnify the Town from and against all liability or damage and all claims or demands whatsoever in nature, and reimburse the Town for all its reasonable expenses, including attorneys' fees, arising out of the operations of the Company within the Town and the securing of and the exercise by the Company of the rights granted in this Franchise, including any third-party claims, administrative hearings and litigation. Notwithstanding anything in this Franchise to the contrary, the Company shall not be obligated to indemnify or hold the Town

harmless to the extent any claim, demand or liability arises out of, or in connection with, any intentional or negligent act or failure to act of the Town or any of its officials, agents or employees, or the extent that any claim, demand or liability arises out of, or in connection with, the use of any facilities of the Town.

- (C) The indemnification extended pursuant to this Franchise shall include delay damages as that term is contemplated in C.R.S. § 24-91-103.5 *et seq.*, as amended from time to time, or any successor law thereto, awarded against the Town in favor of contractors for damages incurred by contractors for delays experienced in the performance of public works contracts entered into with the Town; provided, however, that said indemnification shall extend only to those delays in performance of public works contracts for which the Company either agrees it is responsible or which were caused as the result, in whole or in part, of the acts or omissions of the Company in the performance of its obligations under this Franchise. Unless the Company otherwise agrees in writing, in no event shall the Company be required to indemnify the Town for any delay damages awarded against the Town unless and until a final determination has been made by a court of competent jurisdiction that the delay damages suffered by a contractor were the result of the acts or omissions of the Company acting on behalf of or within the Town's control. Nothing contained in this Franchise shall be construed as an acknowledgment by the Parties that the Company, in exercising its rights and obligations under this Franchise, is an entity controlled by, subject to the control of or acting on behalf of the Town for the purposes of C.R.S. § 24-91-103.5, *et seq.*
 - (D) In the event of litigation for a breach of this Franchise or for an interpretation of this Franchise, the prevailing party shall be reimbursed for all costs related thereto, including reasonable attorney's fees by the non-prevailing party.
 - (E) Notwithstanding any provision in this Franchise to the contrary, the Company shall not be obligated to indemnify, defend or hold the Town harmless in any manner inconsistent with the doctrine of comparative negligence in Colorado.
- 11.2 Notice to Company. The Town will provide prompt written notice to the Company of the pendency of any claim or action against the Town arising out of the exercise by the Company of its Franchise rights. The Company will be permitted, at its own expense, to appear and defend or to assist in defense of such claim.
- 11.3 Financial Responsibility. At the Town's request, but not more frequently than annually, the Company shall submit to the Town, as a confidential document, proof of its ability to meet its obligations under this Franchise, including its ability to indemnify the Town as required by this Article. This proof may take the form of insurance coverage, adequate funding of self-insurance, or the provision of a bond. The Company shall supply the Town with a list of its insurance companies with the types of coverage, but not levels of insurance; provided however, that during the term of this Franchise, the Company will maintain and carry, subject to appropriate levels of self-insurance, at least the following types and amounts of insurance coverage: (i) commercial general liability with limits no less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate; (ii) worker's compensation with limits no

less that the minimum amount required by applicable law, (iii) commercial automobile liability with limits no less than \$1,000,000, combined single limit; and (iv) umbrella (excess) liability, with limits no less than \$5,000,000. The Town may require, from time to time, and the Company agrees to provide, additional reasonable funding of the Company's indemnification obligations as a self-insured, if the Company is acting as a self-insurer.

- 11.4 Payment of Ordinance Expenses. At the Town's option, the Company shall reimburse the Town for reasonable and proportionate expenses incurred in publication of ordinances and initial implementation of this Franchise, with such costs not to exceed \$500. No such expenses paid or reimbursed shall be surcharged specifically against residents of the Town.

ARTICLE 12 UNDERGROUNDING OF OVERHEAD FACILITIES

- 12.1 Undergrounding of Facilities at Expense of Town. Upon request by the Town, the Company agrees to underground existing overhead Facilities at the Town's expense, except when relocation is otherwise required in accordance with the provisions of § 8.4(A), in which case the cost to relocate the Facilities underground shall be paid by the Town, reduced by the cost of construction had the Facilities been relocated above ground.
- 12.2 Cooperation with Other Utilities. When undertaking a project of undergrounding, the Town and the Company shall coordinate with other utilities or companies which have their facilities above ground to attempt to have all facilities undergrounded as part of the same project. When other utilities or companies are placing their facilities underground, the Company shall cooperate with these utilities and companies and undertake to underground Company facilities as part of the same project where feasible.
- 12.3 Review and Planning for Undergrounding Projects. The Town and the Company shall mutually plan in advance the scheduling of approved undergrounding projects to be undertaken according to this Article as a part of the review and planning for other Company construction projects. The Town and the Company agree to meet, as required, to review the progress of the current undergrounding projects and to review planned future undergrounding projects. The Company agrees to use due diligence to see that approved undergrounding projects are, to the extent reasonably practicable, completed prior to the expiration of this Franchise. The Company need not approve an undergrounding project if it would create a significant risk to safety or operational integrity, but it shall provide to the Town written notification of any such non-approval and the grounds, therefore.

ARTICLE 13 TRANSFER OF FRANCHISE

- 13.1 Consent of Town Required. The Company shall not sell, re-sell, transfer, assign or convey any rights under this Franchise, to any unaffiliated third-party, including any merger with such unaffiliated third-party, nor undergo any corporate reorganization or other change which would result in any modification of the Company's obligations under this Franchise, without first obtaining written approval of the Town; provided, however, that this condition

shall not be construed to restrict or prevent the issuance of bonds, debentures, or other evidence of indebtedness, or the issuance of additional stock, needed or useful for the purpose of financing the system or any portion thereof. Should the Company sell, assign, transfer, convey, or otherwise dispose of its rights or interests under this Franchise, without the proper approval, the Town may revoke this Franchise. Upon revocation, all rights and interests of the Company under this Franchise shall cease. For the purposes of this Section, a change of control of the Company is a transfer.

ARTICLE 14 MUNICIPALIZATION

14.1 Town's Right To Purchase Or Condemn.

- (A) The right of the Town to construct, purchase, or condemn any public utility works or ways, and the Facilities and rights of the Company in connection therewith, as provided by the Colorado Constitution and statutes, is expressly reserved, and may be exercised by the Town only in accordance with such statutes and law in effect as of the date of this Franchise, including Article II, Section 15 of Colorado Constitution and C.R.S. § 40-9.5-201, *et seq.*
- (B) The Company understands and agrees that the right of the Town to construct, purchase, or condemn any public utility works or ways, and the Facilities and rights of the Company in connection therewith, as provided for, and limited by, Article II, Section 15 of Colorado Constitution and C.R.S. § 31-15-707 *et seq.*, with the amount of compensation as provided by C.R.S. § 40-9.5-201 *et seq.*, are hereby expressly reserved, and that such right may be exercised at any time by the Town.
- (C) In the event the Town exercises its option to purchase or condemn, the Company agrees that it will continue to maintain its Facilities and to supply any service it supplies under this Franchise, in whole or in part, at the Town's request, for up to a twenty-four month period after the Town has either purchased or condemned the Company's Facilities or alternative arrangements have been made. Both Parties will exercise due diligence to wind up the affairs as soon as practical.
- (D) The Company shall cooperate with the Town by making available such records as will enable the Town to evaluate the feasibility of acquisition of Company Facilities. The Company shall not be required to conduct studies or accrue data without reimbursement by the Town but shall make such studies if reimbursed its costs for the same. The Company shall take no action, which could inhibit the Town's ability to effectively or efficiently use the acquired Facilities.
- (E) Notice of Intent to Purchase or Condemn. Unless the Town and Company agree otherwise, the Town shall provide the Company no less than one (1) year's prior written notice of its intent to purchase or condemn Company Facilities. Nothing in this Section shall be deemed or construed to constitute a consent by the Company to

the Town's purchase or condemnation of Company Facilities, nor a waiver of any Company defenses or challenges related thereto.

- 14.2 Negotiated Purchase Price or Condemnation Award. If the Town desires to purchase Company Facilities and if the Company desires to sell such Facilities, the Parties shall negotiate in good faith to determine a mutually acceptable purchase price in accordance with C.R.S. § 31-15-707 (to the extent it is not in conflict with C.R.S. § 40-9.5-204), and C.R.S. § 40-9.5-204, as such statute was in effect as of the date of this Franchise, for up to ninety (90) days; said purchase price shall exclude the value of this Franchise. If agreement is not reached, the Town and the Company reserve all rights to assert their respective positions with respect to the steps the Town would need to take to condemn Company Facilities; however, no award shall be made for the value of this Franchise.
- 14.3 Town-Produced Electricity. The Company understands and agrees that the Town expressly reserves the right to obtain or produce electricity for its own purposes and wholesale transactions, and the Town may exercise that right at any time. The Company shall not curtail wholesale purchases of Town-generated electricity.
- 14.4 Purchase of Real Property of Company by Town. If at any time during the term of this Franchise, the Company proposes to sell or dispose of any of its real property held in fee simple located in whole or in part in the Town, it shall grant to the Town the right of first refusal to purchase the same. Nothing in this provision shall preclude the Company from disposing of its real property in a timely fashion.
- 14.5 Purchase or Condemnation of Street Lighting System. The provisions of this Article apply with full and equal force to the purchase or condemnation by the Town of all or a portion of the street lighting service provided by the Company, including all or a portion of any Company owned street lighting facilities, equipment, system, and plant. The Company understands and agrees that the Town may choose to so purchase or condemn such street lighting service at any time; provided that any such condemnation is in accordance with the law.
- 14.6 Exercise of Rights Under This Article. The Town recognizes that when the Company evaluated the economic feasibility of withdrawing from its previous wholesale electric service contract, the Company reasonably expected that it would continue long-term Utility Service within the Town's municipal boundaries until at least March 1, 2033. In light of this expectation and notwithstanding anything to the contrary in this Franchise, the Town agrees that if it exercises any of its rights under this Article 14 prior to March 1, 2033, then the Town will compensate the Company for decreased Utility Service sales to address the Company's revenue shortfall that would otherwise not exist through that 2033 date. In the case of purchase or condemnation before March 1, 2033, the Town and Company agree that such amount shall be added to the purchase price calculation in Section 14.2 and is part of the fair market value for any such purchase or condemnation.

ARTICLE 15 BREACH

- 15.1 Breach. Except as otherwise provided in this Franchise, if a Party (the "Breaching Party") to this Franchise fails or refuses to perform any of the terms or conditions of this Franchise (a "Breach"), the other Party (the "Non-Breaching Party") may provide written notice to the Breaching Party of such Breach. Upon receipt of such notice, the Breaching Party shall be given a reasonable time, not to exceed ninety (90) days in which to remedy the Breach or, if such Breach cannot be remedied in ninety (90) days, such additional time as reasonably needed to remedy the Breach, but not exceeding an additional ninety (90) day period, or such other time as the Parties may agree. If the Breaching Party does not remedy the Breach within the time allowed in the notice, the Non-Breaching Party may exercise any legal rights or remedies available at law, including without limitation, specific performance of the applicable term or condition to the extent allowed by law and recovery of actual damages, but excluding any special, punitive or consequential damages.
- 15.2 Other Legal Remedies. Nothing in this Franchise shall limit or restrict any legal rights or remedies that either Party may possess arising from any alleged violation of this Franchise.
- 15.3 Continued Obligations. Upon termination of the Franchise, the Company shall continue to provide Utility Service to the Town and its Residents (and shall continue to have associated rights and grants needed to provide such service) until the Town makes alternative arrangements for such service and until otherwise ordered by the PUC and the Company shall be entitled to collect from Residents and, upon the Town complying with applicable provisions of law, shall be obligated to pay the Town, at the same times and in the same manner as provided in this Franchise, an aggregate amount equal to the amount which the Company would have paid as a Franchise Fee as consideration for use of the Rights-of-Way. Unless otherwise provided by law, the Company shall be entitled to collect such amount from Residents.

ARTICLE 16 APPROVAL; AMENDMENTS

- 16.1 Approval of Franchise. The Company shall promptly file, in writing, its acceptance of this Franchise upon approval of this ordinance by the Town Board of Trustees.
- 16.2 Terms Impacted by Legislative and Regulatory Changes. The Town and the Company recognize that the electric utility industry is the subject of numerous restructuring initiatives by legislative and regulatory authorities. Some of the initiatives and changes may have an effect upon the terms that would be adverse to the customers within the Town and/or of the Company. In the event of such regulatory changes, the Town and the Company may need to amend various provisions of this Franchise and agree to negotiate in good faith in reaching such amendments.
- 16.3 Proposed Amendments. At any time during the term of this Franchise, the Town or the Company may propose amendments to this Franchise by giving thirty (30) days written

notice to the other of the proposed amendment(s) desired, and both Parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendment(s). However, nothing contained in this Section shall be deemed to require either Party to consent to any amendment proposed by the other Party.

ARTICLE 17
MISCELLANEOUS

- 17.1 No Waiver. Neither the Town nor the Company shall be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents, upon any one or more occasions, to insist upon or to seek compliance with any such terms and conditions. Neither the Town or Company waives any rights under statutes or the Constitution of the State of Colorado or of the United States except as otherwise specifically set forth in this Franchise.
- 17.2 Successors and Assigns. The rights, privileges, and obligations, in whole or in part, granted and contained in this Franchise shall inure to the benefit of and be binding upon the Company, its successors and assigns, to the extent that such successors or assigns have succeeded to or been assigned the rights of the Company pursuant to Article 13.
- 17.3 Third-Parties. Nothing contained in this Franchise shall be construed to provide rights or remedies to third-parties.
- 17.4 Notice. The Company and the Town shall designate the persons to whom notices shall be sent regarding any action to be taken under this Franchise. All Notice shall be in writing and forwarded by mail or hand delivery to the persons and addresses as stated below, unless changed by written notice given to the other. Until change is made, notices shall be sent as follows:
- | | |
|------------------|--------------------------|
| To the Town: | To the Company: |
| Mayor | Chief Executive Officer |
| PO Box 460 | 11925 6300 Road |
| 214 Grand Avenue | Montrose, Colorado 81401 |
| Paonia, CO 81428 | |
- 17.5 Severability. Should any one or more provisions of this Franchise be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective; provided, however, the Parties shall enter into good faith negotiations and proceed with due diligence to draft a substitute term which will achieve the original intent of the Parties.
- 17.6 Entire Agreement. This Franchise constitutes the entire agreement of the Parties with respect to the matters contained in this Franchise and supersedes any and all prior written or oral agreements, negotiations, correspondence, understandings and communications with respect to this Franchise.

- 17.7 Construction and Enforcement. Colorado law shall apply to the construction and enforcement of this Franchise. The Parties agree that any litigation arising out of this Franchise shall be in the District Court of Delta County, Colorado.
- 17.8 Uncontrollable Forces. Neither Town nor the Company shall be in breach of this Franchise if a failure to perform any of the duties under this Franchise is due to Uncontrollable Forces.
- 17.9 Earlier Franchises Superseded. This Franchise shall constitute the only franchise between the Town and the Company related to the furnishing of Utility Service, and it supersedes and cancels all former electric franchises between the Parties.

Executed this 23rd day of June, 2021, to be effective June 26, 2021

Company:

Delta-Montrose Electric Association, a
Colorado cooperative electric association

By: _____

Virginia Harman CEO

Town:

Town of Paonia, Delta County, Colorado

By: _____

Mary Bachran
Mary Bachran, Mayor

**TOWN OF PAONIA, COLORADO
ORDINANCE NO. 2021-05**

**AN ORDINANCE OF THE TOWN OF PAONIA, COLORADO AMENDING THE
PAONIA MUNICIPAL CODE WITH THE ADDITION OF CHAPTER 4 ARTICLE 5
CONCERNING THE IMPOSITION OF AN OCCUPATIONAL TAX ON THE SALE OF
MARIJUANA**

WHEREAS, at the Special Election held on November 3, 2020 , a majority of the voters of Paonia approved the following ballot question:

TOWN OF PAONIA BALLOT ISSUE 2D

SHALL TOWN OF PAONIA TAXES BE INCREASED BY \$200,000.00 ANNUALLY IN THE FIRST FISCAL YEAR, AND SUCH AMOUNTS AS ARE RAISED ANNUALLY THEREAFTER, WITH THE LEVY OF AN OCCUPATIONAL TAX OF \$5.00 PER SALES TRANSACTION, EFFECTIVE JANUARY 1, 2021, ON THE SALE OF RETAIL AND MEDICAL MARIJUANA AND MARIJUANA PRODUCTS WITHIN THE TOWN OF PAONIA, WITH THE RESULTING TAX REVENUE USED FOR INFRASTRUCTURE REPAIR AND IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO TOWN STREETS, SIDEWALKS, CURB, GUTTER, DRAINAGE, LANDSCAPING, LIGHTING AND STREETScape AMENITIES, THROUGH 2025, AND THEREAFTER ALLOCATED ANNUALLY BY THE BOARD OF TRUSTEES?

WHEREAS, The Board determines that every person that furnishes a marijuana product in the Town is exercising a taxable privilege. The purpose of this Ordinance is to impose a tax which will be paid by every Retail Marijuana Store and every Medical Marijuana Store, providing such retail and medical marijuana products in the Town, which tax will provide revenues to be used for municipal infrastructure.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, as follows:

Section 1. Chapter 4 of the Paonia Municipal Code is hereby amended to add a new Article 5 to read as follows:

**ARTICLE 4
MARIJUANA OCCUPATIONAL TAX**

Sec. 4-5-10 Levy of Tax. Effective August 18, 2021, there is hereby levied and shall be paid and collected a flat occupational tax of five dollars (\$5.00) per transaction on the price paid for retail or medical marijuana, in addition to the sales taxes levied pursuant to Sec. 4-3-10 et. sec. of the Town Code.

Sec. 4-5-20 Exemptions. There shall be no exemptions on the collection or payment of this tax.

Sec. 4-5-30. Collection of Tax.

A. Every Retail Marijuana Store and every Medical Marijuana Store providing retail and/or medical marijuana taxable under this Article shall remit such tax on or before the 20th day of each month on account of retail and medical marijuana provided in the preceding month. Said payment shall be accompanied by a return which shall contain such information and be in such form as the Town Clerk may prescribe.

B. It shall be the duty of every retail marijuana provider to maintain, keep and preserve suitable records of all sales transactions made by the retail marijuana provider and such other books or accounts as may be required by the Town Clerk in order to determine the amount of the tax of which the Retail Marijuana Store or Medical Marijuana Store is liable under this Article. It shall be the duty of every such Retail Marijuana Store or Medical Marijuana Store to keep and preserve for a period of three (3) years all such books, invoices, and other records, and the same shall be open for examination by the Town Clerk or the Clerk's designee.

C. The tax to be paid by a Retail Marijuana Store or a Medical Marijuana Store shall not be stated and charged separately from the sales price of marijuana, or on any record thereof at the time when the sale is made or at the time when evidence of the sale is issued, provided that the Retail Marijuana Store or Medical Marijuana Store may indicate the sales price "includes a five dollar (\$5.00) Town Marijuana Occupational Tax."

Sec. 4-5-40. Audit of Records.

A. For the purpose of ascertaining the correct amount of the occupational tax on the provision of the retail or medical marijuana due from any person engaged in such business in the Town under this Article, the Town Clerk or an authorized agent may conduct an audit by examining any relevant books, accounts, and records of such person.

B. All books, invoices, accounts and other records shall be made available within the Town limits and be open at any time during regular business hours for examination by the Town Clerk or an authorized agent. If any Retail Marijuana Store or Medical Marijuana Store refuses to voluntarily furnish any of the foregoing information when requested, the Town Clerk may issue a subpoena to require that the taxpayer or its representative attend a hearing or produce any such books, accounts and records for examination.

Sec. 4-5-50. Overpayment and Deficiencies. An application for refund of tax monies paid in error or by mistake shall be made within three (3) years after the date of payment for which the refund is claimed. If the Town Clerk determines that within three (3) years of the due date, a Retail Marijuana Store or Medical Marijuana Store provider overpaid the occupational tax, the Town Clerk shall process a refund or allow a credit against a future remittance from the same taxpayer. If at any time the Town Clerk determines the amount paid is less than the amount due under this Article, the difference together with the interest shall be paid by the Retail Marijuana Store or the Medical Marijuana Store within thirty (30) days after receiving written

notice and demand from the Town Clerk. The Retail Marijuana Store or the Medical Marijuana Store owner may apply directly to the Board of Trustees to request an extension of that time for good cause shown.

Sec. 4-5-60. Tax Information Confidential. The specific information gained under the provisions of this Article which is used to determine the tax due from a Retail Marijuana Store or a Medical Marijuana Store, whether furnished by the store or obtained through audit, shall be treated by the Town and its officers, employees or legal representative as confidential. Except as directed by judicial order, no Town officer, employee or legal representative shall divulge any confidential information. If directed by judicial order, the officials charged with the custody of such information shall be required to provide only such information as is directly involved in the action or proceeding. The Town Clerk may furnish to officials of any other governmental entity who may be owed sales tax, any confidential information, provided that such jurisdiction enters into an agreement with the Town to grant reciprocal privileges to the Town. Nothing contained in this Section shall be construed to prohibit the delivery to a Retail Marijuana Store or a Medical Marijuana Store, they or their duly authorized representative a copy of such confidential information relating to such store, the publication of statistics so classified as to prevent the identification of particular Retail Marijuana Store or a Medical Marijuana Store, or the inspection of such confidential information by an officer, employee or legal representative of the Town.

Sec. 4-5-70. Forms and Regulations. The Town Clerk is hereby authorized to prescribe forms and promulgate rules and regulations to aid in the making of returns, the ascertainment, assessment and collection of said occupational tax on the provision of retail and medical marijuana and in particular and without limiting the general language of this Article, to provide for:

- (i) A form of report on the provision of retail and medical marijuana to be supplied to all Retail Marijuana Store and Medical Marijuana Stores;
- (ii) The records which Retail Marijuana Stores and Medical Marijuana Stores providing retail and medical marijuana are to keep concerning the tax imposed by this Article.

Sec. 4-5-80. Penalties. Failure to comply with the provisions of this Chapter 4, Article 5, shall constitute a violation, and in addition to being grounds for denial, suspension or revocation of a license, such violation may be punished by a civil penalty of not less than Two Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars (\$5,000.00), per violation. Each day of noncompliance may constitute a separate violation.

Sec. 4-5-90. Disposition of Funds. From the initial levy of the Occupational Tax as provided by this Article 5, through December 31, 2025, all the revenues derived from the excise tax on the provision of retail and medical marijuana imposed by this Article shall be placed in the Town's Street Capital Improvements fund to be used for the following purposes: infrastructure repair and improvements, including but not limited to Town streets, sidewalks, curb, gutter, drainage, landscaping, lighting, and streetscape amenities. Thereafter, beginning January

1, 2026, all the revenues derived from the excise tax on the provision of retail and medical marijuana imposed by this Article shall be placed in the Town's general fund.

Section 2. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 3. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed; provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded, and further provided 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 taking effect of this Ordinance.

Section 5. Effective Date.

This Ordinance shall take effect thirty (30) days after passage and publication.

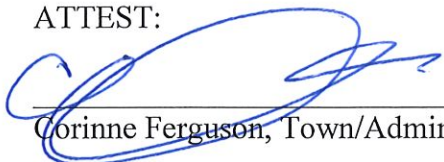
INTRODUCED, READ, AND REFERRED before the Board of Trustees for the Town of Paonia, Colorado, on the 13th day of July 2021.

HEARD AND FINALLY ADOPTED by the Town of Paonia Board of Trustees for the Town of Paonia, Colorado, on the 27th day of July 2021.

TOWN OF PAONIA

By: 
Mary Bachran, Mayor

ATTEST:


Corinne Ferguson, Town/Administrator Clerk



COLORADO MUNICIPAL LEAGUE

Explanation of 2024 Municipal Dues Calculation

The factors used for the calculation of the 2024 dues reflect the dues schedule adopted by the Board of Directors and announced at the June 2022 Annual Business Meeting. The factors and data used for the 2024 dues are:

Base membership fee: \$185.00.

Population: \$0.22 per capita for the first 100,000, \$0.12 per capita for population from 100,001 to 200,000 and \$.055 for population in excess of 200,000. These figures are based on the July 2021 population estimates dated March 22, 2023 from the Department of Local Affairs State Demography Office.

Assessed valuation: 12 thousandths of a mill for the first \$2.5 billion in assessed valuation, 4 thousandths of a mill for assessed valuation from \$2.5 billion and 1 to \$8 billion and 2 thousandths of a mill for assessed valuation in excess of \$ 8 billion. These figures are based on the Assessed valuation for 2022 from the Division of Property Taxation.

State sales tax collection: \$0.65 per thousand for the first \$3 million of state sales tax collections within the municipality, \$0.32 per thousand for sales tax collections from \$3 million and 1 to \$100 million and \$.10 per thousand for sales tax collections in excess of \$100 million. These figures are based on state sales tax collections for the 2022 calendar year from the Department of Revenue. The sales tax basis is "0" for municipalities for which the state does not disclose sale tax collection figures.

A member municipality's dues may not be increased annually more than 3% or \$2,000, whichever is less unless a municipality's dues, after the caps are applied, are less than 80% of the "Total Dues Before Cap". Then the cap will be increased to 5% and will continue at this rate each year until the dues exceed 80% of the "Total Dues Before Cap". Those municipalities that are below the 80% of the total dues before cap, may volunteer to adjust their dues to the 80% level, remit some other additional amount or set up a payment plan to bring them to the 80% level over time.

**COLORADO MUNICIPAL LEAGUE
2024 MUNICIPAL DUES CALCULATION**

MUNICIPALITY	Category	Population		Assessed Valuation		State Sales Tax		Total	2023	\$ Cap	\$ CAP	% CAP	% CAP	Preliminary dues	2024 Dues w/
		Basis	Amount	Basis (000)	Amount2	Basis(000)	Amount3	Before Cap	Dues	Dues1	Final	Dues2	Final2	After Cap (A)	80% caps
AGUILAR	Small	457	\$ 101	2,576	\$ 31	112	\$ 73	389	380	2,380	389	391	389	\$ 389	389
AKRON	Small	1,767	\$ 389	11,763	\$ 141	565	\$ 368	1,082	1,069	3,069	1,082	1,101	1,082	\$ 1,082	1,082
ALAMOSA	Medium	9,827	\$ 2,162	94,392	\$ 1,133	8,931	\$ 3,848	7,328	7,212	9,212	7,328	7,428	7,328	\$ 7,328	7,328
ALMA	Small	299	\$ 66	7,442	\$ 89	321	\$ 209	549	468	2,468	549	482	482	\$ 482	482
ANTONITO	Small	648	\$ 143	3,539	\$ 42	265	\$ 172	542	536	2,536	542	552	542	\$ 542	542
ARRIBA	Small	202	\$ 44	1,055	\$ 13	29	\$ 19	261	266	2,266	261	274	261	\$ 261	261
ARVADA	Large	123,170	\$ 24,780	2,075,005	\$ 24,900	61,397	\$ 20,637	70,503	65,961	67,961	67,961	67,939	67,939	\$ 67,939	67,939
ASPEN	Small	6,950	\$ 1,529	2,008,903	\$ 24,107	36,087	\$ 12,538	38,359	31,801	33,801	33,801	32,755	32,755	\$ 32,755	32,755
AULT	Small	2,103	\$ 463	27,635	\$ 332	1,082	\$ 703	1,683	1,093	3,093	1,683	1,126	1,126	\$ 1,126	1,148
AURORA	Largest	389,264	\$ 44,410	6,505,882	\$ 46,024	235,188	\$ 46,509	137,127	125,740	127,740	127,740	129,512	129,512	\$ 127,740	127,740
AVON	Small	6,003	\$ 1,321	261,835	\$ 3,142	13,622	\$ 5,349	9,997	9,472	11,472	9,997	9,756	9,756	\$ 9,756	9,756
BASALT	Small	4,061	\$ 893	220,980	\$ 2,652	6,789	\$ 3,163	6,893	6,235	8,235	6,893	6,422	6,422	\$ 6,422	6,422
BAYFIELD	Small	2,885	\$ 635	38,946	\$ 467	1,752	\$ 1,139	2,426	1,896	3,896	2,426	1,953	1,953	\$ 1,953	1,953
BENNETT	Small	3,079	\$ 677	52,684	\$ 632	3,521	\$ 2,117	3,611	1,497	3,497	3,497	1,542	1,542	\$ 1,542	1,572
BERTHOUD	Medium	11,062	\$ 2,434	237,793	\$ 2,854	5,929	\$ 2,887	8,360	3,945	5,945	5,945	4,063	4,063	\$ 4,063	4,142
BETHUNE	Small	178	\$ 39	730	\$ 9	53	\$ 35	267	256	2,256	267	264	264	\$ 264	264
BLACK HAWK	Small	126	\$ 28	293,791	\$ 3,525	3,548	\$ 2,125	5,864	2,878	4,878	4,878	2,965	2,965	\$ 2,965	3,022
BLANCA	Small	333	\$ 73	3,860	\$ 46	132	\$ 86	391	372	2,372	391	383	383	\$ 383	383
BLUE RIVER	Small	863	\$ 190	55,136	\$ 662	557	\$ 362	1,398	1,246	3,246	1,398	1,284	1,284	\$ 1,284	1,284
BONANZA CITY	Small	18	\$ 4	339	\$ 4	5	\$ 4	197	194	2,194	197	200	197	\$ 197	197
BOONE	Small	305	\$ 67	2,181	\$ 26	246	\$ 160	438	329	2,329	438	339	339	\$ 339	346
BOULDER	Large	106,978	\$ 22,837	4,227,302	\$ 36,909	98,011	\$ 32,354	92,285	88,392	90,392	90,392	91,043	91,043	\$ 90,392	90,392
BOW MAR	Small	839	\$ 185	36,236	\$ 435	423	\$ 275	1,079	946	2,946	1,079	974	974	\$ 974	974
BRANSON	Small	57	\$ 13	422	\$ 5	12	\$ 8	210	212	2,212	210	218	210	\$ 210	210
BRECKENRIDGE	Small	5,000	\$ 1,100	728,573	\$ 8,743	23,712	\$ 8,578	18,606	16,122	18,122	18,122	16,606	16,606	\$ 16,606	16,606
BRIGHTON	Medium	41,187	\$ 9,061	812,637	\$ 9,752	41,007	\$ 14,112	33,110	20,314	22,314	22,314	20,924	20,924	\$ 20,924	21,330
BROOKSIDE	Small	239	\$ 53	2,761	\$ 33	71	\$ 46	317	287	2,287	317	296	296	\$ 296	296
BROOMFIELD	Large	75,363	\$ 16,580	2,055,299	\$ 24,664	58,731	\$ 19,784	61,212	44,231	46,231	46,231	45,558	45,558	\$ 45,558	46,442
BRUSH	Small	5,273	\$ 1,160	58,276	\$ 699	2,067	\$ 1,343	3,388	3,208	5,208	3,388	3,305	3,305	\$ 3,305	3,305
BUENA VISTA	Small	2,985	\$ 657	95,460	\$ 1,146	4,437	\$ 2,410	4,397	3,379	5,379	4,397	3,480	3,480	\$ 3,480	3,548
BURLINGTON	Small	3,096	\$ 681	44,212	\$ 531	2,920	\$ 1,898	3,295	3,073	5,073	3,295	3,165	3,165	\$ 3,165	3,165
CALHAN	Small	764	\$ 168	7,337	\$ 88	772	\$ 502	943	699	2,699	943	720	720	\$ 720	734
CAMPO	Small	102	\$ 22	203	\$ 2	20	\$ 13	223	227	2,227	223	234	223	\$ 223	223
CANON CITY	Medium	17,421	\$ 3,833	181,480	\$ 2,178	12,168	\$ 4,884	11,079	10,917	12,917	11,079	11,244	11,079	\$ 11,079	11,079
CARBONATE	Small	9	\$ 2	3	\$ 0	-	\$ -	187	187	2,187	187	193	187	\$ 187	187
CARBONDALE	Small	6,513	\$ 1,433	177,475	\$ 2,130	5,857	\$ 2,864	6,612	6,325	8,325	6,612	6,515	6,515	\$ 6,515	6,515
CASTLE PINES	Medium	12,246	\$ 2,694	266,580	\$ 3,199	6,369	\$ 3,028	9,106	7,293	9,293	9,106	7,512	7,512	\$ 7,512	7,512
CASTLE ROCK	Large	76,954	\$ 16,930	1,333,471	\$ 16,002	56,257	\$ 18,992	52,109	25,890	27,890	27,890	26,666	26,666	\$ 26,666	27,184
CEDAREIDGE	Small	2,341	\$ 515	23,817	\$ 286	886	\$ 576	1,562	1,370	3,370	1,562	1,411	1,411	\$ 1,411	1,411
CENTENNIAL	Large	106,937	\$ 22,832	2,629,513	\$ 30,518	86,626	\$ 28,710	82,246	28,281	30,281	30,281	29,130	29,130	\$ 29,130	29,695
CENTER	Small	1,935	\$ 426	10,414	\$ 125	535	\$ 348	1,084	1,065	3,065	1,084	1,097	1,084	\$ 1,084	1,084
CENTRAL CITY	Small	783	\$ 172	25,803	\$ 310	400	\$ 260	927	889	2,889	927	916	916	\$ 916	916
CHERAW	Small	235	\$ 52	505	\$ 6	35	\$ 23	266	263	2,263	266	271	266	\$ 266	266
CHERRY HILLS VILLAGE	Small	6,371	\$ 1,402	389,582	\$ 4,675	4,973	\$ 2,581	8,843	8,280	10,280	8,843	8,528	8,528	\$ 8,528	8,528
CHEYENNE WELLS	Small	735	\$ 162	6,381	\$ 77	414	\$ 269	692	672	2,672	692	692	692	\$ 692	692
COAL CREEK	Small	376	\$ 83	2,674	\$ 32	34	\$ 22	322	315	2,315	322	325	322	\$ 322	322
COKEDALE	Small	128	\$ 28	471	\$ 6	26	\$ 17	236	227	2,227	236	233	233	\$ 233	233
COLLBRAN	Small	366	\$ 81	2,823	\$ 34	201	\$ 131	430	422	2,422	430	435	430	\$ 430	430
COLORADO SPRINGS	Largest	483,953	\$ 49,617	7,504,519	\$ 50,018	366,288	\$ 59,619	159,439	148,541	150,541	150,541	152,998	152,998	\$ 150,541	150,541
COLUMBINE VALLEY	Small	1,549	\$ 341	62,694	\$ 752	871	\$ 566	1,844	1,430	3,430	1,844	1,473	1,473	\$ 1,473	1,502
COMMERCE CITY	Large	64,214	\$ 14,127	1,422,606	\$ 17,071	45,047	\$ 15,405	46,788	28,330	30,330	30,330	29,180	29,180	\$ 29,180	29,747
CORTEZ	Medium	8,923	\$ 1,963	93,707	\$ 1,124	9,402	\$ 3,999	7,271	7,381	9,381	7,271	7,602	7,271	\$ 7,271	7,271
CRAIG	Medium	8,948	\$ 1,969	77,203	\$ 926	6,811	\$ 3,170	6,250	6,107	8,107	6,250	6,291	6,250	\$ 6,250	6,250
CRAWFORD	Small	408	\$ 90	2,710	\$ 33	110	\$ 71	379	374	2,374	379	385	379	\$ 379	379
CREEDE	Small	273	\$ 60	7,019	\$ 84	521	\$ 338	668	612	2,612	668	630	630	\$ 630	630

COLORADO MUNICIPAL LEAGUE
2024 MUNICIPAL DUES CALCULATION

MUNICIPALITY	Category	Population		Assessed Valuation		State Sales Tax		Total	2023	\$ Cap	\$ CAP	% CAP	% CAP	Preliminary dues	2024 Dues w/
		Basis	Amount	Basis (000)	Amount2	Basis(000)	Amount3	Before Cap	Dues	Dues1	Final	Dues2	Final2	After Cap (A)	80% caps
CRESTED BUTTE	Small	1,656	\$ 364	131,490	\$ 1,578	4,769	\$ 2,516	4,643	3,676	5,676	4,643	3,787	3,787	\$ 3,787	3,787
CRESTONE	Small	149	\$ 33	2,364	\$ 28	397	\$ 258	504	349	2,349	504	360	360	\$ 360	360
CRIPPLE CREEK	Small	1,158	\$ 255	58,089	\$ 697	1,909	\$ 1,241	2,378	2,106	4,106	2,378	2,169	2,169	\$ 2,169	2,169
CROOK	Small	133	\$ 29	696	\$ 8	46	\$ 30	252	261	2,261	252	268	252	\$ 252	252
CROWLEY	Small	172	\$ 38	462	\$ 6	21	\$ 14	242	239	2,239	242	247	242	\$ 242	242
DACONO	Small	6,479	\$ 1,425	388,250	\$ 4,659	4,249	\$ 2,350	8,619	5,320	7,320	7,320	5,480	5,480	\$ 5,480	5,586
DE BEQUE	Small	489	\$ 108	9,351	\$ 112	302	\$ 196	601	508	2,508	601	523	523	\$ 523	523
DEER TRAIL	Small	1,235	\$ 272	11,575	\$ 139	327	\$ 213	808	482	2,482	808	496	496	\$ 496	506
DEL NORTE	Small	1,442	\$ 317	11,323	\$ 136	695	\$ 452	1,090	984	2,984	1,090	1,014	1,014	\$ 1,014	1,014
DELTA	Medium	9,220	\$ 2,028	89,389	\$ 1,073	7,003	\$ 3,231	6,517	6,232	8,232	6,517	6,419	6,419	\$ 6,419	6,419
DENVER	Largest	711,973	\$ 62,159	23,281,809	\$ 82,564	627,599	\$ 85,750	230,657	194,686	196,686	196,686	200,527	200,527	\$ 196,686	196,686
DILLON	Small	1,056	\$ 232	111,888	\$ 1,343	4,732	\$ 2,504	4,264	3,680	5,680	4,264	3,791	3,791	\$ 3,791	3,791
DINOSAUR	Small	239	\$ 53	1,206	\$ 14	147	\$ 96	348	329	2,329	348	339	339	\$ 339	339
DOLORES	Small	905	\$ 199	9,128	\$ 110	559	\$ 363	857	762	2,762	857	784	784	\$ 784	784
DOVE CREEK	Small	650	\$ 143	3,880	\$ 47	357	\$ 232	607	578	2,578	607	595	595	\$ 595	595
DURANGO	Medium	19,271	\$ 4,240	598,822	\$ 7,186	29,986	\$ 10,586	22,196	21,762	23,762	22,196	22,415	22,196	\$ 22,196	22,196
EADS	Small	670	\$ 147	3,249	\$ 39	345	\$ 225	596	484	2,484	596	499	499	\$ 499	499
EAGLE	Small	7,501	\$ 1,650	166,038	\$ 1,992	5,254	\$ 2,671	6,499	5,219	7,219	6,499	5,376	5,376	\$ 5,376	5,376
EATON	Small	5,933	\$ 1,305	85,306	\$ 1,024	3,484	\$ 2,105	4,619	2,498	4,498	4,498	2,573	2,573	\$ 2,573	2,623
ECKLEY	Small	233	\$ 51	1,322	\$ 16	56	\$ 36	289	281	2,281	289	289	289	\$ 289	289
EDGEWATER	Small	4,930	\$ 1,085	76,256	\$ 915	4,866	\$ 2,547	4,732	3,778	5,778	4,732	3,891	3,891	\$ 3,891	3,891
ELIZABETH	Small	2,036	\$ 448	36,821	\$ 442	2,859	\$ 1,858	2,933	1,856	3,856	2,933	1,911	1,911	\$ 1,911	1,948
EMPIRE	Small	343	\$ 75	4,061	\$ 49	322	\$ 210	519	383	2,383	519	395	395	\$ 395	402
ENGLEWOOD	Medium	33,817	\$ 7,440	896,661	\$ 10,760	53,749	\$ 18,190	36,574	34,785	36,785	36,574	35,828	35,828	\$ 35,828	35,828
ERIE	Medium	31,303	\$ 6,887	604,374	\$ 7,252	12,483	\$ 4,985	19,309	3,157	5,157	5,157	3,252	3,252	\$ 3,252	3,315
ESTES PARK	Small	5,902	\$ 1,298	249,402	\$ 2,993	12,056	\$ 4,848	9,324	9,013	11,013	9,324	9,283	9,283	\$ 9,283	9,283
EVANS	Medium	22,760	\$ 5,007	236,361	\$ 2,836	8,807	\$ 3,808	11,837	6,168	8,168	8,168	6,353	6,353	\$ 6,353	6,477
FAIRPLAY	Small	732	\$ 161	19,734	\$ 237	1,544	\$ 1,004	1,587	1,056	3,056	1,587	1,088	1,088	\$ 1,088	1,109
FEDERAL HEIGHTS	Medium	14,124	\$ 3,107	121,767	\$ 1,461	8,047	\$ 3,565	8,318	7,408	9,408	8,318	7,630	7,630	\$ 7,630	7,630
FIRESTONE	Medium	17,206	\$ 3,785	331,142	\$ 3,974	11,187	\$ 4,570	12,514	1,868	3,868	3,868	1,924	1,924	\$ 1,924	1,962
FLAGLER	Small	566	\$ 125	4,458	\$ 54	363	\$ 236	599	541	2,541	599	557	557	\$ 557	557
FLEMING	Small	427	\$ 94	2,215	\$ 27	69	\$ 45	350	349	2,349	350	360	350	\$ 350	350
FLORENCE	Small	3,921	\$ 863	39,813	\$ 478	1,612	\$ 1,048	2,573	2,257	4,257	2,573	2,324	2,324	\$ 2,324	2,324
FORT COLLINS	Large	170,755	\$ 30,491	3,014,555	\$ 32,058	110,702	\$ 34,060	96,794	89,864	91,864	91,864	92,559	92,559	\$ 91,864	91,864
FORT LUPTON	Medium	8,298	\$ 1,826	286,798	\$ 3,442	7,985	\$ 3,545	8,997	6,553	8,553	8,553	6,750	6,750	\$ 6,750	6,881
FORT MORGAN	Medium	11,435	\$ 2,516	162,994	\$ 1,956	9,275	\$ 3,958	8,615	8,402	10,402	8,615	8,654	8,615	\$ 8,615	8,615
FOUNTAIN	Medium	29,989	\$ 6,598	284,780	\$ 3,417	18,773	\$ 6,997	17,197	11,951	13,951	13,951	12,310	12,310	\$ 12,310	12,549
FOWLER	Small	1,243	\$ 273	4,468	\$ 54	388	\$ 252	764	670	2,670	764	690	690	\$ 690	690
FOXFIELD	Small	746	\$ 164	23,502	\$ 282	474	\$ 308	939	867	2,867	939	893	893	\$ 893	893
FRASER	Small	1,467	\$ 323	76,343	\$ 916	2,774	\$ 1,803	3,227	1,938	3,938	3,227	1,996	1,996	\$ 1,996	2,035
FREDERICK	Medium	15,479	\$ 3,405	531,915	\$ 6,383	13,901	\$ 5,438	15,412	2,727	4,727	4,727	2,808	2,808	\$ 2,808	2,863
FRISCO	Small	2,859	\$ 629	257,565	\$ 3,091	7,827	\$ 3,495	7,400	7,227	9,227	7,400	7,444	7,400	\$ 7,400	7,400
FRUITA	Medium	13,497	\$ 2,969	158,417	\$ 1,901	5,161	\$ 2,641	7,697	4,407	6,407	6,407	4,539	4,539	\$ 4,539	4,627
GARDEN CITY	Small	258	\$ 57	10,011	\$ 120	998	\$ 648	1,010	929	2,929	1,010	957	957	\$ 957	957
GENOA	Small	151	\$ 33	1,117	\$ 13	24	\$ 16	247	243	2,243	247	250	247	\$ 247	247
GEORGETOWN	Small	1,212	\$ 267	28,756	\$ 345	890	\$ 578	1,375	1,129	3,129	1,375	1,163	1,163	\$ 1,163	1,163
GILCREST	Small	1,028	\$ 226	9,051	\$ 109	214	\$ 139	659	624	2,624	659	642	642	\$ 642	642
GLENDALE	Small	4,545	\$ 1,000	240,599	\$ 2,887	11,547	\$ 4,685	8,757	8,663	10,663	8,757	8,923	8,757	\$ 8,757	8,757
GLENWOOD SPRINGS	Medium	10,085	\$ 2,219	267,864	\$ 3,214	23,604	\$ 8,543	14,161	13,416	15,416	14,161	13,819	13,819	\$ 13,819	13,819
GOLDEN	Medium	19,964	\$ 4,392	664,434	\$ 7,973	34,781	\$ 12,120	24,670	24,897	26,897	24,670	25,644	24,670	\$ 24,670	24,670
GRANADA	Small	443	\$ 97	1,221	\$ 15	64	\$ 42	339	326	2,326	339	336	336	\$ 336	336
GRANBY	Small	2,235	\$ 492	81,397	\$ 977	5,110	\$ 2,625	4,279	2,428	4,428	4,279	2,501	2,501	\$ 2,501	2,550
GRAND JUNCTION	Large	66,904	\$ 14,719	1,199,664	\$ 14,396	82,611	\$ 27,426	56,725	50,748	52,748	52,748	52,270	52,270	\$ 52,270	52,270
GRAND LAKE	Small	415	\$ 91	58,218	\$ 699	1,891	\$ 1,229	2,204	1,746	3,746	2,204	1,798	1,798	\$ 1,798	1,798
GREELEY	Large	109,696	\$ 23,164	2,105,854	\$ 25,270	77,135	\$ 25,673	74,292	56,752	58,752	58,752	58,455	58,455	\$ 58,455	59,590

COLORADO MUNICIPAL LEAGUE
2024 MUNICIPAL DUES CALCULATION

MUNICIPALITY	Category	Population		Assessed Valuation		State Sales Tax		Total	2023	\$ Cap	\$ CAP	% CAP	% CAP	Preliminary dues	2024 Dues w/
		Basis	Amount	Basis (000)	Amount2	Basis(000)	Amount3	Before Cap	Dues	Dues1	Final	Dues2	Final2	After Cap (A)	80% caps
GREEN MOUNTAIN FALLS	Small	645	\$ 142	11,617	\$ 139	240	\$ 156	622	621	2,621	622	640	622	\$ 622	622
GREENWOOD VILLAGE	Medium	15,492	\$ 3,408	1,375,884	\$ 16,511	34,601	\$ 12,062	32,166	30,827	32,827	32,166	31,752	31,752	\$ 31,752	31,752
GROVER	Small	157	\$ 35	763	\$ 9	155	\$ 101	330	240	2,240	330	247	247	\$ 247	252
GUNNISON	Small	6,767	\$ 1,489	111,921	\$ 1,343	7,064	\$ 3,251	6,267	5,780	7,780	6,267	5,954	5,954	\$ 5,954	5,954
GYSUM	Small	8,860	\$ 1,949	187,859	\$ 2,254	7,232	\$ 3,304	7,693	4,530	6,530	6,530	4,666	4,666	\$ 4,666	4,757
HARTMAN	Small	56	\$ 12	85	\$ 1	10	\$ 7	205	206	2,206	205	212	205	\$ 205	205
HASWELL	Small	71	\$ 16	343	\$ 4	8	\$ 5	210	210	2,210	210	217	210	\$ 210	210
HAXTUN	Small	972	\$ 214	8,375	\$ 100	404	\$ 263	762	730	2,730	762	752	752	\$ 752	752
HAYDEN	Small	1,961	\$ 431	30,647	\$ 368	1,004	\$ 652	1,637	1,510	3,510	1,637	1,555	1,555	\$ 1,555	1,555
HILLROSE	Small	307	\$ 68	1,697	\$ 20	35	\$ 22	295	276	2,276	295	285	285	\$ 285	285
HOLLY	Small	837	\$ 184	3,000	\$ 36	251	\$ 163	568	533	2,533	568	549	549	\$ 549	549
HOLYOKE	Small	2,327	\$ 512	17,981	\$ 216	952	\$ 619	1,532	1,489	3,489	1,532	1,533	1,532	\$ 1,532	1,532
HOOPER	Small	81	\$ 18	898	\$ 11	29	\$ 19	233	232	2,232	233	239	233	\$ 233	233
HOT SULPHUR SPRINGS	Small	701	\$ 154	10,426	\$ 125	168	\$ 109	574	558	2,558	574	574	574	\$ 574	574
HOTCHKISS	Small	897	\$ 197	10,626	\$ 128	932	\$ 606	1,116	859	2,859	1,116	885	885	\$ 885	902
HUDSON	Small	1,654	\$ 364	161,686	\$ 1,940	1,653	\$ 1,074	3,564	1,179	3,179	3,179	1,215	1,215	\$ 1,215	1,238
HUGO	Small	788	\$ 173	4,835	\$ 58	267	\$ 174	590	513	2,513	590	529	529	\$ 529	529
IDAHO SPRINGS	Small	1,784	\$ 392	30,910	\$ 371	2,207	\$ 1,434	2,383	2,086	4,086	2,383	2,148	2,148	\$ 2,148	2,148
IGNACIO	Small	852	\$ 187	8,695	\$ 104	626	\$ 407	884	799	2,799	884	823	823	\$ 823	823
ILIFF	Small	246	\$ 54	1,200	\$ 14	30	\$ 19	273	277	2,277	273	286	273	\$ 273	273
JAMESTOWN	Small	250	\$ 55	4,253	\$ 51	56	\$ 37	328	331	2,331	328	341	328	\$ 328	328
JOHNSTOWN	Medium	18,009	\$ 3,962	377,405	\$ 4,529	15,010	\$ 5,793	14,469	10,651	12,651	12,651	10,971	10,971	\$ 10,971	11,184
JULESBURG	Small	1,268	\$ 279	9,449	\$ 113	459	\$ 298	875	876	2,876	875	902	875	\$ 875	875
KEENESBURG	Small	1,702	\$ 374	126,985	\$ 1,524	1,004	\$ 653	2,736	794	2,794	2,736	818	818	\$ 818	833
KERSEY	Small	1,492	\$ 328	26,707	\$ 320	1,569	\$ 1,020	1,854	1,076	3,076	1,854	1,109	1,109	\$ 1,109	1,130
KIM	Small	63	\$ 14	309	\$ 4	20	\$ 13	215	213	2,213	215	219	215	\$ 215	215
KIOWA	Small	730	\$ 161	6,913	\$ 83	685	\$ 445	874	733	2,733	874	756	756	\$ 756	756
KIT CARSON	Small	248	\$ 55	1,934	\$ 23	57	\$ 37	300	301	2,301	300	310	300	\$ 300	300
KREMLING	Small	1,533	\$ 337	20,152	\$ 242	1,106	\$ 719	1,483	1,251	3,251	1,483	1,289	1,289	\$ 1,289	1,289
LA JARA	Small	735	\$ 162	4,535	\$ 54	432	\$ 281	682	633	2,633	682	652	652	\$ 652	652
LA JUNTA	Small	7,256	\$ 1,596	37,423	\$ 449	3,819	\$ 2,212	4,443	4,420	6,420	4,443	4,553	4,443	\$ 4,443	4,443
LA SALLE	Small	2,357	\$ 519	30,267	\$ 363	1,275	\$ 829	1,896	1,537	3,537	1,896	1,583	1,583	\$ 1,583	1,583
LA VETA	Small	870	\$ 191	9,112	\$ 109	408	\$ 265	751	688	2,688	751	709	709	\$ 709	709
LAFAYETTE	Medium	31,035	\$ 6,828	662,716	\$ 7,953	20,315	\$ 7,491	22,456	18,339	20,339	20,339	18,889	18,889	\$ 18,889	18,889
LAKE CITY	Small	426	\$ 94	14,789	\$ 177	578	\$ 376	832	763	2,763	832	786	786	\$ 786	786
LAKESIDE	Small	16	\$ 4	16,958	\$ 203	2,709	\$ 1,761	2,153	509	2,509	2,153	525	525	\$ 525	535
LAKEWOOD	Large	156,425	\$ 28,771	2,846,244	\$ 31,385	109,664	\$ 33,956	94,297	90,942	92,942	92,942	93,671	93,671	\$ 92,942	92,942
LAMAR	Small	7,669	\$ 1,687	39,383	\$ 473	4,201	\$ 2,334	4,679	4,597	6,597	4,679	4,735	4,679	\$ 4,679	4,679
LARKSPUR	Small	207	\$ 46	12,372	\$ 148	772	\$ 502	881	540	2,540	881	556	556	\$ 556	567
LAS ANIMAS	Small	2,358	\$ 519	6,621	\$ 79	554	\$ 360	1,143	1,122	3,122	1,143	1,156	1,143	\$ 1,143	1,143
LEADVILLE	Small	2,614	\$ 575	41,064	\$ 493	2,581	\$ 1,678	2,931	1,996	3,996	2,931	2,056	2,056	\$ 2,056	2,096
LIMON	Small	2,031	\$ 447	26,415	\$ 317	2,337	\$ 1,519	2,468	2,222	4,222	2,468	2,289	2,289	\$ 2,289	2,289
LITTLETON	Medium	45,036	\$ 9,908	1,053,716	\$ 12,645	81,042	\$ 26,923	49,661	45,692	47,692	47,692	47,063	47,063	\$ 47,063	47,063
LOCHBUIE	Medium	8,190	\$ 1,802	91,281	\$ 1,095	1,318	\$ 857	3,939	2,668	4,668	3,939	2,748	2,748	\$ 2,748	2,801
LOG LANE VILLAGE	Small	898	\$ 198	4,526	\$ 54	120	\$ 78	515	514	2,514	515	530	515	\$ 515	515
LONE TREE	Medium	15,297	\$ 3,365	899,154	\$ 10,790	48,610	\$ 16,545	30,885	8,400	10,400	10,400	8,652	8,652	\$ 8,652	8,820
LONGMONT	Large	99,414	\$ 21,871	1,826,906	\$ 21,923	64,509	\$ 21,633	65,612	59,506	61,506	61,506	61,291	61,291	\$ 61,291	61,291
LOUISVILLE	Medium	20,855	\$ 4,588	748,288	\$ 8,979	16,207	\$ 6,176	19,929	19,899	21,899	19,929	20,496	19,929	\$ 19,929	19,929
LOVELAND	Large	77,016	\$ 16,944	1,536,832	\$ 18,442	70,821	\$ 23,653	59,223	47,109	49,109	49,109	48,523	48,523	\$ 48,523	48,523
LYONS	Small	2,167	\$ 477	47,670	\$ 572	1,114	\$ 724	1,958	1,667	3,667	1,958	1,717	1,717	\$ 1,717	1,717
MANASSA	Small	960	\$ 211	4,133	\$ 50	129	\$ 84	529	506	2,506	529	521	521	\$ 521	521
MANCOS	Small	1,219	\$ 268	11,573	\$ 139	632	\$ 411	1,003	929	2,929	1,003	957	957	\$ 957	957
MANITOU SPRINGS	Small	4,866	\$ 1,071	88,738	\$ 1,065	3,275	\$ 2,038	4,358	4,130	6,130	4,358	4,254	4,254	\$ 4,254	4,254
MANZANOLA	Small	338	\$ 74	1,097	\$ 13	54	\$ 35	308	314	2,314	308	323	308	\$ 308	308
MARBLE	Small	135	\$ 30	4,274	\$ 51	108	\$ 70	336	316	2,316	336	326	326	\$ 326	326

COLORADO MUNICIPAL LEAGUE
2024 MUNICIPAL DUES CALCULATION

MUNICIPALITY	Category	Population		Assessed Valuation		State Sales Tax		Total	2023	\$ Cap	\$ CAP	% CAP	% CAP	Preliminary dues	2024 Dues w/
		Basis	Amount	Basis (000)	Amount2	Basis(000)	Amount3	Before Cap	Dues	Dues1	Final	Dues2	Final2	After Cap (A)	80% caps
MEAD	Small	5,204	\$ 1,145	166,578	\$ 1,999	5,080	\$ 2,616	5,945	1,818	3,818	3,818	1,872	1,872	\$ 1,872	1,909
PEEKER	Small	2,344	\$ 516	23,434	\$ 281	1,289	\$ 838	1,820	1,519	3,519	1,820	1,565	1,565	\$ 1,565	1,565
MERINO	Small	282	\$ 62	1,599	\$ 19	107	\$ 70	336	299	2,299	336	308	308	\$ 308	308
MILLIKEN	Small	8,679	\$ 1,909	99,250	\$ 1,191	2,261	\$ 1,469	4,755	1,647	3,647	3,647	1,696	1,696	\$ 1,696	1,729
MINTURN	Small	1,004	\$ 221	31,712	\$ 381	888	\$ 577	1,364	1,295	3,295	1,364	1,334	1,334	\$ 1,334	1,334
MOFFAT	Small	108	\$ 24	3,607	\$ 43	187	\$ 122	374	261	2,261	374	269	269	\$ 269	274
MONTE VISTA	Small	4,195	\$ 923	28,927	\$ 347	1,675	\$ 1,089	2,544	2,277	4,277	2,544	2,345	2,345	\$ 2,345	2,345
MONTEZUMA	Small	73	\$ 16	2,603	\$ 31	21	\$ 14	246	246	2,246	246	254	246	\$ 246	246
MONTROSE	Medium	20,664	\$ 4,546	375,026	\$ 4,500	22,823	\$ 8,293	17,525	16,524	18,524	17,525	17,019	17,019	\$ 17,019	17,019
MONUMENT	Medium	10,691	\$ 2,352	224,358	\$ 2,692	11,274	\$ 4,598	9,827	4,014	6,014	6,014	4,134	4,134	\$ 4,134	4,215
MORRISON	Small	391	\$ 86	13,056	\$ 157	1,841	\$ 1,197	1,624	1,015	3,015	1,624	1,045	1,045	\$ 1,045	1,066
MOUNTAIN VIEW	Small	534	\$ 117	10,468	\$ 126	375	\$ 244	672	621	2,621	672	639	639	\$ 639	639
MOUNTAIN VILLAGE	Small	1,260	\$ 277	326,607	\$ 3,919	6,172	\$ 2,965	7,347	6,332	8,332	7,347	6,522	6,522	\$ 6,522	6,522
MT. CRESTED BUTTE	Small	962	\$ 212	132,368	\$ 1,588	1,911	\$ 1,242	3,227	2,697	4,697	3,227	2,778	2,778	\$ 2,778	2,778
NATURITA	Small	483	\$ 106	3,365	\$ 40	238	\$ 154	486	477	2,477	486	491	486	\$ 486	486
NEDERLAND	Small	1,467	\$ 323	38,385	\$ 461	1,228	\$ 798	1,767	1,626	3,626	1,767	1,675	1,675	\$ 1,675	1,675
NEW CASTLE	Small	4,911	\$ 1,080	61,212	\$ 735	1,581	\$ 1,027	3,027	1,961	3,961	3,027	2,020	2,020	\$ 2,020	2,059
NORTHGLENN	Medium	37,546	\$ 8,260	473,123	\$ 5,677	20,373	\$ 7,509	21,632	21,097	23,097	21,632	21,730	21,632	\$ 21,632	21,632
NORWOOD	Small	536	\$ 118	6,417	\$ 77	397	\$ 258	638	600	2,600	638	618	618	\$ 618	618
NUCLA	Small	582	\$ 128	4,240	\$ 51	249	\$ 162	526	502	2,502	526	518	518	\$ 518	518
NUNN	Small	519	\$ 114	16,554	\$ 199	398	\$ 259	757	514	2,514	757	529	529	\$ 529	540
OAK CREEK	Small	863	\$ 190	10,445	\$ 125	422	\$ 274	774	705	2,705	774	726	726	\$ 726	726
OLATHE	Small	2,006	\$ 441	13,309	\$ 160	499	\$ 324	1,110	1,039	3,039	1,110	1,070	1,070	\$ 1,070	1,070
OLNEY SPRINGS	Small	326	\$ 72	809	\$ 10	52	\$ 34	300	301	2,301	300	311	300	\$ 300	300
OPHIR	Small	198	\$ 44	5,570	\$ 67	50	\$ 33	328	320	2,320	328	330	328	\$ 328	328
ORCHARD CITY	Small	3,205	\$ 705	27,031	\$ 324	655	\$ 426	1,640	1,377	3,377	1,640	1,419	1,419	\$ 1,419	1,419
ORDWAY	Small	1,119	\$ 246	4,027	\$ 48	300	\$ 195	674	616	2,616	674	634	634	\$ 634	634
OTIS	Small	516	\$ 114	1,840	\$ 22	130	\$ 84	405	387	2,387	405	399	399	\$ 399	399
OURAY	Small	903	\$ 199	40,343	\$ 484	2,087	\$ 1,357	2,225	1,787	3,787	2,225	1,841	1,841	\$ 1,841	1,841
OVID	Small	263	\$ 58	1,434	\$ 17	44	\$ 29	289	282	2,282	289	291	289	\$ 289	289
PAGOSA SPRINGS	Small	1,645	\$ 362	68,397	\$ 821	6,435	\$ 3,049	4,417	4,285	6,285	4,417	4,413	4,413	\$ 4,413	4,413
PALISADE	Small	2,580	\$ 568	30,503	\$ 366	1,487	\$ 967	2,085	1,705	3,705	2,085	1,756	1,756	\$ 1,756	1,756
PALMER LAKE	Small	2,656	\$ 584	44,796	\$ 538	883	\$ 574	1,881	1,629	3,629	1,881	1,678	1,678	\$ 1,678	1,678
PAOLI	Small	51	\$ 11	1,720	\$ 21	19	\$ 12	229	228	2,228	229	235	229	\$ 229	229
PAONIA	Small	1,472	\$ 324	17,605	\$ 211	675	\$ 439	1,159	1,047	3,047	1,159	1,078	1,078	\$ 1,078	1,078
PARACHUTE	Small	1,382	\$ 304	35,576	\$ 427	1,366	\$ 888	1,804	1,165	3,165	1,804	1,200	1,200	\$ 1,200	1,224
PARKER	Medium	60,207	\$ 13,246	1,107,993	\$ 13,296	52,492	\$ 17,787	44,514	16,914	18,914	18,914	17,421	17,421	\$ 17,421	17,760
PEETZ	Small	213	\$ 47	1,088	\$ 13	106	\$ 69	314	287	2,287	314	296	296	\$ 296	296
PIERCE	Small	1,105	\$ 243	29,540	\$ 354	483	\$ 314	1,097	690	2,690	1,097	711	711	\$ 711	724
PITKIN	Small	72	\$ 16	4,565	\$ 55	56	\$ 37	292	290	2,290	292	299	292	\$ 292	292
PLATTEVILLE	Small	2,952	\$ 649	50,533	\$ 606	2,218	\$ 1,442	2,883	1,858	3,858	2,883	1,914	1,914	\$ 1,914	1,951
PONCHA SPRINGS	Small	1,105	\$ 243	34,203	\$ 410	959	\$ 623	1,462	1,023	3,023	1,462	1,053	1,053	\$ 1,053	1,074
PRITCHETT	Small	111	\$ 24	459	\$ 6	36	\$ 24	238	236	2,236	238	243	238	\$ 238	238
PUEBLO	Large	112,074	\$ 23,449	1,275,396	\$ 15,305	69,927	\$ 23,367	62,305	61,426	63,426	62,305	63,269	62,305	\$ 62,305	62,305
RAMAH	Small	111	\$ 24	622	\$ 7	42	\$ 27	244	231	2,231	244	238	238	\$ 238	238
RANGELY	Small	2,262	\$ 498	18,524	\$ 222	961	\$ 625	1,530	1,505	3,505	1,530	1,550	1,530	\$ 1,530	1,530
RAYMER	Small	110	\$ 24	803	\$ 10	116	\$ 75	294	227	2,227	294	233	233	\$ 233	238
RED CLIFF	Small	249	\$ 55	5,913	\$ 71	86	\$ 56	367	360	2,360	367	371	367	\$ 367	367
RICO	Small	304	\$ 67	6,727	\$ 81	140	\$ 91	424	384	2,384	424	396	396	\$ 396	396
RIDGWAY	Small	1,282	\$ 282	40,076	\$ 481	1,464	\$ 952	1,900	1,413	3,413	1,900	1,455	1,455	\$ 1,455	1,483
RIFLE	Medium	10,568	\$ 2,325	129,029	\$ 1,548	7,846	\$ 3,501	7,559	6,415	8,415	7,559	6,608	6,608	\$ 6,608	6,608
ROCKVALE	Small	531	\$ 117	4,381	\$ 53	52	\$ 34	388	377	2,377	388	388	388	\$ 388	388
ROCKY FORD	Small	3,845	\$ 846	13,060	\$ 157	963	\$ 626	1,813	1,651	3,651	1,813	1,701	1,701	\$ 1,701	1,701
ROMEO	Small	304	\$ 67	1,002	\$ 12	71	\$ 46	310	309	2,309	310	318	310	\$ 310	310
RYE	Small	205	\$ 45	1,905	\$ 23	163	\$ 106	359	282	2,282	359	290	290	\$ 290	290

COLORADO MUNICIPAL LEAGUE
2024 MUNICIPAL DUES CALCULATION

MUNICIPALITY	Category	Population		Assessed Valuation		State Sales Tax		Total	2023	\$ Cap	\$ CAP	% CAP	% CAP	Preliminary dues	2024 Dues w/
		Basis	Amount	Basis (000)	Amount2	Basis(000)	Amount3	Before Cap	Dues	Dues1	Final	Dues2	Final2	After Cap (A)	80% caps
SAGUACHE	Small	541	\$ 119	3,100	\$ 37	165	\$ 107	449	432	2,432	449	445	445	\$ 445	445
SALIDA	Small	5,804	\$ 1,277	171,474	\$ 2,058	8,218	\$ 3,620	7,139	6,534	8,534	7,139	6,730	6,730	\$ 6,730	6,730
SAN LUIS	Small	618	\$ 136	2,757	\$ 33	151	\$ 98	452	432	2,432	452	445	445	\$ 445	445
SANFORD	Small	898	\$ 198	3,635	\$ 44	100	\$ 65	491	456	2,456	491	469	469	\$ 469	469
SAWPIT	Small	38	\$ 8	762	\$ 9	25	\$ 16	219	217	2,217	219	223	219	\$ 219	219
SEDGWICK	Small	167	\$ 37	1,000	\$ 12	54	\$ 35	269	267	2,267	269	275	269	\$ 269	269
SEIBERT	Small	171	\$ 38	1,351	\$ 16	157	\$ 102	341	338	2,338	341	348	341	\$ 341	341
SEVERANCE	Small	9,410	\$ 2,070	148,958	\$ 1,788	2,104	\$ 1,367	5,410	3,432	5,432	5,410	3,535	3,535	\$ 3,535	3,604
SHERIDAN	Small	6,008	\$ 1,322	187,956	\$ 2,255	11,264	\$ 4,595	8,357	7,213	9,213	8,357	7,429	7,429	\$ 7,429	7,429
SHERIDAN LAKE	Small	55	\$ 12	408	\$ 5	54	\$ 35	237	222	2,222	237	229	229	\$ 229	229
SILT	Small	3,581	\$ 788	40,938	\$ 491	1,333	\$ 866	2,330	1,675	3,675	2,330	1,725	1,725	\$ 1,725	1,758
SILVER CLIFF	Small	647	\$ 142	9,187	\$ 110	305	\$ 198	636	592	2,592	636	610	610	\$ 610	610
SILVER PLUME	Small	205	\$ 45	3,174	\$ 38	72	\$ 47	315	304	2,304	315	313	313	\$ 313	313
SILVERTHORNE	Small	4,641	\$ 1,021	281,095	\$ 3,373	13,414	\$ 5,283	9,862	9,148	11,148	9,862	9,422	9,422	\$ 9,422	9,422
SILVERTON	Small	654	\$ 144	28,870	\$ 346	787	\$ 511	1,187	1,123	3,123	1,187	1,156	1,156	\$ 1,156	1,156
SIMLA	Small	608	\$ 134	3,599	\$ 43	141	\$ 92	454	423	2,423	454	435	435	\$ 435	435
SNOWMASS VILLAGE	Small	3,092	\$ 680	503,766	\$ 6,045	8,041	\$ 3,563	10,474	9,845	11,845	10,474	10,141	10,141	\$ 10,141	10,141
SOUTH FORK	Small	504	\$ 111	25,327	\$ 304	1,192	\$ 775	1,375	1,082	3,082	1,375	1,115	1,115	\$ 1,115	1,115
SPRINGFIELD	Small	1,317	\$ 290	7,161	\$ 86	785	\$ 510	1,071	963	2,963	1,071	991	991	\$ 991	991
STARKVILLE	Small	62	\$ 14	1,266	\$ 15	3	\$ 2	216	215	2,215	216	221	216	\$ 216	216
STEAMBOAT SPRINGS	Medium	13,374	\$ 2,942	854,622	\$ 10,255	28,540	\$ 10,123	23,506	21,648	23,648	23,506	22,297	22,297	\$ 22,297	22,297
STERLING	Medium	13,615	\$ 2,995	103,538	\$ 1,242	8,439	\$ 3,691	8,113	8,008	10,008	8,113	8,248	8,113	\$ 8,113	8,113
STRATTON	Small	640	\$ 141	3,178	\$ 38	299	\$ 194	558	544	2,544	558	561	558	\$ 558	558
SUGAR CITY	Small	268	\$ 59	917	\$ 11	34	\$ 22	277	270	2,270	277	278	277	\$ 277	277
SUPERIOR	Medium	13,053	\$ 2,872	261,701	\$ 3,140	8,004	\$ 3,551	9,748	8,824	10,824	9,748	9,089	9,089	\$ 9,089	9,089
SWINK	Small	605	\$ 133	2,700	\$ 32	82	\$ 53	404	376	2,376	404	387	387	\$ 387	387
TELLURIDE	Small	2,608	\$ 574	351,140	\$ 4,214	7,339	\$ 3,339	8,311	7,482	9,482	8,311	7,706	7,706	\$ 7,706	7,706
THORNTON	Large	142,307	\$ 27,077	1,896,624	\$ 22,759	79,177	\$ 26,327	76,348	60,034	62,034	62,034	61,835	61,835	\$ 61,835	61,835
TIMNATH	Small	7,178	\$ 1,579	166,076	\$ 1,993	9,616	\$ 4,067	7,824	464	2,464	464	478	478	\$ 478	487
TRINIDAD	Medium	8,359	\$ 1,839	77,654	\$ 932	6,125	\$ 2,950	5,906	5,752	7,752	5,906	5,925	5,906	\$ 5,906	5,906
TWO BUTTES	Small	34	\$ 7	338	\$ 4	11	\$ 7	204	204	2,204	204	210	204	\$ 204	204
VAIL	Small	4,688	\$ 1,031	1,294,683	\$ 15,536	28,595	\$ 10,141	26,893	25,226	27,226	26,893	25,983	25,983	\$ 25,983	25,983
VICTOR	Small	377	\$ 83	4,922	\$ 59	150	\$ 97	424	413	2,413	424	426	424	\$ 424	424
VILAS	Small	97	\$ 21	130	\$ 2	27	\$ 17	225	215	2,215	225	222	222	\$ 222	222
VONA	Small	93	\$ 20	451	\$ 5	13	\$ 9	219	221	2,221	219	228	219	\$ 219	219
WALDEN	Small	593	\$ 130	7,997	\$ 96	575	\$ 373	785	646	2,646	785	665	665	\$ 665	665
WALSENSBURG	Small	3,078	\$ 677	25,653	\$ 308	1,436	\$ 933	2,103	1,862	3,862	2,103	1,918	1,918	\$ 1,918	1,918
WALSH	Small	541	\$ 119	1,862	\$ 22	147	\$ 95	422	426	2,426	422	439	422	\$ 422	422
WARD	Small	128	\$ 28	1,834	\$ 22	56	\$ 37	272	267	2,267	272	275	272	\$ 272	272
WELLINGTON	Medium	11,437	\$ 2,516	134,297	\$ 1,612	3,469	\$ 2,100	6,413	1,819	3,819	3,819	1,874	1,874	\$ 1,874	1,910
WESTCLIFFE	Small	471	\$ 104	12,468	\$ 150	1,148	\$ 746	1,184	881	2,881	1,184	907	907	\$ 907	925
WESTMINSTER	Large	115,890	\$ 23,907	2,143,069	\$ 25,717	77,464	\$ 25,778	75,587	71,235	73,235	73,235	73,372	73,372	\$ 73,235	73,235
WHEAT RIDGE	Medium	32,702	\$ 7,194	731,321	\$ 8,776	28,595	\$ 10,140	26,296	25,805	27,805	26,296	26,579	26,296	\$ 26,296	26,296
WIGGINS	Small	1,571	\$ 346	16,272	\$ 195	960	\$ 624	1,350	843	2,843	1,350	869	869	\$ 869	886
WILEY	Small	435	\$ 96	1,355	\$ 16	91	\$ 59	356	335	2,335	356	345	345	\$ 345	345
WILLIAMSBURG	Small	750	\$ 165	4,553	\$ 55	42	\$ 27	432	424	2,424	432	437	432	\$ 432	432
WINDSOR	Medium	35,177	\$ 7,739	841,851	\$ 10,102	22,249	\$ 8,110	26,136	18,881	20,881	20,881	19,447	19,447	\$ 19,447	19,825
WINTER PARK	Small	1,057	\$ 233	175,979	\$ 2,112	5,509	\$ 2,753	5,282	4,229	6,229	5,282	4,355	4,355	\$ 4,355	4,355
WOODLAND PARK	Small	7,957	\$ 1,751	140,519	\$ 1,686	6,758	\$ 3,153	6,774	6,686	8,686	6,774	6,886	6,774	\$ 6,774	6,774
WRAY	Small	2,346	\$ 516	20,361	\$ 244	1,383	\$ 899	1,845	1,803	3,803	1,845	1,857	1,845	\$ 1,845	1,845
YAMPA	Small	402	\$ 88	4,608	\$ 55	181	\$ 118	447	423	2,423	447	435	435	\$ 435	435
YUMA	Small	3,447	\$ 758	27,118	\$ 325	1,936	\$ 1,258	2,527	2,443	4,443	2,527	2,516	2,516	\$ 2,516	2,516

August 31, 2023

Stefen Wynn, Town Administrator
Town of Paonia
P.O. Box 460
Paonia, CO 81428

RE: 2024 Property/Casualty Preliminary Contribution Quotation

Dear Stefen:

Enclosed is the preliminary quotation for your 2024 contribution to the CIRSA Property/Casualty Pool.

For your convenience, the quote has been redesigned to include a breakdown of contribution by line of coverage. If you requested for 2024 the same liability limits as 2023 with different deductibles for specific property locations or for physical damage to specific vehicles, the quote is attached. If you requested quotes for optional liability limits and various policy level deductible options, quotes for those options will be sent to you separately.

It may be helpful to provide some context for the upcoming year, and how conditions around the state, the nation, and the world are impacting your 2024 insurance costs. Of course, if you keep up with the weather and news, this information will be no surprise to you.

Some risks, such as law enforcement liability (LEL), are specific to public entities that provide police services. Police departments around the country are seeing unprecedented judgments and settlements in police liability cases. Other risks, such as catastrophic weather events, are shared locally, nationally, and globally. In Colorado, it's been an unprecedented year for hail and windstorm events. Wildfire "season" seems to be year-round now. Elsewhere in the country, extended freeze events have created life safety risks and wreaked havoc on property, in a way that could not have been contemplated by those insuring that property. And deadly flooding events were experienced this year in several parts of the world at once.

Not surprisingly, these challenges continue to put pressure on insurance costs and insurance markets. The "hard market" continues, with reinsurers shrinking capacity and seeking higher premiums. We encourage you to read our [blog post](#) that discusses in more detail the many factors that are affecting this year's contributions, as well as information about our rating methodology.

Keep in mind, these market conditions prevail for municipalities whether or not they participate in pooling their risks. Thus, those who self-insure or insure commercially are facing the same situation as CIRSA members are facing. But pooling means that the challenges of a hard market are spread out, that no single member bears the entirety of a large claim, and that the high limits and broad coverages you've come to expect as a pool member will remain in place.

Remember, your chosen deductibles impact your contributions. A member choosing a higher deductible will have a lower CIRSA contribution than a similarly-situated member choosing a lower deductible. Of course, choosing a higher deductible means that your entity will bear more of the cost of a claim, so it's important to assess your entity's appetite and capacity for a higher deductible. CIRSA's Finance Team can help you with this assessment. If you would like to see additional deductible options, please contact



Linda Black, Assistant Director/Chief Financial Officer, at (720) 605-5440 or lindab@cirsa.org.

The attached quotation sheet provides a preliminary quotation. Final invoices, e-mailed on December 15, 2023 will be adjusted for any changes made to your 2024 renewal application. Moreover, quoted contributions may also change if CIRSA membership changes significantly for 2024 and/or actual excess insurance premiums are not adequately funded by the budget established within your rate.

The attached quotation sheet provides information on your 2024 contribution, the amount of any Loss Control Credits available to your entity, and optional payment plans. In addition, a general description of the types and monetary limits of the proposed coverages to be provided to 2024 CIRSA Property/Casualty members is attached.

The acceptance form must be completed and returned to CIRSA by **Friday, September 29, 2023**. When completing your form, please make sure to:

- Initial the desired quote option you wish to accept for 2024.
- Write the amount of any available Loss Control Credits you wish to use in the appropriate section of the *Loss Control Credits* table on the quotation sheet.
- Indicate which payment option you would like for 2024 on the quotation sheet.
- Return the signature page signed by an authorized signer.

Please note that if you have requested quotations for any of the Optional Coverage Programs including Equipment Breakdown, Excess Crime, Excess Cyber (Data Privacy and Network Security), Community Service Workers' Accident Medical Plan, Sports Accident Medical Plan, Occupational Accidental Death and Dismemberment Plan, Volunteer Accident Medical Plan, No-Fault Water Line Rupture and/or Sewer Back-Up coverage, Property Damage Caused by Member's Operation of Mobile Equipment coverage, or Detainee Medical coverage, they are not included in this mailing. The majority of the carriers that provide coverage for each program are unable to provide quotes until later this year. We anticipate that quotations for these optional coverages will be mailed to members in October.

We thank you for your continued membership in CIRSA, and for your commitment to public entity pooling. If you would like further information, or a virtual or face-to-face meeting, please reach out to Shannon Pursley, Marketing Manager, at (303) 594-6249 or shannonp@cirsa.org.

Thank you for the opportunity to serve you. We look forward to continuing our relationship with you in 2024.

Sincerely,



Tami A. Tanoue
Executive Director

Enc.





CIRSA Property/Casualty Pool
Preliminary 2024 Contribution Quotation

Town of Paonia
P.O. Box 460
Paonia, CO 81428

Auto Liability Limit: \$5,000,000
Liability Limit: \$10,000,000

Coverage	Deductible	Contribution
All Risk Property - Building and Contents (See Attached Property Schedule)	\$1,000**	\$29,157.18
Other Property		
Athletic Equipment	\$1,000	\$251.92
Electronic Data Processing	\$1,000	\$114.23
Employee-Owned Tools	\$1,000	\$8.12
Extra Expense	\$1,000	\$33.15
Fencing	\$1,000	\$138.11
General Outdoor Items	\$1,000	\$8.70
Mobile Equipment	\$1,000	\$560.79
Other Miscellaneous Property	\$1,000	\$51.26
Outdoor Lighting	\$1,000	\$367.85
Park Equipment	\$1,000	\$109.01
Signage	\$1,000	\$16.25
Transformers	\$1,000	\$40.62
Valuable Papers	\$1,000	\$40.62
Watercraft	\$1,000	\$1.62
Auto Liability	\$1,000	\$7,208.99
Auto Physical Damage	\$1,000*	\$8,401.70
General Liability	\$1,000	\$3,683.33
Separately Rated Exposures		
Water/Sewer Payroll	\$1,000	\$1,805.25
Public Officials Errors & Omissions Liability	\$1,000	\$7,945.17
Employment Practices Liability	\$1,000	\$424.37
Employment Benefit Liability	\$1,000	\$170.93
Law Enforcement Liability – Total Full-Time Police Officers	\$1,000	\$44,015.99
Law Enforcement Liability – Total Part-Time Reserve Officers		\$0.00
Property Damage from Mobile Equipment		\$0.00
Water Line Ruptures / Sewer Back-up		\$0.00
Total Contribution		\$104,555.16



CIRSA Property/Casualty Pool
Preliminary 2024 Contribution Quotation

Town of Paonia
P.O. Box 460
Paonia, CO 81428

All Risk Property Deductible:	\$1,000
Auto Liability Deductible:	\$1,000
Auto Physical Damage Deductible:	\$1,000
General Liability Deductible:	\$1,000
Public Officials Errors & Omissions Liability Deductible:	\$1,000
Law Enforcement Liability Deductible:	\$1,000
Auto Liability Limit:	\$5,000,000
Liability Limit:	\$10,000,000

Description	Amount
Contribution Before Reserve Fund and Loss Experience	\$88,357.52
Reserve Fund Contribution	\$519.08
Impact of Loss Experience	\$15,678.56
Total 2024 Preliminary Quotation before Credits	\$104,555.16

Loss Control Credits (Please indicate the amount that you wish to use. Amount may be split between available options.)

Description	Amount	Credit Options		
		Credit Contribution	Deposit/Leave in Account	Send Check
2023 Loss Control Audit Credit	(\$0.00)			
Balance Remaining from Prior Years' LC Credits	(\$0.00)			
Total Preliminary Quotation with all Available Credits	\$104,555.16			

Billing Options (Please indicate which option you choose)

<input type="checkbox"/>	Annual Billing on January 1, 2024
<input checked="" type="checkbox"/>	Quarterly Billing January 1, April 1, July 1, and October 1, 2024

To Renew with Quoted Option Initial Here: SW

* Deductible may vary by scheduled vehicle, see attached vehicle schedule.

** Deductible may vary by scheduled property, see attached property schedule.

***Contact Linda Black, CFO at (720) 605-5440 or lindab@cirsa.org if you are interested in other options.

Paonia 2024 Property Schedule

Cirsa I D	Use	Address	Postal	Remove Building	Remove Date	Property Excluded	Building Value	Contents Value	Deductible	Final Property Contribution	Final Contents Contribution	Contribution	Member
24750001	Annex	403 2nd St.	81428	No		No	\$240,100.00	\$0.00	\$1,000	390.13	0.00	\$390.13	Paonia
24750009	Apple Valley Park Maintenance Storage	1 Pan American Ave.	81428	No		No	\$47,200.00	\$0.00	\$1,000	76.69	0.00	\$76.69	Paonia
24750008	Apple Valley Park Restroom Building	1 Pan American Ave.	81428	No		No	\$74,300.00	\$0.00	\$1,000	120.73	0.00	\$120.73	Paonia
24750418	Lower Water Treatment Plant	41576 Lamborn Mesa Rd.	81428	No		No	\$2,605,400.00	\$0.00	\$1,000	4,233.46	0.00	\$4,233.46	Paonia
24750020	Lower Water Treatment Plant Covered Water Tank - 1,000,000 Gallons	41576 Lamborn Mesa Rd.	81428	No		No	\$1,670,500.00	\$0.00	\$1,000	2,714.36	0.00	\$2,714.36	Paonia
24750415	Lower Water Treatment Plant Meter Vault	41576 Lamborn Mesa Rd.	81428	No		No	\$28,400.00	\$0.00	\$1,000	46.15	0.00	\$46.15	Paonia
24750414	Lower Water Treatment Plant Valve Vault	41576 Lamborn Mesa Rd.	81428	No		No	\$43,400.00	\$0.00	\$1,000	70.52	0.00	\$70.52	Paonia
24750014	Old Water Plant Tank - 500,000 Gallons	14486 Cresthaven Rd.	81428	No		No	\$1,133,700.00	\$0.00	\$1,000	1,842.12	0.00	\$1,842.12	Paonia
24750419	Park Pump House	700 4th St.	81428	No		No	\$3,599.58	\$4,040.00	\$1,000	5.85	6.56	\$12.41	Paonia
24750395	Salt Shed	Public Works	81428	No		No	\$43,200.00	\$3,181.50	\$1,000	70.19	5.17	\$75.36	Paonia
24750417	Town Garage - Equipment Shelter	402 2nd St.	81428	No		No	\$227,100.00	\$0.00	\$1,000	369.01	0.00	\$369.01	Paonia
24750002	Town Hall	214 Grand Ave.	81428	No		No	\$2,200,700.00	\$232,300.00	\$1,000	3,575.87	377.46	\$3,953.33	Paonia
24750006	Town Park Maintenance Building	603 4th St.	81428	No		No	\$65,100.00	\$3,030.00	\$1,000	105.78	4.92	\$110.70	Paonia
24750013	Town Park Pavilion/Picnic Shelter	603 4th St.	81428	No		No	\$118,300.00	\$0.00	\$1,000	192.22	0.00	\$192.22	Paonia
24750005	Town Park Restroom Building	603 4th St.	81428	No		No	\$175,300.00	\$0.00	\$1,000	284.84	0.00	\$284.84	Paonia
24750010	Town Park Teen Center	603 4th St.	81428	No		No	\$998,700.00	\$70,040.72	\$1,000	1,622.77	113.81	\$1,736.58	Paonia
24750003	Town Shop/Garage	401 2nd St.	81428	No		No	\$465,400.00	\$161,600.00	\$1,000	756.22	262.58	\$1,018.80	Paonia
24750007	Upper Water Treatment Plant	12762 Roeber Rd.	81428	No		No	\$3,702,300.00	\$25,250.00	\$1,000	6,015.79	41.03	\$6,056.82	Paonia
24750416	Upper Water Treatment Plant Water Tank - 2,000,000 Gallons	12762 Roeber Rd.	81428	No		No	\$2,139,800.00	\$0.00	\$1,000	3,476.91	0.00	\$3,476.91	Paonia
24750408	Wastewater Treatment Plant - Lagoon #1 Liner and Aerators (3)	38976 Highway 133	81428	No		No	\$434,200.00	\$0.00	\$1,000	705.52	0.00	\$705.52	Paonia
24750409	Wastewater Treatment Plant - Lagoon #2 Liner and Aerators (3)	38976 Highway 133	81428	No		No	\$434,200.00	\$0.00	\$1,000	705.52	0.00	\$705.52	Paonia
24750411	Wastewater Treatment Plant - Polishing Pond Liner	38976 Highway 133	81428	No		No	\$91,400.00	\$0.00	\$1,000	148.51	0.00	\$148.51	Paonia
24750412	Wastewater Treatment Plant Chlorine Contact Chamber	38976 Highway 133	81428	No		No	\$30,300.00	\$0.00	\$1,000	49.23	0.00	\$49.23	Paonia
24750404	Wastewater Treatment Plant Control Building	38976 Highway 133	81428	No		No	\$135,500.00	\$0.00	\$1,000	220.17	0.00	\$220.17	Paonia
24750410	Wastewater Treatment Plant Diversion Vault	38976 Highway 133	81428	No		No	\$24,300.00	\$0.00	\$1,000	39.48	0.00	\$39.48	Paonia
24750413	Wastewater Treatment Plant Effluent Chamber	38976 Highway 133	81428	No		No	\$19,700.00	\$0.00	\$1,000	32.01	0.00	\$32.01	Paonia
24750407	Wastewater Treatment Plant Headworks	38976 Highway 133	81428	No		No	\$51,300.00	\$0.00	\$1,000	83.36	0.00	\$83.36	Paonia
24750405	Wastewater Treatment Plant Maintenance/Laboratory Building	38976 Highway 133	81428	No		No	\$221,200.00	\$20,200.00	\$1,000	359.42	32.82	\$392.24	Paonia
							\$17,424,599.58	\$519,642.22		\$28,312.83	\$844.35	\$29,157.18	

Paonia 2024 Vehicle Schedule

CIRSA ID	Member Vehicle Number	Year	Make And Model	Number of Vehicles	Vehicle Type	Location	V I N	Current Value	Auto Physical Damage Deductible	Final Annual AL Contribution	Final Annual APD Contribution	Total AL & APD Contribution	Member
24750001	0002	1972	International		All Trucks	Public Works	106620H255471	5,646.00	\$1,000	183.36	41.92	225.28	Paonia
24750002	0003	1972	Chevrolet		All Trucks	Public Works	CCE632V147146	10,700.00	\$1,000	183.36	79.45	262.81	Paonia
24750003	D86	1982	Ford		All Trucks	Public Works	1FDNF70K8CYA41977	2,000.00	\$1,000	183.36	14.85	198.21	Paonia
24750004	0007	1991	International		All Trucks	Public Works	1HTGCN6R5MH387454	11,782.00	\$1,000	183.36	87.48	270.84	Paonia
24750006	0008	1994	Chevrolet		All Trucks	Public Works	1GCEK14K2RZ232173	14,984.00	\$1,000	183.36	111.26	294.62	Paonia
24750007	0009	1995	Chevrolet		All Trucks	Public Works	1GBHK34N4SE226508	20,500.00	\$1,000	183.36	152.21	335.57	Paonia
24750008	0010	1996	Chevrolet		All Trucks	Public Works	1GBM7H1J6TJ100464	25,763.00	\$1,000	183.36	191.29	374.65	Paonia
24750010	0011	1998	International		All Trucks	Public Works	1HSSDAAN9W4577866	8,500.00	\$1,000	183.36	63.11	246.47	Paonia
24750012	0012	1999	International		All Trucks	Public Works	1HTGAXT4XH648794	112,558.00	\$1,000	183.36	835.74	1,019.10	Paonia
24750013	0013	2000	Chevrolet		All Trucks	Public Works	1GCGK24UXYE182497	19,318.00	\$1,000	183.36	143.44	326.80	Paonia
24750015	0014	2002	Ford		All Trucks	Public Works	1FTYR44U72PA93039	5,000.00	\$1,000	183.36	37.12	220.48	Paonia
24750017	0015	2004	Ford		All Trucks	Public Works	1FDWFF37S04EC42700	22,000.00	\$1,000	183.36	163.35	346.71	Paonia
24750018	0016	2007	Dodge		All Trucks	Public Works	3D6WH46A77G708157	8,756.00	\$1,000	183.36	65.01	248.37	Paonia
24750022	0029	2008	Ford		All Trucks	Public Works	1FTVX14568KC41087	25,857.00	\$1,000	183.36	191.99	375.35	Paonia
24750023	0030	2008	Ford		All Trucks	Public Works	1FMEU51E88UA34172	21,562.00	\$1,000	183.36	160.10	343.46	Paonia
24750026	0017	2009	Dodge		All Trucks	Public Works	3D7KS26L19G532520	29,084.00	\$1,000	183.36	215.95	399.31	Paonia
24750027	0035	2014	Ford		All Trucks	Public Works	1FTFW1EF2EKD62208	30,000.00	\$1,000	183.36	222.75	406.11	Paonia
24750028	0036	2014	Ford		All Trucks	Public Works	1FTFW1EF8EKE25487	30,000.00	\$1,000	183.36	222.75	406.11	Paonia
24750036		2020	Freightliner		All Trucks	Public Works	3ALHCYFE0LDKY3558	176,460.00	\$1,000	183.36	1,310.21	1,493.57	Paonia
24750037		2019	EZGO TXT		All Trucks	Police Department	3433048	7,649.00	\$1,000	183.36	56.79	240.15	Paonia
24750041		2022	Ford		All Trucks	Public Works	1FT7W2B65NEE91265	60,000.00	\$1,000	183.36	445.50	628.86	Paonia
24750042		2022	Ford		All Trucks	Public Works	TBD	70,000.00	\$1,000	183.36	519.75	703.11	Paonia
24750014	0034	2000	GEM		Cars - Passenger	Public Works	5ASAG2744YF009261	8,895.00	\$1,000	96.51	66.04	162.55	Paonia
24750016	0027	2002	Ford		Cars/Trucks - Emergency Response	Police Department	1FMZU72K72UD57587	22,900.00	\$1,000	289.52	170.03	459.55	Paonia
24750024	0031	2008	Ford		Cars/Trucks - Emergency Response	Police Department	1FMEU51EX8UA34173	21,562.00	\$1,000	289.52	160.10	449.62	Paonia
24750030	0040	2011	Ford		Cars/Trucks - Emergency Response	Police Department	1FMHK8B88BGA84282	3,000.00	\$1,000	289.52	22.27	311.79	Paonia
24750031	0041	2016	GMC		Cars/Trucks - Emergency Response	Police Department	2GKFLSEK6G6186432	30,000.00	\$1,000	289.52	222.75	512.27	Paonia
24750032	0042	2017	GMC		Cars/Trucks - Emergency Response	Police Department	2GKFLUEK5H6321428	30,000.00	\$1,000	289.52	222.75	512.27	Paonia
24750033	0043	2011	Ford		Cars/Trucks - Emergency Response	Police Department	2FAVP7BV8BX138031	5,800.00	\$1,000	289.52	43.06	332.58	Paonia
24750034	0044	2018	Chevrolet		Cars/Trucks - Emergency Response	Police Department	2GNAXSEV2J6272601	25,000.00	\$1,000	289.52	185.62	475.14	Paonia
24750035	0045	2018	Chevrolet		Cars/Trucks - Emergency Response	Police Department	2GNAXSEV2J6318914	25,000.00	\$1,000	289.52	185.62	475.14	Paonia
24750038		2020	Chevy		Cars/Trucks - Emergency Response	Police Department	3GNAXUEV7L7510359	35,000.00	\$1,000	289.52	259.87	549.39	Paonia
24750040		2021	Ford		Cars/Trucks - Emergency Response	Police Department	1FTFW1ED2MFA92287	41,000.00	\$1,000	289.52	304.42	593.94	Paonia
24750019	0018	2007	Tymco	0	Street Sweepers	Public Works	JALE5B16477901622	105,000.00	\$1,000	183.36	779.62	962.98	Paonia
24750005	0012	1993	Homemade		Trailers	Public Works	ID18006509CO	1,100.00	\$1,000	0.00	8.17	8.17	Paonia
24750009	0025	1996	HMD		Trailers	Public Works	ID716760CO	9,019.00	\$1,000	0.00	66.97	66.97	Paonia
24750021	0039	2007	Pac		Trailers	Police Department	4P2UB14257U078700	4,010.00	\$1,000	0.00	29.77	29.77	Paonia
24750029	0043	2017	Old Dom Brush		Trailers	Public Works	1Z9PS2029HR168034	46,144.00	\$1,000	0.00	342.62	342.62	Paonia
								1,131,549.00		7,208.99	8,401.70	15,610.69	

This preliminary quotation includes all exposures reported on your entity's 2024 Property/Casualty Renewal Application and any Application Amendment Requests received by CIRSA before August 1, 2024.

* Regarding the Liability Deductible shown on page 1, a \$500 deductible quotation is offered to members, if requested, for general liability. However, police professional and public officials errors and omissions deductibles cannot go below \$1,000.


** Regarding the Property Deductible shown on page 1, an additional property deductible will apply separately to each location in a National Flood Insurance Program (NFIP) Zone A if total building and contents values at that location are in excess of \$1,000,000. The deductible will be the maximum limit of coverage which could have been purchased through NFIP, whether it is purchased or not.

Based upon the selections made in your 2024 Property/Casualty Renewal Application, the Town of Paonia has elected to participate in Uninsured/Underinsured Motorist Coverage.

If this is incorrect, or you wish to change your selection at this time, please contact your Underwriting Representative at (800) 228-7136 or (303) 757-5475.

The undersigned is authorized to accept this preliminary quotation on behalf of the Town of Paonia.

We accept this preliminary quotation for January 1, 2024 to January 1, 2025. We understand our final invoice may increase or decrease depending upon the number of CIRSA Property/Casualty members for 2024, actual excess insurance premiums, and any changes made to our 2024 renewal application.

Signature:  Date: 10/1/2023
Title: Town Administrator

Signature must be that of the Mayor, Manager, Clerk or equivalent (such as President of a Special District.)

Both pages of this form must be returned by Friday, September 29, 2023. A mailed, faxed or e-mailed copy is acceptable. Please return to:

Monique Ferguson, Underwriting Coordinator
3665 Cherry Creek North Drive
Denver, CO 80209
E-Mail: MoniqueF@cirsa.org
Fax: (303) 757-8950 or (800) 850-8950

PROPOSED 2024 PROPERTY/CASUALTY COVERAGES

The types and monetary limits of the proposed coverages to be provided to CIRSA Property/Casualty members for the coverage period of January 1, 2024 to January 1, 2025 are generally described below. The scope, terms, conditions, and limitations of the coverages are governed by the applicable excess and/or reinsurance policies, the CIRSA Bylaws and Intergovernmental Agreement, and other applicable documents.

I. TYPES OF COVERAGES (subject to the limit on CIRSA's liability as described in Section II below):

- A. Property coverage (including auto physical damage and public relations expense and privacy breach expense)
- B. Liability coverage:
 - 1. General liability
 - 2. Automobile liability
 - 3. Law enforcement liability
 - 4. Public officials errors and omissions liability
 - 5. Cyber (security and privacy breach liability)
- C. Crime coverage (including employee dishonesty and theft of money and securities)

II. CIRSA RETENTIONS, LOSS FUNDS, AGGREGATE LIMITS, AND MEMBER DEDUCTIBLES:

For the coverages described in Section I, CIRSA is liable only for payment of the applicable self-insured retentions and only to a total annual aggregate amount for CIRSA members as a whole of the amount of the applicable CIRSA loss fund for the coverage period. There is no aggregate excess coverage over any loss fund.

Coverages in excess of CIRSA's self-insured retentions are provided only by the applicable excess insurers and/or reinsurers in applicable excess and/or reinsurance policies, and shall be payable only by those excess insurers and/or reinsurers. The limits of coverage provided by the excess insurers and/or reinsurers for the coverage period shall be described in the coverage documents issued to the members. Aggregate and other limits shall apply as provided in said documents.

A. CIRSA PROPOSED SELF-INSURED RETENTIONS FOR THE COVERAGE PERIOD:

- 1. \$1,000,000 per claim/occurrence property*
- 2. \$100,000 per claim/annual aggregate public relations expense and privacy breach expense
- 3. \$2,000,000 per claim/occurrence liability (Linda, please confirm this)
- 4. \$1,000,000 each and every claim public officials liability
- 5. \$500,000 per claim/annual aggregate cyber (security and privacy breach liability)
- 6. \$150,000 per claim/occurrence crime

*Subject further to CIRSA retention of first \$5,000,000 each and every hail/wind loss and/or occurrence

B. CIRSA LOSS FUND AMOUNTS FOR THE COVERAGE PERIOD:

Loss fund amounts are as adopted or amended from time to time by the CIRSA Board of Directors based on the members in the Property/Casualty Pool for the year and investment earnings on those amounts. Information on the current loss fund amounts is available from CIRSA's Finance Department.

C. PROPOSED EXCESS INSURANCE LIMITS FOR THE COVERAGE PERIOD:

1. Excess property: to \$500 million each claim/occurrence
2. Excess liability: to \$2 million each claim/occurrence; \$5 million each claim/occurrence or \$10 million each claim/occurrence; \$2 million or \$5 million excess auto liability; \$2 million, \$5 million or \$10 million annual aggregate for public officials errors and omission liability. The maximum liability and auto liability limits will be determined based on each member's selection.
3. Excess crime (optional): to \$5 million per claim/occurrence

D. MEMBER DEDUCTIBLES:

A member-selected deductible shall apply to each of the member's claims/occurrences. Payment of the deductible reduces the amount otherwise payable under the applicable CIRSA retention. Allocated loss adjustment expenses are included in the member deductible.

EXPLANATION OF CREDITS AVAILABLE AND ACCEPTANCE OR WITHDRAW PROCEDURES

LOSS CONTROL AUDIT SCORE CREDIT

CIRSA members who received a Loss Control Audit Score of 80 or higher in 2023 and renew their membership in 2024, are eligible for a Loss Control Audit Score Credit. This credit is offered to all members that take an active role in preventing or reducing their losses by complying with the CIRSA Loss Control Standards.

If you did not receive a credit for 2024 and would like to receive one in future years, please contact your Risk Control Representative.

LOSS CONTROL CREDIT ACCOUNT

The CIRSA Board of Directors has approved your use of any balance in the Loss Control Credit Account, except any Special Credit monies, to pay 2024 contributions. Your entity's balance in this account, if any, is shown on the quote letter.

ACCEPTANCE PROCEDURES

Please complete the enclosed acceptance form indicating your decision for 2024 and return it to the CIRSA office ***on or before Friday, September 29, 2023***. **Failure to return the form in time may result in the imposition of penalties under CIRSA Bylaw Article XIV upon withdrawal.**

WITHDRAWAL PROCEDURES *(if applicable)*

The enclosed Article XIV of the CIRSA Bylaws describes withdrawal procedures from CIRSA. **Written notice of withdrawal must be received by CIRSA no later than Sunday, October 1, 2023, for a withdrawal without penalty effective January 1, 2024.** No withdrawing member shall be eligible for the above-described credits.

Article XIV should be read in its entirety for any penalties which would otherwise apply. Withdrawing members who subsequently apply to rejoin CIRSA may be subject to such terms and conditions as established by the CIRSA Board of Directors.

WITHDRAWAL NOTICE

**MUST BE RECEIVED AT THE CIRSA OFFICE
ON OR BEFORE SUNDAY, OCTOBER 1, 2023**

Sign and return this form if your entity has decided to **withdraw** from CIRSA effective January 1, 2024. Under CIRSA Bylaws, this form must be received by CIRSA ***no later than Sunday, October 1, 2023***, for withdrawal without penalty effective January 1, 2024.

NOTICE OF WITHDRAWAL FROM CIRSA

This is to notify the CIRSA Board of Directors that the Town of Paonia is withdrawing from CIRSA for purposes of Property/Casualty coverage effective January 1, 2024. We understand the Town of Paonia remains obligated and will be billed for any amounts due CIRSA pursuant to the Bylaws and the policies established by CIRSA.

The undersigned is authorized to provide this notice of withdrawal on behalf of the Town of Paonia.

Signature must be that of the Mayor, Manager, Clerk, or equivalent (such as President of a Special District.)

Signature: _____

Title: _____

Date: _____

CIRSA BYLAWS
ARTICLE XIV

Withdrawal from Membership

(1) Any member may withdraw from CIRSA by giving prior notice in writing to the Board of Directors of the prospective effective date of its withdrawal.

(2) If the effective date of a member's withdrawal is a date other than January 1, the withdrawing member shall not be entitled to receive any refund of contributions made for administrative costs for the claim year of withdrawal. The withdrawing member shall be entitled to receive within forty-five (45) days after the effective date of withdrawal, a proportionate return of its contribution to any loss fund.

(3) If the effective date of a member's withdrawal is January 1 but the member's written notice of withdrawal is received by CIRSA more than thirty (30) days after the date on which CIRSA mailed a preliminary quotation of the contribution to be assessed the member for the year beginning on that January 1, the withdrawing member shall be obligated to pay its share of CIRSA's administrative costs for the year beginning on that January 1. However, if the preliminary quotation is mailed by CIRSA prior to September 1, members shall not be obligated for future claim year administrative costs if the member's written notice of withdrawal is received by CIRSA on or before the October 1 preceding the January 1 renewal date.

(4) The members may, by a two-thirds (2/3) vote of the members present at a meeting, adopt or amend a policy establishing additional conditions applicable to members which withdraw.

Home Department/Allocated	Position	Date of Hire	Allocation	Full Time/Part Time/Elected	Sub-Object	Hourly Rate	Annual Salary	UNEMP TAX	FICA	MEDTAX	ER 401 Match	Police Retirement	ER Health Ins.	ER-Life Ins.	ER-Workers Comp Costs	Workers Comp Rate	ER Dental	ER - Vision	Cell-Phone Allowance	Overtime	Total Employee Compensation Costs
Administration Department - 10-41	Town Administrator	07/12/23	20%	Full Time	02	\$ 11.06	23,000.00	185.54	1,437.50	336.19	1,176.88	-	4,737.60	33.60	565.88	2.44%	283.20	62.40	192.00	-	32,010.79
Water Operations 60-50	Town Administrator	07/13/23	35%	Full Time	02	\$ 19.35	40,250.00	324.69	2,515.63	588.33	2,059.54	-	8,290.80	58.80	990.30	2.44%	495.60	109.20	336.00	-	56,018.89
Wastewater Operations 70-51	Town Administrator	07/14/23	35%	Full Time	02	\$ 19.35	40,250.00	324.69	2,515.63	588.33	2,059.54	-	8,290.80	58.80	990.30	2.44%	495.60	109.20	336.00	-	56,018.89
Sanitation Operations 80-52	Town Administrator	07/15/23	10%	Full Time	02	\$ 5.53	11,500.00	92.77	718.75	168.10	588.44	-	2,368.80	16.80	282.94	2.44%	141.60	31.20	96.00	-	16,005.40
Administration Department - 10-41	Town Clerk	04/06/22	30%	Full Time	03	\$ 9.38	19,500.00	158.30	1,218.81	285.05	996.60	-	4,091.76	50.40	29.68	0.15%	111.60	32.40	288.00	-	26,762.61
Water Operations 60-50	Town Clerk	04/07/22	30%	Full Time	03	\$ 9.38	19,500.00	158.30	1,218.81	285.05	996.60	-	4,091.76	50.40	29.68	0.15%	111.60	32.40	288.00	-	26,762.61
Wastewater Operations 70-51	Town Clerk	04/08/22	30%	Full Time	03	\$ 9.38	19,500.00	158.30	1,218.81	285.05	996.60	-	4,091.76	50.40	29.68	0.15%	111.60	32.40	288.00	-	26,762.61
Sanitation Operations 80-52	Town Clerk	04/09/22	10%	Full Time	03	\$ 3.13	6,500.00	52.77	406.27	95.02	332.20	-	1,363.92	16.80	9.89	0.15%	37.20	10.80	96.00	-	9,920.87
Administration Department - 10-41	Deputy Town Clerk	01/31/23	20%	Full Time	03	\$ 4.60	9,588.00	89.22	622.18	145.51	506.15	-	3,235.20	33.60	15.04	0.15%	74.40	21.60	72.00	-	14,700.85
Water Operations 60-50	Deputy Town Clerk	02/01/23	35%	Full Time	03	\$ 8.05	16,744.00	140.38	1,088.82	254.64	885.76	-	5,661.60	58.80	26.32	0.15%	130.20	37.80	126.00	67.17	386.95
Wastewater Operations 70-51	Deputy Town Clerk	02/02/23	35%	Full Time	03	\$ 8.05	16,744.00	140.38	1,088.82	254.64	885.76	-	5,661.60	58.80	26.32	0.15%	130.20	37.80	126.00	67.17	386.95
Sanitation Operations 80-52	Deputy Town Clerk	02/03/23	10%	Full Time	03	\$ 2.30	4,784.00	40.11	311.09	72.75	253.07	-	1,617.60	16.80	9.52	0.15%	37.20	10.80	36.00	193.48	77.17
Administration Department - 10-41	Staff Accountant	07/26/18	20%	Full Time	03	\$ 5.60	11,648.00	93.76	727.99	170.26	590.80	-	2,735.04	33.60	17.58	0.15%	74.40	21.60	72.00	-	16,185.02
Water Operations 60-50	Staff Accountant	07/27/18	30%	Full Time	03	\$ 9.80	20,384.00	164.08	1,273.98	297.95	1,033.90	-	4,786.32	58.80	30.77	0.15%	130.20	37.80	126.00	-	28,323.79
Wastewater Operations 70-51	Staff Accountant	07/28/18	35%	Full Time	03	\$ 9.80	20,384.00	164.08	1,273.98	297.95	1,033.90	-	4,786.32	58.80	30.77	0.15%	130.20	37.80	126.00	-	28,323.79
Sanitation Operations 80-52	Staff Accountant	07/29/18	10%	Full Time	03	\$ 2.80	5,824.00	46.88	363.99	85.13	295.40	-	1,367.52	16.80	8.79	0.15%	37.20	10.80	36.00	-	8,092.51
Streets Department 45-03	Public Works Director	02/11/22	10%	Full Time	03	\$ 3.60	7,488.00	60.67	468.02	109.46	381.60	-	1,367.52	16.80	407.26	5.37%	37.20	10.80	96.00	-	10,443.33
Parks & Recreation 46-03	Public Works Director	02/12/22	10%	Full Time	03	\$ 3.60	7,488.00	60.67	468.02	109.46	381.60	-	1,367.52	16.80	257.10	3.39%	37.20	10.80	96.00	-	10,293.16
Water Operations 60-50	Public Works Director	02/13/22	35%	Full Time	03	\$ 12.60	26,208.00	212.35	1,638.06	383.10	1,335.60	-	4,786.32	58.80	623.78	2.35%	130.20	37.80	336.00	-	35,750.01
Wastewater Operations 70-51	Public Works Director	02/14/22	35%	Full Time	03	\$ 12.60	26,208.00	212.35	1,638.06	383.10	1,335.60	-	4,786.32	58.80	576.00	2.17%	130.20	37.80	336.00	-	35,702.23
Sanitation Operations 80-52	Public Works Director	02/15/22	10%	Full Time	03	\$ 3.60	7,488.00	60.67	468.02	109.46	381.60	-	1,367.52	16.80	395.88	5.22%	37.20	10.80	96.00	-	10,341.95
Streets Department 45-03	Public Works Supervisor	12/27/22	10%	Full Time	03	\$ 3.00	6,240.00	56.35	437.24	102.26	354.60	-	819.60	16.80	341.63	4.85%	37.20	10.80	48.00	755.90	9,220.38
Parks & Recreation 46-03	Public Works Supervisor	12/27/22	10%	Full Time	03	\$ 3.00	6,240.00	56.35	437.24	102.26	354.60	-	819.60	16.80	238.79	3.39%	37.20	10.80	48.00	755.90	9,117.54
Water Operations 60-50	Public Works Supervisor	12/27/22	35%	Full Time	03	\$ 10.50	21,840.00	197.23	1,530.34	357.90	1,241.08	-	2,868.60	58.80	579.36	2.35%	130.20	37.80	168.00	2,645.66	31,654.98
Wastewater Operations 70-51	Public Works Supervisor	12/27/22	35%	Full Time	03	\$ 10.50	21,840.00	197.23	1,530.34	357.90	1,241.08	-	2,868.60	58.80	534.98	2.17%	130.20	37.80	168.00	2,645.66	31,610.60
Sanitation Operations 80-52	Public Works Supervisor	12/27/22	10%	Full Time	03	\$ 3.00	6,240.00	56.35	437.24	102.26	354.60	-	819.60	16.80	367.69	5.22%	37.20	10.80	48.00	755.90	9,246.44
Water Operations 60-50	Water Operator	10/10/16	45%	Full Time	03	\$ 13.50	28,080.00	274.29	2,142.78	501.13	1,725.13	-	3,688.20	75.60	805.74	2.35%	167.40	48.60	-	6,206.60	43,715.46
Wastewater Operations 70-51	Water Operator	10/10/16	45%	Full Time	03	\$ 13.50	28,080.00	274.29	2,142.78	501.13	1,725.13	-	3,688.20	75.60	744.02	2.17%	167.40	48.60	-	6,206.60	43,653.75
Sanitation Operations 80-52	Water Operator	10/10/16	10%	Full Time	03	\$ 3.00	6,240.00	69.95	476.77	111.36	363.36	-	819.60	16.80	397.72	5.22%	37.20	10.80	-	1,379.24	8,933.22
Water Operations 60-50	Water Operator	02/16/22	50%	Full Time	03	\$ 14.00	29,120.00	263.41	2,046.60	478.64	1,658.31	-	4,098.00	84.00	773.77	2.35%	186.00	54.00	180.00	-	42,569.01
Wastewater Operations 70-51	Water Operator	02/16/22	50%	Full Time	03	\$ 14.00	29,120.00	263.41	2,046.60	478.64	1,658.31	-	4,098.00	84.00	714.50	2.17%	186.00	54.00	180.00	-	42,509.75
Water Operations 60-50	Water Operator	02/06/23	50%	Full Time	03	\$ 11.00	22,880.00	193.86	1,514.47	354.19	1,223.65	-	4,098.00	84.00	569.48	2.35%	186.00	54.00	-	1,353.00	32,510.64
Wastewater Operations 70-51	Water Operator	02/06/23	50%	Full Time	03	\$ 11.00	22,880.00	193.86	1,514.47	354.19	1,223.65	-	4,098.00	84.00	525.86	2.17%	186.00	54.00	-	1,353.00	32,467.03
Streets Department 45-03	Laborer - Water	11/10/98	30%	Full Time	03	\$ 7.50	15,600.00	127.68	997.44	232.27	805.20	-	2,458.80	50.40	405.85	5.37%	111.60	32.40	-	360.00	21,633.84
Water Operations 60-50	Laborer - Water	11/10/98	35%	Full Time	03	\$ 8.75	18,200.00	148.96	1,163.68	272.15	930.40	-	2,868.60	58.80	437.57	2.35%	130.20	37.80	-	420.00	24,677.16
Wastewater Operations 70-51	Laborer - Water	11/10/98	35%	Full Time	03	\$ 8.75	18,200.00	148.96	1,163.68	272.15	930.40	-	2,868.60	58.80	404.05	2.17%	130.20	37.80	-	420.00	24,643.64
Parks & Recreation 46-03	Laborer - Parks	06/18/21	40%	Full Time	03	\$ 8.50	17,880.00	152.33	1,181.10	276.22	959.52	-	3,278.40	67.20	645.51	3.39%	148.80	-	144.00	1,217.66	25,750.76
Streets Department 45-03	Laborer - Parks	06/18/21	35%	Full Time	03	\$ 7.44	15,470.00	133.29	1,033.46	241.70	839.58	-	2,868.60	58.80	808.08	4.85%	130.20	-	126.00	1,065.46	22,775.17
Sanitation Operations 80-52	Laborer - Parks	06/18/21	20%	Full Time	03	\$ 5.31	11,050.00	89.21	738.18	172.64	589.70	-	2,049.00	33.60	623.23	5.22%	69.00	-	60.00	781.04	16,312.01
Parks & Recreation 46-03	Laborer - Solid Waste (SW)	03/22/23	20%	Full Time	03	\$ 4.20	8,736.00	72.77	564.00	131.90	459.60	-	1,639.20	33.60	311.59	3.43%	74.40	21.60	72.00	288.00	12,405.06
Streets Department 45-03	Laborer - Solid Waste (SW)	03/22/23	20%	Full Time	03	\$ 4.20	8,736.00	72.77	564.00	131.90	459.60	-	1,639.20	33.60	488.46	5.37%	74.40	21.60	72.00	288.00	12,511.53
Sanitation Operations 80-52	Laborer - Solid Waste (SW)	03/22/23	60%	Full Time	03	\$ 12.60	26,208.00	218.30	1,692.00	395.71	1,378.80	-	4,917.60	100.80	1,424.43	5.22%	232.20	64.80	216.00	864.00	37,703.65
Streets Department 45-03	Laborer - General Public Works (PW)	01/13/22	35%	Full Time	03	\$ 8.75	18,200.00	154.04	1,195.52	279.60	971.13	-	2,868.60	58.80	933.85	4.85%	130.20	37.80	126.00	626.00	25,884.16
Parks & Recreation 46-03	Laborer - General Public Works (PW)	01/13/22	35%	Full Time	03	\$ 8.75	18,200.00	154.04	1,195.52	279.60	971.13	-	2,868.60	58.80	652.73	3.39%	130.20	37.80	126.00	928.62	26,603.04
Water Operations 60-50	Laborer - General Public Works (PW)	01/13/22	50%	Full Time	03	\$ 2.50	5,200.00	44.01	341.58	79.89	277.47	-	819.60	16.80	129.28	2.35%	37.20	10.80	36.00	265.32	7,257.94
Wastewater Operations 70-51	Laborer - General Public Works (PW)	01/13/22	10%	Full Time	03	\$ 2.50	5,200.00	44.01	341.58	79.89	277.47	-	819.60	16.80	119.38	2.17%	37.20	10.80	36.00	265.32	7,248.04
Sanitation Operations 80-52	Laborer - General Public Works (PW)	01/13/22	10%	Full Time	03	\$ 2.50	5,200.00	44.01	341.58	79.89	277.47	-	819.60	16.80	287.17	5.22%	37.20	10.80	36.00	265.32	7,415.83
Streets Department 45-03	Laborer - Mechanic	02/17/23	10%	Full Time	03	\$ 2.40	4,992.00	41.58	322.57	75.44	262.26	-	819.60								

Codification

Overview

Request Owner	Samira Vetter, Town Clerk
Est. Start Date	06/01/2024
Est. Completion Date	10/31/2024
Department	Administration
Type	Other

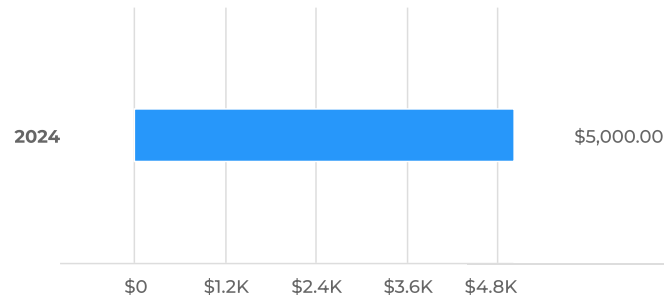
Description

Codification

Capital Cost

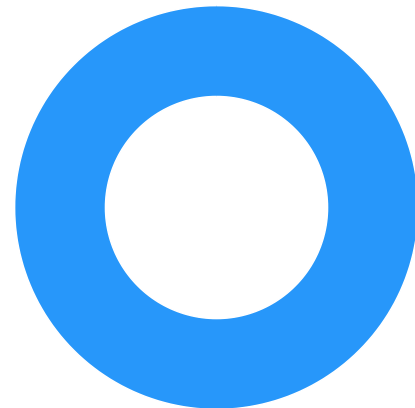
FY2024 Budget	Total Budget (all years)	Project Total
\$5,000	\$5K	\$5K

Capital Cost by Year



Type 1

Capital Cost for Budgeted Years



Type 1 (100%)

TOTAL

\$5,000.00

\$5,000.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$5,000	\$5,000
Total	\$5,000	\$5,000

Critical operating parts for treatment plants (spares)

Overview

Request Owner: Cory Heiniger, Public Works Director
Department: Water Project
Type: Other

Description

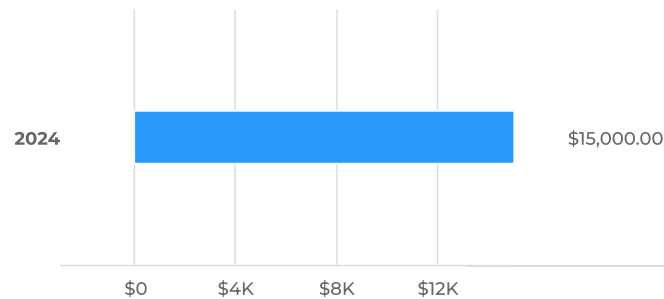
Currently our treatment plant has a handful of critical components that we do not have backups on hand and if there were a failure to one of the parts we would be unable to treat water. I think it's important to budget to try to get a few on hand.

cost estimate to have a backup for all critical parts should not exceed \$15000

Capital Cost

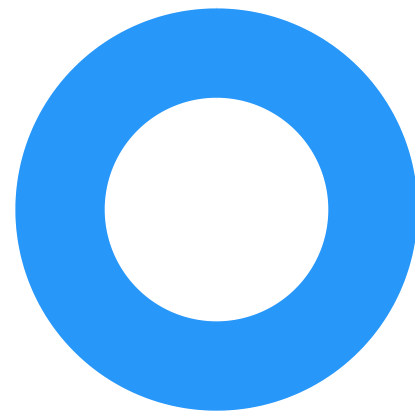
FY2024 Budget: **\$15,000**
Total Budget (all years): **\$15K**
Project Total: **\$15K**

Capital Cost by Year



● Category 2

Capital Cost for Budgeted Years



● Category 2 (100%) \$15,000.00
TOTAL \$15,000.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Category 2	\$15,000	\$15,000
Total	\$15,000	\$15,000

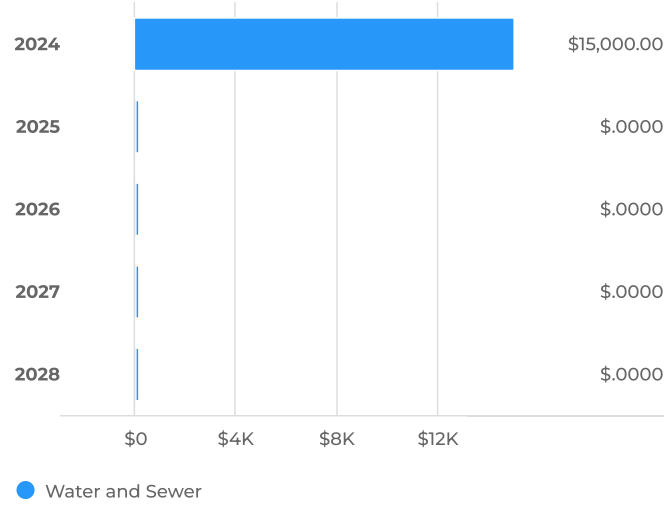
Funding Sources

FY2024 Budget
\$15,000

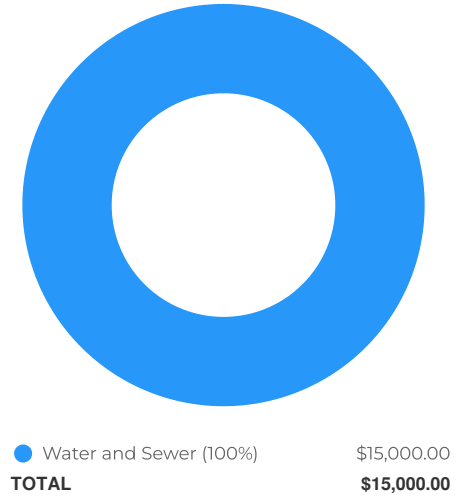
Total Budget (all years)
\$15K

Project Total
\$15K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2024	FY2025	FY2026	FY2027	FY2028	Total
Water and Sewer	\$15,000	\$0	\$0	\$0	\$0	\$15,000
Total	\$15,000	\$0	\$0	\$0	\$0	\$15,000

Small Roller

Overview

Request Owner: Cory Heiniger, Public Works Director
Department: Streets
Type: Other

Description

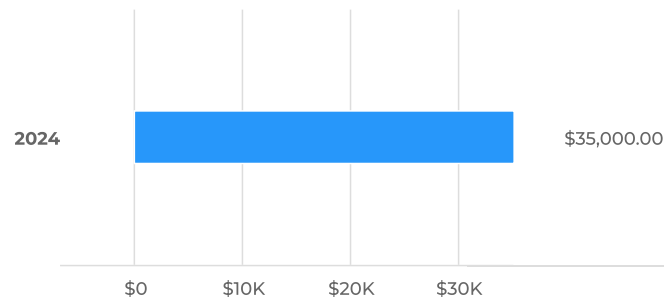
Street repairs are sub par because we don't have equipment needed to do repairs properly.

This price is for new but a used roller would be ideal.

Capital Cost

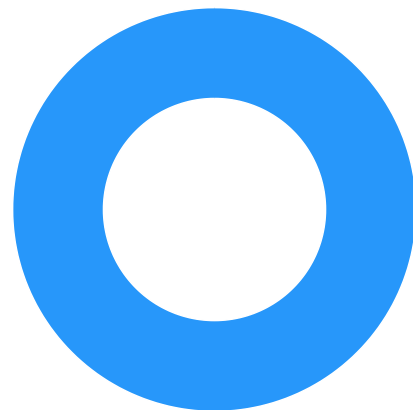
FY2024 Budget: **\$35,000**
Total Budget (all years): **\$35K**
Project Total: **\$35K**

Capital Cost by Year



● Category 2

Capital Cost for Budgeted Years



● Category 2 (100%) \$35,000.00
TOTAL \$35,000.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Category 2	\$35,000	\$35,000
Total	\$35,000	\$35,000

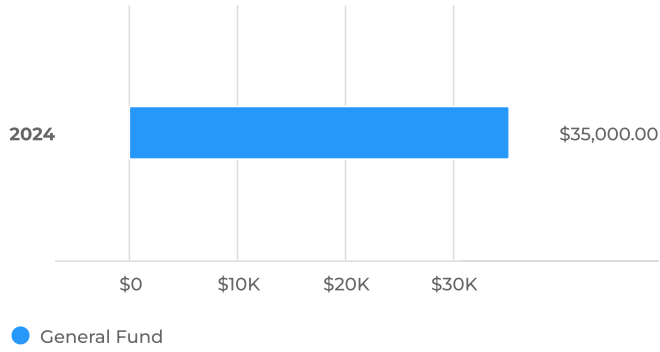
Funding Sources

FY2024 Budget
\$35,000

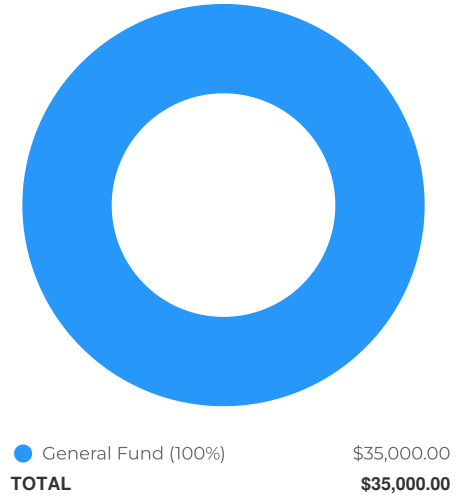
Total Budget (all years)
\$35K

Project Total
\$35K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2024	Total
General Fund	\$35,000	\$35,000
Total	\$35,000	\$35,000

ESRI addons

Overview

Request Owner: Cory Heiniger, Public Works Director
Department: Water Fund
Type: Other

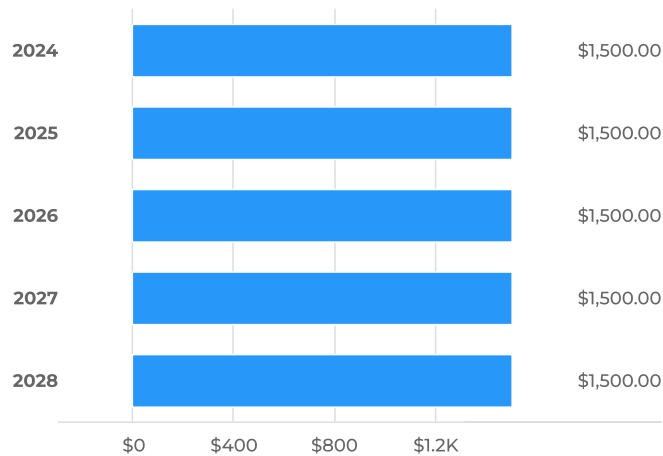
Description

Public works uses ESRI for a lot of our daily duties as well as capturing data in the field. We would like to have funding to have it expand our capabilities. We would be able to send out work orders for pothole fixes, leak checks, and other added tasks making it easier on public works and office personel. The nice thing about ESRI is its 750 a year subscription that we already pay but we done pay extra subscriptions for the apps it would be for just the buildout on the app. Jeremiah has built a lot of useful ones for Public works and Im sure once we have a buildout on it we would be able to reverse engineer it and build more we want in house to save long term.

Capital Cost

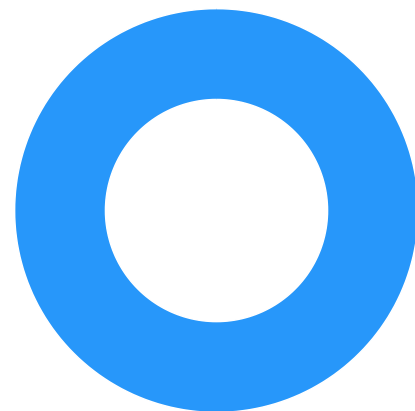
FY2024 Budget: **\$1,500**
Total Budget (all years): **\$7.5K**
Project Total: **\$7.5K**

Capital Cost by Year



Type 1

Capital Cost for Budgeted Years



Type 1 (100%)

TOTAL

\$7,500.00

\$7,500.00

Capital Cost Breakdown

Capital Cost	FY2024	FY2025	FY2026	FY2027	FY2028	Total
Type 1	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$7,500
Total	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$7,500

Portable welder/generator

Overview

Request Owner	Cory Heiniger, Public Works Director
Department	Streets
Type	Other

Description

We have a shop welder that works great but we currently don't have the ability to fix stuff in the field.

A welder generator combo would be useful for repairs on gates etc at the parks as well as be able to run any tools we would need in the field.

Campbell Hausfeld 10 Gal. 175 PSI Honda GX390 Gas Engine Stationary Compressor and 5000-Watt Generator and 200A Welder, 3-in-1 Air Compressor/Generator Combo Unit

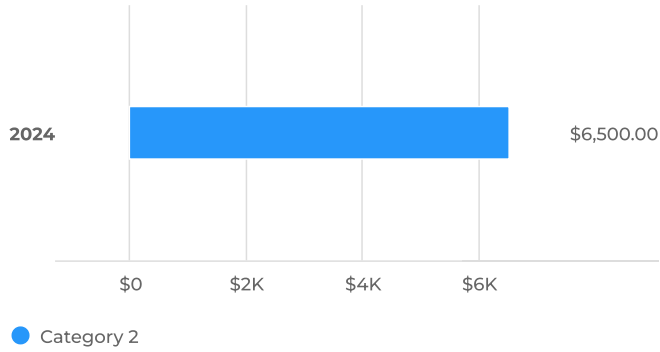
Capital Cost

FY2024 Budget
\$6,500

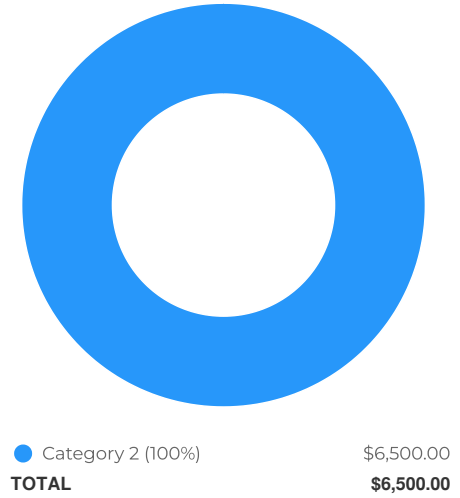
Total Budget (all years)
\$6.5K

Project Total
\$6.5K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

Capital Cost	FY2024	Total
Category 2	\$6,500	\$6,500
Total	\$6,500	\$6,500

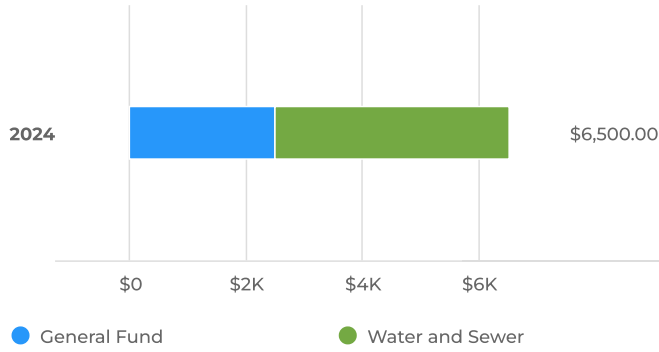
Funding Sources

FY2024 Budget
\$6,500

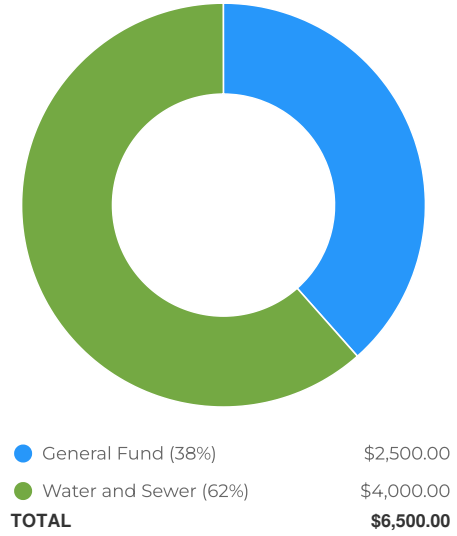
Total Budget (all years)
\$6.5K

Project Total
\$6.5K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2024	Total
General Fund	\$2,500	\$2,500
Water and Sewer	\$4,000	\$4,000
Total	\$6,500	\$6,500

Fleet tools

Overview

Request Owner: Cory Heiniger, Public Works Director
Department: Water Fund
Type: Other

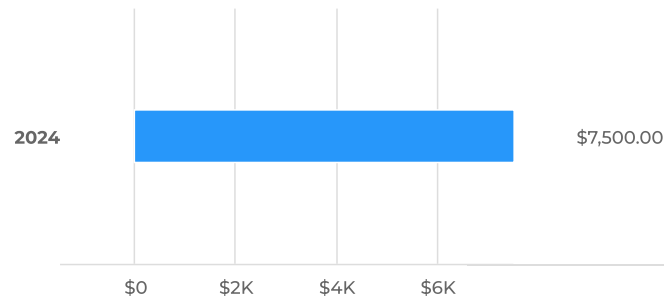
Description

Our fleet isn't outfitted well at all. We are still using scattered sets that end up in multiple vehicles. It would be nice to have at least 3 trucks outfitted with tool sets that are assigned to that truck instead of community sets that are hard to keep track of. \$2500 per truck would be ideal.

Capital Cost

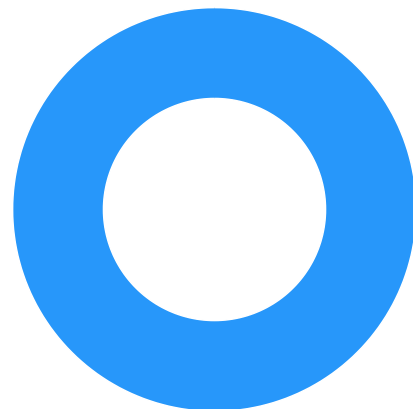
FY2024 Budget: **\$7,500**
Total Budget (all years): **\$7.5K**
Project Total: **\$7.5K**

Capital Cost by Year



● Category 2

Capital Cost for Budgeted Years



● Category 2 (100%) \$7,500.00
TOTAL \$7,500.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Category 2	\$7,500	\$7,500
Total	\$7,500	\$7,500

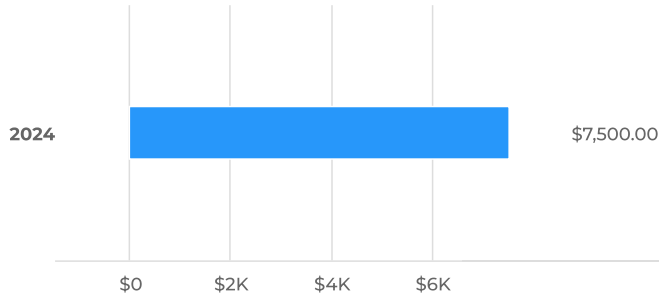
Funding Sources

FY2024 Budget
\$7,500

Total Budget (all years)
\$7.5K

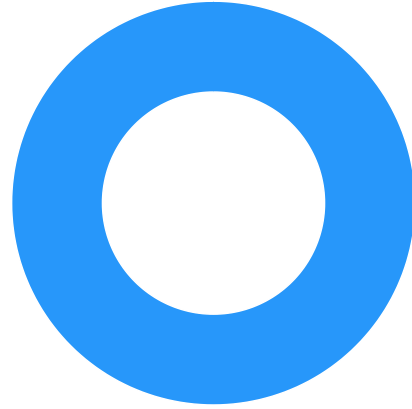
Project Total
\$7.5K

Funding Sources by Year



● Water and Sewer

Funding Sources for Budgeted Years



● Water and Sewer (100%) \$7,500.00
TOTAL \$7,500.00

Funding Sources Breakdown

Funding Sources	FY2024	Total
Water and Sewer	\$7,500	\$7,500
Total	\$7,500	\$7,500

Small fleet vehicles

Overview

Request Owner: Cory Heiniger, Public Works Director
 Department: Water Fund
 Type: Other

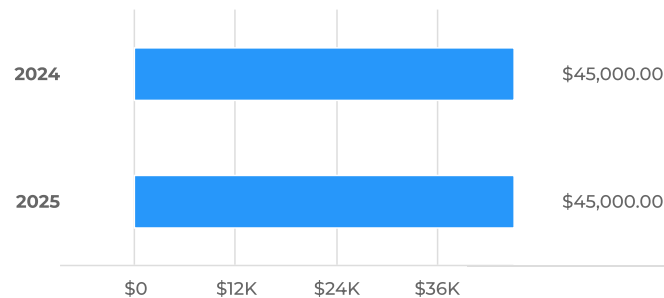
Description

1 or 2 small size pickups. We have a few trucks that are old and in need of replacement. \$45,000 for municipal discount and outfitting (snowplow, chains, tool box, etc)

Capital Cost

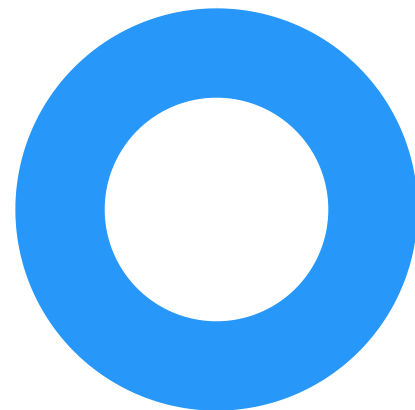
FY2024 Budget: **\$45,000** Total Budget (all years): **\$90K** Project Total: **\$90K**

Capital Cost by Year



● Category 2

Capital Cost for Budgeted Years



● Category 2 (100%) \$90,000.00
TOTAL **\$90,000.00**

Capital Cost Breakdown

Capital Cost	FY2024	FY2025	Total
Category 2	\$45,000	\$45,000	\$90,000
Total	\$45,000	\$45,000	\$90,000

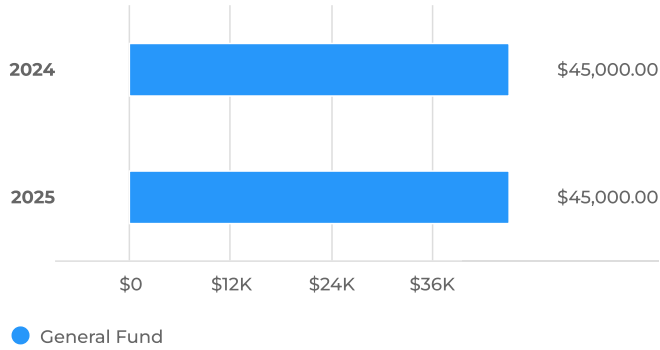
Funding Sources

FY2024 Budget
\$45,000

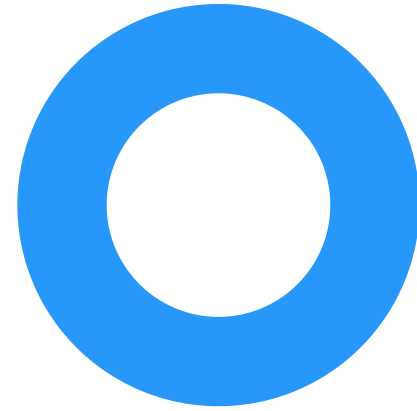
Total Budget (all years)
\$90K

Project Total
\$90K

Funding Sources by Year



Funding Sources for Budgeted Years



● General Fund (100%) \$90,000.00
TOTAL \$90,000.00

Funding Sources Breakdown

Funding Sources	FY2024	FY2025	Total
General Fund	\$45,000	\$45,000	\$90,000
Total	\$45,000	\$45,000	\$90,000

Jet/Vac Trailer

Overview

Request Owner	Cory Heiniger, Public Works Director
Department	Sewer Fund
Type	Other

Description

Hydro excavating and jetting combo. Public works feels that a big truck limits the usefulness of projects where a trailer system allows us more options (able to access more areas) as well as being 1/4 of the price.

It would help with jetting sewer mains, water breaks, storm drains, ditch cleaning, as well as potholing to find lines before we dig and minimize the risk of hitting buried lines.

This is a multi-function piece of equipment and would be useful across all departments except trash.

A new trailer with hydro excavating and jetting capabilities runs roughly \$130000 with roughly a \$1000 annual maintenance cost.

public works would also be more than happy with a good used option.

The Town has averaged \$14,000 in cost for jetting and vacuuming rentals, but in 2022 and 2023 that cost increased significantly due to catastrophic failures in sewer and water pipes that required significant use of equipment and contractors. By getting a jetter, the Town can include annual maintenance of pipes throughout Town and help to reduce additional catastrophic failures of systems.

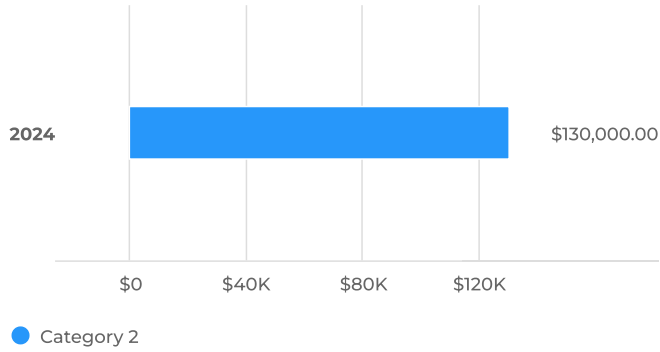
Capital Cost

FY2024 Budget
\$130,000

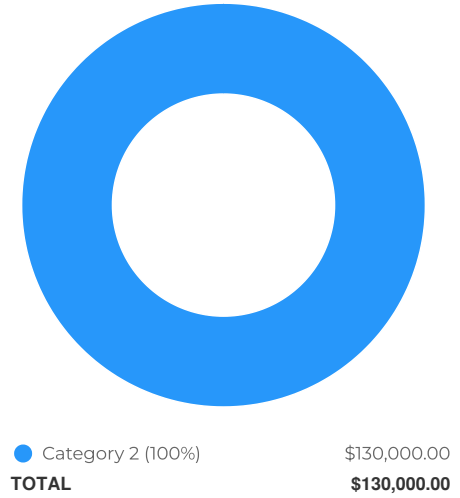
Total Budget (all years)
\$130K

Project Total
\$130K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

Capital Cost	FY2024	Total
Category 2	\$130,000	\$130,000
Total	\$130,000	\$130,000

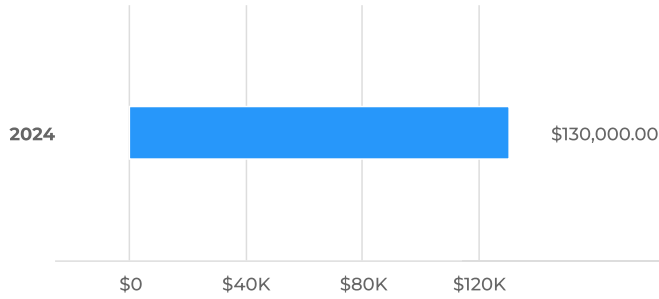
Funding Sources

FY2024 Budget
\$130,000

Total Budget (all years)
\$130K

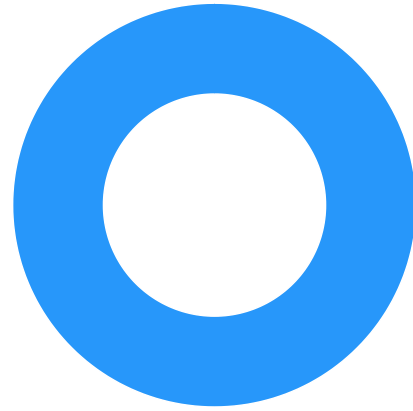
Project Total
\$130K

Funding Sources by Year



● Water and Sewer

Funding Sources for Budgeted Years



● Water and Sewer (100%) \$130,000.00
TOTAL \$130,000.00

Funding Sources Breakdown

Funding Sources	FY2024	Total
Water and Sewer	\$130,000	\$130,000
Total	\$130,000	\$130,000

CGFOA dues for Staff Accountant

Overview

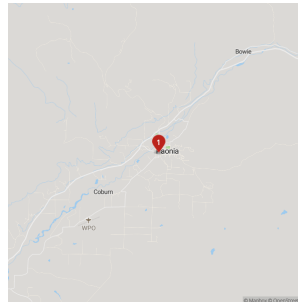
Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	12/31/2024
Department	Administration
Type	Other

Description

Membership in CGFOA

Location

Address: 214 Grand Avenue



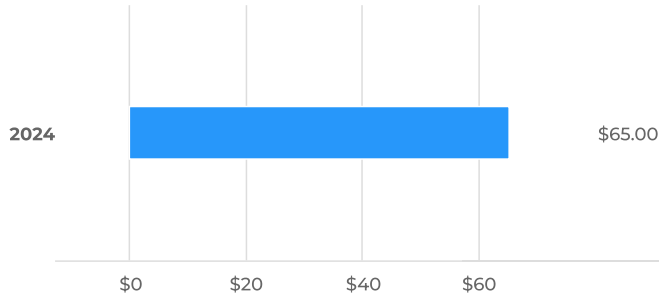
Capital Cost

FY2024 Budget
\$65

Total Budget (all years)
\$65

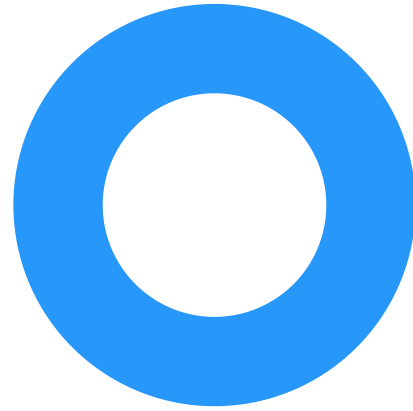
Project Total
\$65

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$65.00

TOTAL

\$65.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$65	\$65
Total	\$65	\$65

CGFOA training for Staff Accountant

Overview

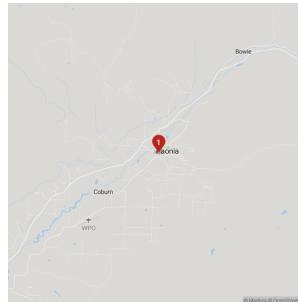
Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	12/31/2024
Department	Administration
Type	Other

Description

Members take training at 40.00 a class and this would cover 12 trainings

Location

Address: 214 Grand Avenue



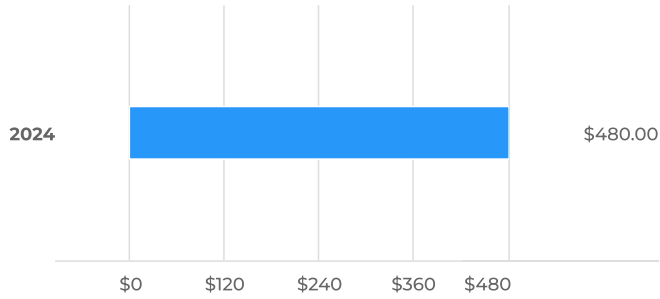
Capital Cost

FY2024 Budget
\$480

Total Budget (all years)
\$480

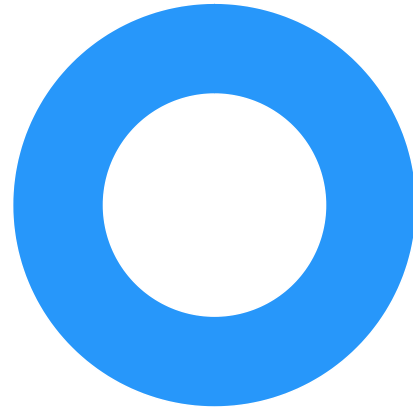
Project Total
\$480

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$480.00

TOTAL

\$480.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$480	\$480
Total	\$480	\$480

Lobby seating

Overview

Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	04/01/2024
Department	Administration
Type	Other

Description

We have no central location for people to sit and use wi-fi or wait for meetings in the Town offices or the Police department. These benches are inexpensive, wouldn't clutter up the hallway and would provide a waiting place without people taking chairs from the conference room.

Supplemental Attachments

 [bench set\(/resource/cleargov-prod/projects/documents/fcf7a0bc75c5f8fadeec.pdf\)](/resource/cleargov-prod/projects/documents/fcf7a0bc75c5f8fadeec.pdf)

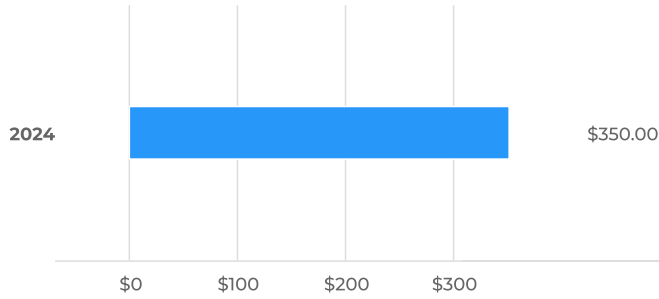
Capital Cost

FY2024 Budget
\$350

Total Budget (all years)
\$350

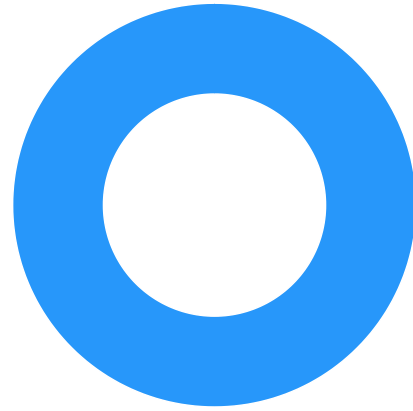
Project Total
\$350

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$350.00

TOTAL

\$350.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$350	\$350
Total	\$350	\$350

Scanner for Finance

Overview

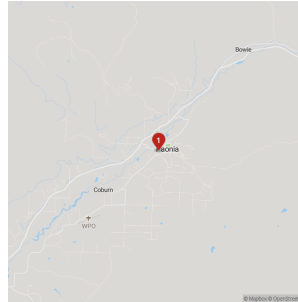
Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	02/29/2024
Department	Administration
Type	Other

Description

Scanner for accountant office

Location

Address: 214 Grand Avenue



Supplemental Attachments

 [Double sided scanner\(/resource/cleargov-prod/projects/documents/2997b95773f16dbdf763.pdf\)](/resource/cleargov-prod/projects/documents/2997b95773f16dbdf763.pdf)

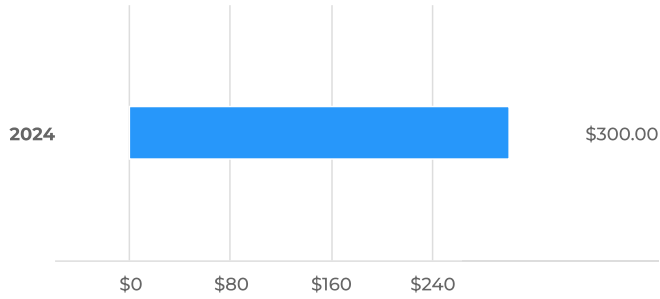
Capital Cost

FY2024 Budget
\$300

Total Budget (all years)
\$300

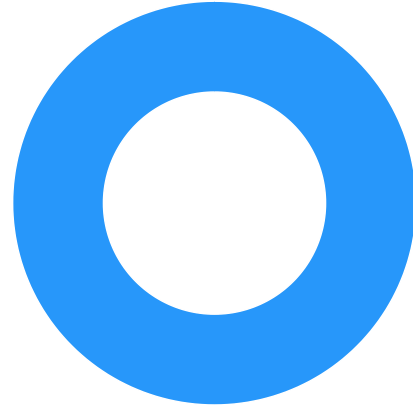
Project Total
\$300

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$300.00

TOTAL

\$300.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$300	\$300
Total	\$300	\$300

New-ish Desk for Town Clerk

Overview

Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	03/31/2024
Department	Administration
Type	Other

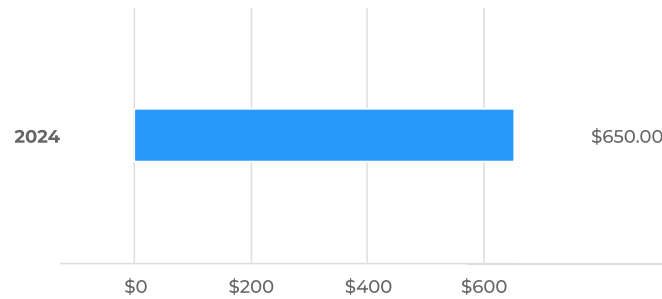
Description

My desk is a hazard with wheels ready to collapse :-) I can find a nice one at used furniture outlet in Grand Junction for a good price

Capital Cost

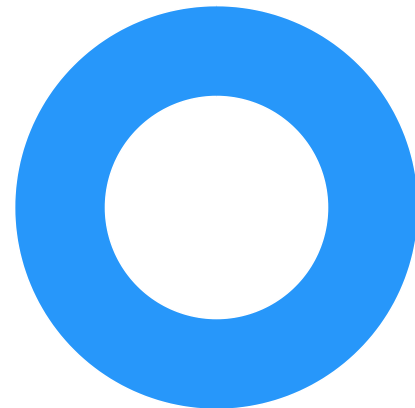
FY2024 Budget	Total Budget (all years)	Project Total
\$650	\$650	\$650

Capital Cost by Year



Type 1

Capital Cost for Budgeted Years



Type 1 (100%)

TOTAL

\$650.00

\$650.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$650	\$650
Total	\$650	\$650

Clerk Training

Overview

Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	12/31/2024
Department	Administration
Type	Other

Description

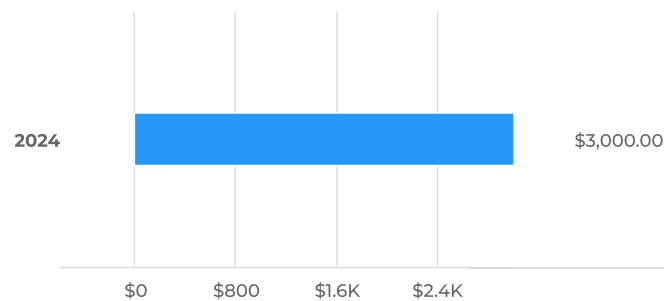
2024 CMCA Institute for Town Clerk- 1500 - 2000. (I apply for scholarships so this could go down)

and money for training through IIMC, which averages about \$60.00 per class and goes towards professional development & certifications for Clerk & Deputy Clerk

Capital Cost

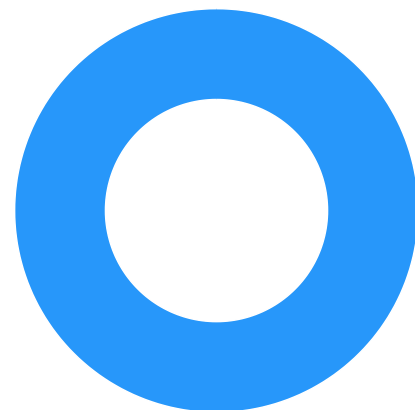
FY2024 Budget	Total Budget (all years)	Project Total
\$3,000	\$3K	\$3K

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

TOTAL

\$3,000.00

\$3,000.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$3,000	\$3,000
Total	\$3,000	\$3,000

NAGARA Subription Dues

Overview

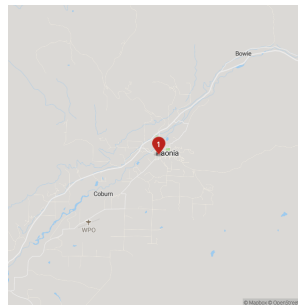
Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	12/31/2024
Department	Administration
Type	Other

Description

National Association of Government Archives and Records Administrators membership for up to 3 people. Provides monthly trainings and access to online archived trainings for best records management and archiving practices, online support nationally and professional development.

Location

Address: 214 Grand Avenue



Supplemental Attachments

 [Nagara Membership\(/resource/cleargov-prod/projects/documents/9f779b6aa72ce4ea7c9c.pdf\)](/resource/cleargov-prod/projects/documents/9f779b6aa72ce4ea7c9c.pdf)

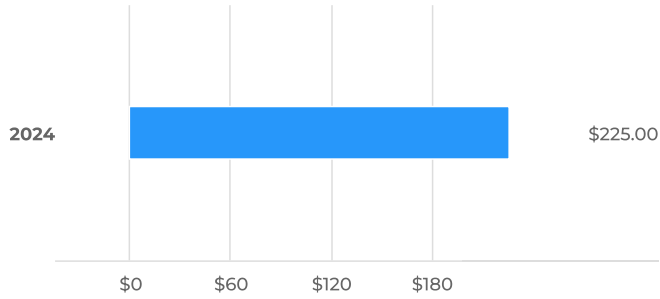
Capital Cost

FY2024 Budget
\$225

Total Budget (all years)
\$225

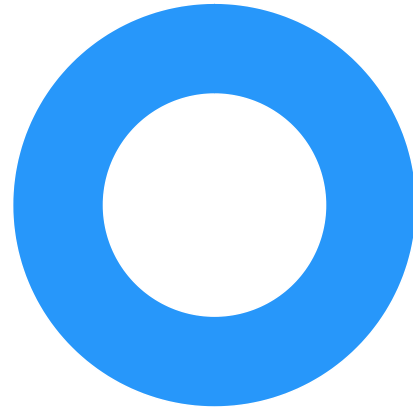
Project Total
\$225

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$225.00

TOTAL

\$225.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$225	\$225
Total	\$225	\$225

Text My Gov

Overview

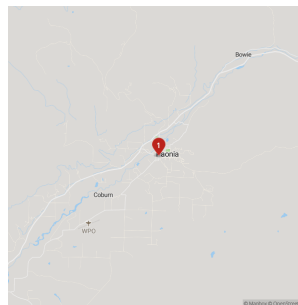
Request Owner	Samira Vetter, Town Clerk
Department	Administration
Type	Other

Description

Notification system through text that can also be used to check bill balance, report issues to public works and automatically subscribes any recognized cell phone number in our billing system. We can also do notification by map areas for utility issues or road work

Location

Address: 214 Grand Avenue



Supplemental Attachments

 [Text my Gov\(/resource/cleargov-prod/projects/documents/2a74a08e7dbb21428c24.pdf\)](/resource/cleargov-prod/projects/documents/2a74a08e7dbb21428c24.pdf)

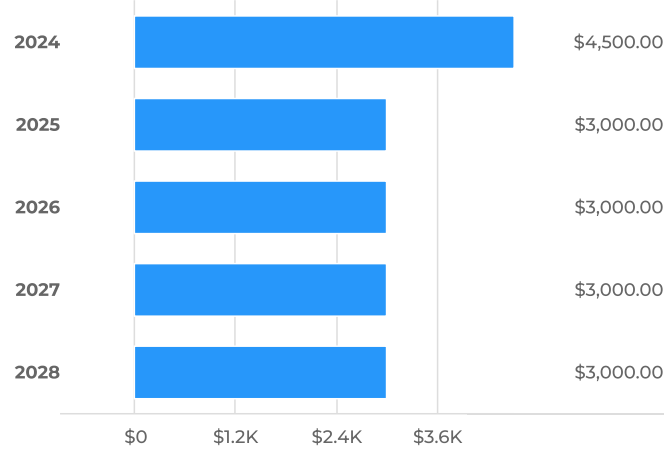
Capital Cost

FY2024 Budget
\$4,500

Total Budget (all years)
\$16.5K

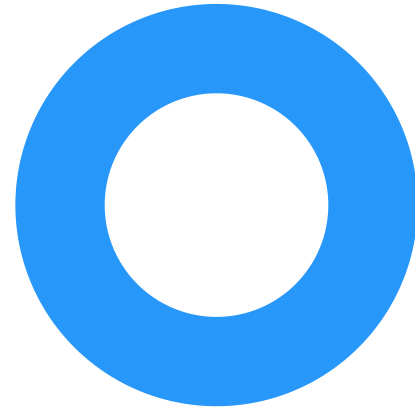
Project Total
\$16.5K

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

TOTAL

\$16,500.00

\$16,500.00

Capital Cost Breakdown

Capital Cost	FY2024	FY2025	FY2026	FY2027	FY2028	Total
Type 1	\$4,500	\$3,000	\$3,000	\$3,000	\$3,000	\$16,500
Total	\$4,500	\$3,000	\$3,000	\$3,000	\$3,000	\$16,500

CMCA and IIMC dues

Overview

Request Owner	Samira Vetter, Town Clerk
Est. Start Date	01/01/2024
Est. Completion Date	12/31/2024
Department	Administration
Type	Other

Description

Colorado Municipal Clerks Association and International Institute of Municipal Clerks Dues for Clerk and Deputy Clerk

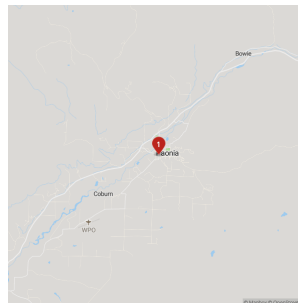
CMCA: \$130/ per

IIMC: \$185.00 First

\$ 125.00 supplemental

Location

Address: 214 Grand Avenue



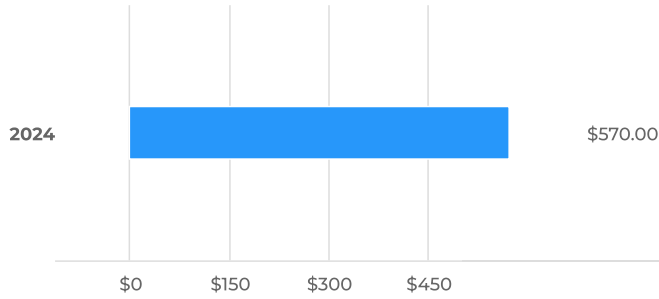
Capital Cost

FY2024 Budget
\$570

Total Budget (all years)
\$570

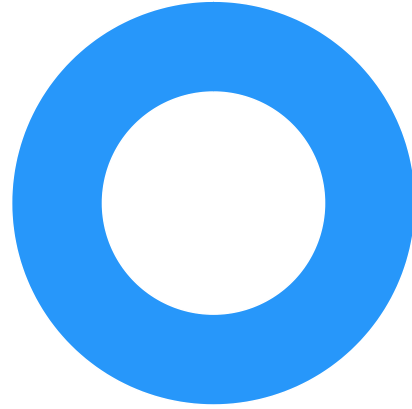
Project Total
\$570

Capital Cost by Year



● Type 1

Capital Cost for Budgeted Years



● Type 1 (100%)

\$570.00

TOTAL

\$570.00

Capital Cost Breakdown

Capital Cost	FY2024	Total
Type 1	\$570	\$570
Total	\$570	\$570



Service Order

2 Mill & Main; Suite 630; Maynard, MA 01754

Created by	Lina Berisha
Contact Phone	214-449-3756
Contact Email	lberisha@cleargov.com

Order Date	Jul 21, 2023
Order valid if signed by	Aug 11, 2023

Customer Information

Customer	Town of Paonia	Contact	Stefen Wynn	Billing Contact	Stefen Wynn
Address	214 Grand Avenue	Title	Town Administrator	Title	Town Administrator
City, St, Zip	Paonia, CO 81428	Email	StefenW@townofpaonia.com	Email	StefenW@townofpaonia.com
Phone	970-527-4101	PO # (If any)			

The Services you will receive and the Fees for those Services are...

Set up Services	Tier/Rate	Service Fees
ClearGov Setup: Includes activation, onboarding and training for ClearGov solutions	Tier 1	\$ 3,600.00
Onboarding Discount: WAIVED customer value add	Tier 1	\$ (3,600.00)
Total ClearGov Setup Service Fee - Billed ONE-TIME		\$ -
Subscription Services	Tier	Service Fees
ClearGov BCM Capital Budgeting - Civic Edition	Tier 1	\$ 6,200.00
ClearGov ClearPlans - Civic Edition	Tier 1	\$ 5,200.00
ClearGov BCM Bundle Discount: Discount for bundled BCM solutions	Tier 1	\$ (1,550.00)
Total ClearGov Subscription Service Fee - Billed ANNUALLY IN ADVANCE		\$ 9,850.00

ClearGov will provide your Services according to this schedule...

Period	Start Date	End Date	Description
Setup	Sep 1, 2023	Sep 1, 2023	ClearGov Setup Services
Pro-Rata	Sep 1, 2023	Dec 31, 2023	ClearGov Subscription Services
Initial	Jan 1, 2024	Dec 31, 2026	ClearGov Subscription Services

To be clear, you will be billed as follows...

Billing Date(s)	Amount(s)	Notes
Sep 1, 2023	\$ 3,283.33	4 Month Pro-Rata Subscription Fee
Jan 1, 2024	\$ 9,850.00	Annual Subscription Fee

Additional subscription years and/or renewals will be billed annually in accordance with pricing and terms set forth herein.


Billing Terms and Conditions


Valid Until	Aug 11, 2023	Pricing set forth herein is valid only if ClearGov Service Order is executed on or before this date.
Payment	Net 30	All invoices are due Net 30 days from the date of invoice.
Initial Period Rate Increase	3% per annum	During the Initial Service Period, the Annual Subscription Service Fee shall automatically increase by this amount.
Rate Increase	6% per annum	After the Initial Service Period, the Annual Subscription Service Fee shall automatically increase by this amount.

General Terms & Conditions

Statement of Work	ClearGov and Customer mutually agree to the ClearGov Service activation and onboarding process set forth in the attached Statement of Work. Please note that ClearGov will not activate and/or implement services for any Customer with outstanding balance past due over 90 days for any previous subscription services.
--------------------------	---

Taxes	The Service Fees and Billing amounts set forth above in this ClearGov Service Order DO NOT include applicable taxes. In accordance with the laws of the applicable state, in the event that sales, use or other taxes apply to this transaction, ClearGov shall include such taxes on applicable invoices and Customer is solely responsible for such taxes, unless documentation is provided to ClearGov demonstrating Customer's exemption from such taxes.
Term & Termination	Subject to the termination rights and obligations set forth in the ClearGov BCM Service Agreement, this ClearGov Service Order commences upon the Order Date set forth herein and shall continue until the completion of the Service Period(s) for the Service(s) set forth herein. Each Service shall commence upon the Start Date set forth herein and shall continue until the completion of the applicable Service Period. To be clear, Customer shall have the option to Terminate this Service Order on an annual basis by providing notice at least sixty (60) days prior to the end of the then current Annual Term.
Auto-Renewal	After the Initial Period, the Service Period for any ClearGov Annual Subscription Services shall automatically renew for successive annual periods (each an "Annual Term"), unless either Party provides written notice of its desire not to renew at least sixty (60) days prior to the end of the then current Annual Term.
Agreement	This ClearGov Service Order shall become binding upon execution by both Parties. The signature herein affirms your commitment to pay for the Service(s) ordered in accordance with the terms set forth in this ClearGov Service Order and also acknowledges that you have read and agree to the terms and conditions set forth in the ClearGov BCM Service Agreement found at the following URL: http://www.ClearGov.com/terms-and-conditions . This Service Order incorporates by reference the terms of such ClearGov BCM Service Agreement. In event of any conflict between the terms set forth in this ClearGov Service Order and any terms or conditions set forth in the ClearGov BCM Service Agreement, the terms of this ClearGov Service Order shall prevail.

Customer	
Signature	
Name	Stefen Wynn
Title	Town Administrator

ClearGov, Inc.	
Signature	
Name	Bryan A. Burdick
Title	President

Please e-mail signed Service Order to Orders@ClearGov.com or Fax to (774) 759-3045

Customer Upgrades (ClearGov internal use only)			
This Service Order is a Customer Upgrade	Yes	If Yes: Original Service Order Date	6/24/20

Statement of Work

This Statement of Work outlines the roles and responsibilities by both ClearGov and Customer required for the activation and onboarding of the ClearGov Service. ClearGov will begin this onboarding process upon execution of this Service Order. All onboarding services and communications will be provided through remote methods - email, phone, and web conferencing.

ClearGov Responsibilities

- ClearGov will activate ClearGov Service subscription(s) as of the applicable Start Date(s). ClearGov will create the initial Admin User account, and the Customer Admin User will be responsible for creating additional User accounts.
- ClearGov will assign an Implementation Manager (IM) responsible for managing the activation and onboarding process. ClearGov IM will coordinate with other ClearGov resources, as necessary.
- ClearGov IM will provide a Kickoff Call scheduling link to the Customer's Primary Contact. Customer should schedule Kickoff Call within two weeks after the Service Order has been executed.
- If Customer is subscribing to any products that require data onboarding:
 - ClearGov IM will provide a Data Discovery Call scheduling link to the Customer's Primary Contact. Customer should schedule Data Discovery Call based on the availability of Customer's staff.
 - ClearGov will provide Customer with financial data requirements and instructions, based on the ClearGov Service subscription(s).
 - ClearGov will review financial data files and confirm that data is complete, or request additional information, if necessary. Once complete financial data files have been received, ClearGov will format the data, upload it to the ClearGov platform and complete an initial mapping of the data.
 - After initial mapping, ClearGov will schedule a Data Review call with a ClearGov Data Onboarding Consultant (DOC), who will present how the data was mapped, ask for feedback, and address open questions. Depending upon Customer feedback and the complexity of data mapping requests, there may be additional follow-up calls or emails required to complete the data onboarding process.
- ClearGov will inform Customer of all training, learning, and support options. ClearGov recommends all Users attend ClearGov Academy training sessions and/or read Support Center articles before using the ClearGov Service to ensure a quick ramp and success. As needed, ClearGov will design and deliver customized remote training and configuration workshops for Admins and one for End Users - via video conference - and these sessions will be recorded for future reference.
- ClearGov will make commercially reasonable efforts to complete the onboarding/activation process in a timely fashion, provided Customer submits financial data files and responds to review and approval requests by ClearGov in a similarly timely fashion. Any delay by Customer in meeting these deliverable requirements may result in a delayed data onboarding process. Any such delay shall not affect or change the Service Period(s) as set forth in the applicable Service Order.

Customer Responsibilities

- Customer's Primary Contact will coordinate the necessary personnel to attend the Kickoff and Data Discovery Calls within two weeks after the Service Order has been executed. If Customer needs to change the date/time of either of these calls, the Primary Contact will notify the ClearGov IM at least one business day in advance.
- If Customer is subscribing to any products that require data onboarding:
 - Customer will provide a complete set of requested financial data files (revenue, expense, chart of accounts, etc.) to ClearGov in accordance with the requirements provided by ClearGov.
 - Customer's Primary Contact will coordinate the necessary personnel to attend the Data Discovery and Data Review calls. It is recommended that all stakeholders with input on how data should be mapped should attend. Based on these calls and any subsequent internal review, Customer shall provide a detailed list of data mapping requirements and requested changes to data mapping drafts in a timely manner, and Customer will approve the final data mapping, once completed to Customer's satisfaction.
- Customer will complete recommended on-demand training modules in advance of customized training & configuration workshops.
- Customer shall be solely responsible for importing and/or inputting applicable text narrative, custom graphics, performance metrics, capital requests, personnel data, and other such information for capital budget, personnel budget, budget books, projects, dashboards, etc.

Document History

SignNow E-Signature Audit Log

All dates expressed in MM/DD/YYYY (US)

Document name: Paonia CO ClearGov Service Order (Capital Budgeting and ClearPlans Add-On)
Document created: 08/10/2023 21:07:40
Document pages: 3
Document ID: 89568786d5bc4207997e872bfb36fce670eeccf1
Document Sent: 08/10/2023 21:19:17 UTC
Document Status: Signed
08/10/2023 21:40:52UTC

Sender: lberisha@cleargov.com
Signers: stefenw@townofpaonia.com, bburdick@cleargov.com
CC: serviceorders@cleargov.com

Client	Event	By	Server Time	Client Time	IP Address
SignNow Web Application	Uploaded the Document	lberisha@cleargov.com	08/10/2023 21:07:40 pm UTC	08/10/2023 21:07:39 pm UTC	99.30.173.190
SignNow Web Application	Viewed the Document	lberisha@cleargov.com	08/10/2023 21:07:44 pm UTC	08/10/2023 21:07:44 pm UTC	99.30.173.190
SignNow Web Application	Document Saved	lberisha@cleargov.com	08/10/2023 21:12:27 pm UTC	08/10/2023 21:12:27 pm UTC	99.30.173.190
SignNow Web Application	Invite Sent to: stefenw@townofpaonia.com	lberisha@cleargov.com	08/10/2023 21:19:17 pm UTC	08/10/2023 21:19:16 pm UTC	99.30.173.190
SignNow Web Application	Viewed the Document	lberisha@cleargov.com	08/10/2023 21:19:26 pm UTC	08/10/2023 21:19:26 pm UTC	99.30.173.190
SignNow Web Application	Viewed the Document	stefenw@townofpaonia.com	08/10/2023 21:38:29 pm UTC	08/10/2023 21:38:31 pm UTC	209.206.70.24
SignNow Web Application	Invite Sent to: bburdick@cleargov.com	lberisha@cleargov.com	08/10/2023 21:40:52 pm UTC		209.206.70.24
SignNow Web Application	Signed the Document	stefenw@townofpaonia.com	08/10/2023 21:40:52 pm UTC	08/10/2023 21:40:54 pm UTC	209.206.70.24
SignNow Web Application	Document Saved	stefenw@townofpaonia.com	08/10/2023 21:40:52 pm UTC	08/10/2023 21:40:54 pm UTC	209.206.70.24
SignNow Web Application	Viewed the Document	lberisha@cleargov.com	08/10/2023 21:41:39 pm UTC	08/10/2023 21:41:38 pm UTC	99.30.173.190
SignNow Web Application	Viewed the Document	bburdick@cleargov.com	08/10/2023 21:45:42 pm UTC	08/10/2023 21:45:42 pm UTC	98.110.245.140
SignNow Web Application	Document Saved	bburdick@cleargov.com	08/10/2023 21:51:58 pm UTC	08/10/2023 21:51:58 pm UTC	98.110.245.140
SignNow Web Application	Signed the Document	bburdick@cleargov.com	08/10/2023 21:51:58 pm UTC	08/10/2023 21:51:58 pm UTC	98.110.245.140

August 11, 2023

Stefen Wynn
Paonia Town Administrator
214 Grand Ave.
Paonia, CO 81428

RE: 5th Street and Grand Avenue Intersection Design Change Order

Dear Stefen:

This memorandum serves as a Change Order request for the increased scope and fee for SGM's work designing the 5th Street and Grand Avenue Intersection improvements. Since the original scope and fee was approved by the Town's Board of Trustees the project scope has changed. After a meeting with CDOT on July 13, 2023, the full scope and requirements for the project were provided. CDOT is requiring the Town to go through the CDOT Local Agency process. This means that all CDOT standards, policies, and procedures must be followed. The table below summarizes fee changes. The cover letter and design services memorandum attached to this Change Order more fully detail the revised project scope and fee.

Task	Original Fee	Fee Increase	Revised Fee
Task 1 - Existing Conditions & Baseline Information	\$12,099	\$50,400	\$62,499
Task 2 - Civil Engineering Design	\$42,813	\$17,000	\$59,813
Task 3 - Project Administration	\$9,722	\$16,500	\$26,222
TOTAL	\$64,634	\$83,900	\$148,534

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 64,634 _____

Increase of this Change Order:

\$83,900 _____

Contract Price incorporating this Change Order:

\$148,534 _____

ACCEPTED:

By: 
Engineer

Date: 8/11/2023

ACCEPTED:

By:  David A. Knudson
Town of Paonia

Date: 8/25/23

August 1, 2023

Stefen Wynn, *Town Manager*

Town of Paonia

214 Grand Ave.

Paonia, CO 81428

RE: 5th Street Realignment – Updated Scope and Fee

SGM is pleased to provide the Town of Paonia with an updated scope of work and fee estimate for the 5th Street and Grand Avenue Intersection Realignment Project. Since the original scope and fee was submitted on May 30, 2023, the project scope has changed. After a meeting with CDOT on July 13, 2023, the full scope and requirements for the project were provided. CDOT is requiring the Town to go through the CDOT Local Agency process. This means that all CDOT standards, policies, and procedures must be followed. This has resulted in an \$83k increase in the overall fee. Specific additional scope items are detailed further below.

Project Management and Meetings – Due to the nature of the CDOT review process, the original project timeline has been extended. CDOT requires 3-4 weeks of review time before a review meeting can be held at each project milestone. CDOT has agreed to combine the Design, Scoping, Review (DSR) meeting with the Field Internal Review (FIR) meeting, which will save the project time. However, allowing for field work to be completed, submitting FIR plans, reviewing FIR plans, submitting FOR plans, reviewing FOR plans, and gaining all necessary project clearances (Right-of-Way, Utilities, Traffic, Materials, Environmental) takes time. A 13-month project duration has been assumed based on SGM's recent experience with similar projects and feedback from CDOT Local Agency Manager Mike Konn. The review meetings for CDOT are typically 2-3 hours in length and additional coordination with all CDOT specialty units has been accounting for in SGM's updated scope of work. **(+\$16.5k)**

Subsurface Utility Engineering – CDOT requires a heightened level of detail regarding subsurface utilities, therefore additional scope and fee have been added to project. CDOT requires utility clearance letters be provided to any utility owner within the project area, regardless of conflict within the project or not. CDOT also requires utility conflict matrices to be created if conflicts are present within the project corridor. Quality Level A utility information is required for any utility crossing of a gravity fed system (storm or sanitary sewer), meaning utility potholes will likely be required with the removal and replacement of the existing storm sewer system. **(+\$23.0k)**

Geotechnical Investigation – In our previous scope and fee we had assumed that the Town had a geotechnical report for the project corridor. As this is not the case, SGM will need a geotechnical investigation and report completed to select the appropriate structural roadway section for the project. Ground Engineering will provide this service and their scope and fee has been included. **(+\$15.4k)**

Environmental Clearances – All CDOT projects require environmental clearances. While this project site is already a built environment there are still some items CDOT requires to be completed. A cultural assessment and hazardous waste assessment will need to be performed to complete CDOT's Categorical Exclusion NEPA checklist. **(+\$12.0k)**

Increased Engineering Design – CDOT will require traffic control and phasing plans to be presented to verify that the project can be constructed. Additional information will be required on the utility plan sheets, including test hole information, utility conflict matrix information, and detailed existing utility information. Also, additional water line scope has been added to the project. **(+\$17.0k)**

SGM has extensive experience with CDOT Local Agency projects, working with numerous municipalities on the Western Slope over the years to achieve successful design project outcomes and well executed construction projects. The attached scope of work and fee identify all CDOT requirements necessary to complete this project for the Town.



MEMORANDUM

TO: Stefen Wynn – Town Manager, Town of Paonia
CC: Mary Bachran – Town Mayor, Town of Paonia
FROM: Ashley Cline, PE - SGM Project Manager
DATE: July 28, 2023
RE: **5th Street Realignment – Town of Paonia**
Design and Engineering Services

Project Background

For years, the Y-intersection of 5th Street and Grand Avenue has been a source of driver circulation issues within the Town of Paonia. To address this concern, the Town aims to realign 5th Street, connecting it to Grand Avenue at a 90-degree angle. Back in 2018, Odisea Engineering developed initial construction plans for the Town. Now, with the recent approval of CDOT's Revitalizing Main Streets funding, the project will need to adhere to CDOT's Local Agency process. SGM, has been entrusted with the task of leveraging the design intent from the previous plans to create construction plans that fully comply with CDOT regulations.

The proposed project involves comprehensive design and planning to ensure the smooth and efficient realignment of 5th Street and its integration with Grand Avenue. We recognize the importance of addressing the historical driver circulation issues and optimizing the transportation infrastructure in the area. Our team will build upon the groundwork laid by Odisea Engineering, using their previous plans as a foundation for our CDOT-compliant construction plans.



Figure 1. Project Scope Area

Section 1 - Project Plan

Task 1 – Existing Conditions & Baseline Information

Task 1.1 Subsurface Utility Engineering Investigation

SGM will comply with the “Colorado SUE Law,” through the implied ASCE standards. This will include depicting lines on the deliverable via Quality Levels, which will convey the level of relative nonquantifiable, uncertainty of the data. SGM will use the industry-leading and CDOT-preferred ProStar PointMan mobile mapping software application to capture and record utility data with survey-grade accuracy.

SUE Scope Area. SGM anticipates providing a baseline of existing utility information for the project scope area on Grand Avenue from 5th Street to 4th Street from edge of right-of-way to edge of right-of-way.

Test Holes. No test holes are anticipated for this project at this time. Pending SGM’s review of the existing storm drainage infrastructure and how the proposed design ties into it, test holes could be warranted in the future.

Finalizing Data and Deliverables. In the final phase of the project design, we will finalize all necessary utility coordination with the various utility owners and finalize our deliverables. Final deliverables will include the underlying existing utility basemap used in all other design sheets, the existing utility plans and all relevant notes and depictions from the investigation, utility test

hole information, utility specifications, Utility Conflict Matrix (CDOT-based), and Utility Owner Clearance Letters (CDOT-based).

Task 1.2 Geotechnical Investigation

Ground Engineering will drill four (4) test holes to evaluate the subsurface profile and to obtain earth material samples for laboratory testing. Ground will obtain a CDOT permit and retain a traffic control service provider to provide traffic control services for their geotechnical evaluation. laboratory testing will occur to evaluate relevant engineering characteristics of the materials at the site.

Results will be analyzed to develop geotechnical parameters including proposed site grading/earthwork operations, excavation, water-soluble sulfate content, soil corrosivity (including chloride concentration), and pavement sections. Pavement sections will be prepared using M-E Pavement Design software in general accordance with CDOT specifications. Ground will prepare a report summarizing the data obtained and present our conclusions and parameters. An electronic copy (PDF format) of the report will be provided.

Task 1.3 Environmental Clearances

The building at 218 4th Street, currently owned by the school district, served as a training center for years and is now up for sale. Due to its historical significance and age (built in 1960), a cultural assessment is deemed necessary. To conduct the assessment, Alpine Archaeology will be engaged as a subcontractor. They will perform a Class III pedestrian survey, site recording, and consultation with SHPO.

Apart from the cultural assessment, the project's scope includes providing a narrative response to the CDOT Region 3 Form 128 Resource checklist, ensuring compliance with Section 106. A licensed subconsultant (Alpine Archaeology) will conduct a cultural survey and literature review for further Section 106 compliance. Additionally, basic record search and completion of CDOT's hazardous waste potential form (CDOT 881-ISA) are necessary. The environmental review process will also involve completing CDOT's CatEx NEPA checklist. Minor coordination efforts with the project design team will ensure an accurate environmental review that aligns with the project design. The final report preparation is flexible, typically occurring between 30% and 60% design review meetings. Lastly, a site visit will compile a photolog and documentation on environmental aspects, using photos from other specialists as needed.

Task 2 – Civil Engineering Design

Alignments will be generated for Grand Ave, 4th Street and 5th Street. 5th Street will be redesigned to tie into Grand Avenue at a 90° angle within the Town's existing ROW. Positive drainage will be created throughout the proposed curb and gutter. Inlets will be placed at low points and tie into existing storm infrastructure where possible. A structural section for the roadway will be evaluated based on geotechnical report findings. The roadway and sidewalks will be designed in accordance with Town of Paonia, CDOT, AASHTO and ADA standards.

Any utility relocations necessitated by the proposed roadway and sidewalk design will be coordinated. Any Town of Paonia Water, Sanitary Sewer, or Storm Sewer relocations will be

designed by SGM whereas any electric, fiber, cable, or gas will be designed by the respective utility owners with close coordination with SGM.

This task represents the actual design development effort required for the project. As with nearly all design projects, this is a sequential process that engages multiple disciplines at key milestones during the project. The proposed steps outlined below are consistent with a typical CDOT project development model of preliminary design, final design, and For Construction documents. Using this model will allow reviews to occur at key times and inputs from these reviews to be efficiently incorporated into the design.

Task 2.1 Preliminary Design (FIR)

In this stage, the design team begins assembling the preliminary design package. The conceptual design is further developed with added detail. The preliminary design is committed to plan drawings which will become the basis for presenting the limits and impacts of the project to the stakeholders. The preliminary design will cover all project elements to a level of detail that defines how all elements interact with each other so that no unexpected conflicts occur in later phases of design. The preliminary design will not have all the details necessary to construct the project but will provide an accurate snapshot of project impacts and costs.

Deliverables

- Typical Sections
- Roadway Plan and Profiles
- Removal and Reset Plans
- Utility Plans
- Storm Sewer Plan and Profiles
- Waterline Plan and Profiles
- Cross Sections
- Preliminary Geotechnical Report
- Preliminary Quantities and Opinion of Probable Cost

Task 2.2 Final Design (FOR)

In this stage, the design team will resolve any issues identified in the FIR design. All project elements, including calculations, reports, plans, specifications, and estimates will be completed to a 90% level. All details needed for construction, applicable standard drawings, and utility information are consolidated into the plan package. Additional plan subsets, such as intersection detail, curb ramp details, erosion control plans, and construction traffic control that were not in the FIR set are included in the Final Design plan set. The FOR PS&E package will be submitted to the Town and CDOT for final comments. In general, this is the review period where the team and stakeholders have their last chance at changes prior to advertising for bids. We would expect only minor changes to the plans at this point.

Deliverables

- FIR Comment Resolution Form completed with final dispositions.
- Final Reports
- All sheets generated in FIR Design
- Paving Plan
- Driveway and Intersection Details

- Curb Ramp Details
- Storm Sewer Details
- Waterline Details
- Traffic Control Plans
- Erosion Control Plans
- Signing and Striping Plans
- Project Special Provisions
- Quantities and Opinion of Probable Cost

Task 2.3 Finalize Bid Documents

SGM will provide a complete Plans, Specifications & Estimate (PS&E) package that is bid-ready. This work element is the culmination of a lot of effort by the entire team. For this project to be ultimately successful (on time and within budget) the PS&E work element requires careful production and QA/QC on the part of SGM and our subconsultants. These documents must be carefully and clearly put together and reviewed to avoid ambiguity and confusion during construction.

Review comments will then be addressed and incorporated into the final Contract Documents which are submitted to the Town for solicitation of bids. The Contract document will include invitations to bid, bid forms, and a bid schedule of all project cost items and quantities.

Deliverables

- FOR Comment Resolution Form completed with final dispositions
- Construction Plans
- Project Special Provisions and Standard Special Provisions
- Final Opinion of Probable Project Cost

Task 3 – Project Administration

SGM will work closely with Town staff to develop the framework of the project at the initial kickoff meeting. From that point forward, SGM’s project manager will coordinate all phases of the work with the Project Team and provide regular progress reports to the Town. As we know from similar projects, active project management is critical to ensuring the project remains on schedule and important milestones are met. Once the preliminary design begins periodic check in meetings will be held to keep the project on track.

Deliverables

- Meeting Minutes
- Monthly Progress Reports provided with Invoices
- Comment Resolution Forms from Agency and Stakeholder Reviews

Section 2 – Fee Estimate and Project Schedule

The table below shows a tentative design schedule for this project. The schedule is based on a Notice to Proceed date of August 11, 2023. As is typical of CDOT local agency projects, ample time is required for review of plan documents. 3-4 weeks has been given between plan submittal milestones and plan review meetings. A project duration of 13 months has been assumed.

Task	Timeframe
Project Kickoff Meeting/Site visit	August 23
Data Collection/Field Inventories— Geotechnical, SUE, Environmental	August - October
Preliminary Design (FIR)	September - December
Utility Test Holes (aka Potholing)	October
Preliminary Design Submittal (FIR)	December 20
CDOT FIR (30) Review Meeting	January 17, 2024
Final Design (FOR)	January - April
Final design Submittal (FOR)	April 11
CDOT FOR (90) Review Meeting	May 2
For Construction Documents	May - August
Project Bid Date	September 2024
Start of Construction	Spring 2025

The overall anticipated project costs are presented below by project phase and the supporting detailed man-hour, task and fee breakdown is presented on the following page. The project cost is based on the detailed scope of the RFP.

A summary of overall project costs is given below, and a breakdown of SGM labor hours by task is on the following page. The project is divided into four tasks- 1) Existing Conditions & Baseline Information, 2) Civil Engineering Design, and 3) Project Administration. The proposed method of compensation is time and materials not-to-exceed.

Cost Breakdown by Phase		
Task	SGM Hours	Total Cost
Task 1 – Existing Conditions & Baseline Information	218	\$ 62,316
Task 2 – Civil Engineering Design	418	\$ 59,808
Task 3 – Project Administration	161	\$ 26,343
PROJECT TOTALS	833	\$ 148,467

Section 3 – Assumption/Exclusions/Clarifications

The following assumptions were made in the development of this fee estimate:

- Assuming a 13-month project duration for a Bid Date of September 2024.
- Periodic project update meetings are assumed to begin once preliminary design begins. The project manager will attend all meetings. Discipline leads will attend the meetings on an as-needed basis. Any project stakeholders will also attend these meetings.
- Project will be under an acre of disturbance and therefore will not need a Storm Water Management Plan.
- It is assumed that traffic control for any additional survey work or utility potholing will be provided by the Town.
- SGM assumes (4) utility potholes will be necessary.
- Any additional survey information will be provided by Wilmore & Company Professional Land Surveyors and coordinated through the Town.
- No property acquisitions or easements will be necessary.
- No drainage report is required to be submitted as part of the project.
- No additional permit work is included, should the need for such be identified (e.g. Sec 404 delineation and permitting is not included).
- No subsurface investigation for soils/paleo/cultural/hazardous waste potential is included. The site investigation is limited to surface conditions only.



PROJECT: 5TH ST & GRAND AVE INTERSECTION REALIGNMENT
 CLIENT: TOWN OF PAONIA

PREPARED BY: A.Cline
 DATE: 8/1/2023

SGM Hours and Labor Charges							
No.	Code	Personnel Description	Name	Classification	Rate	Hours	Labor Cost
1	PIC	Principal-In-Charge	Brandyn Bair	Senior Engineer II	\$193.00	16	\$ 3,088.00
2	PM	Project Manager	Ashley Cline	Engineer IV	\$165.00	153	\$ 25,245.00
3	CE	Civil Design Engineer	Michael Morrison	Engineer II	\$130.00	261	\$ 33,930.00
4	QA/QC	Quality Assurance Quality Control	Dan Cokley	Principal Engineer	\$224.00	20	\$ 4,480.00
5	LUE	Lead Utility Engineer	Scot Knutson	Senior Engineer I	\$180.00	46	\$ 8,280.00
6	UE	Utility Engineer	Ivy Todd	Engineer I	\$112.00	51	\$ 5,712.00
7	LSUE	Subsurface Utility Engineer	Karl Schoenbrunn	Project Manager	\$152.00	136	\$ 20,672.00
8	SUE	Subsurface Utility Technician	Taylor Matson	SUE Technician	\$92.00	35	\$ 3,220.00
9	LFSUE	Subsurface Utility Engineer (Field)	Karl Schoenbrunn	Field Project Manager	\$198.00	9	\$ 1,782.00
10	FSUE	Subsurface Utility Technician (Field)	Taylor Matson	SUE Field Technician	\$137.00	6	\$ 822.00
11	EC	Environmental Consultant	Alex Nees	Senior Consultant	\$158.00	44	\$ 6,952.00
12	SM	Survey Project Manager	Bob Bradenberry	Survey Manager	\$180.00	20	\$ 3,600.00
Subtotals						797	\$ 117,783.00

Subconsultants				
No.	Code	Description	Name	Total Cost
1	GRD	Geotechnical	Ground Engineering	\$ 15,400.00
2	ALPINE	Cultural Assessment	Alpine Archeology	\$ 6,600.00
3	HYDRO	Hydrovac Contractor	TBD	\$ 8,500.00
TOTAL SUBCONSULTANT COSTS:				\$ 30,500.00

Cost Breakdown by Task Order				
Task Order	SGM Labor	Subconsultants & ODCs	Total Cost	
1 EXISTING CONDITIONS AND BASELINE INFORMATION	\$ 31,724.00	\$ 30,592.00	\$ 62,316.00	
2 ENGINEERING DESIGN	\$ 59,808.00	\$ -	\$ 59,808.00	
3 PROJECT ADMINISTRATION	\$ 26,251.00	\$ 92.00	\$ 26,343.00	
TOTAL PROJECT COSTS:			\$ 148,467.00	

TASK 1 - EXISTING CONDITIONS AND BASELINE INFORMATION

1.1 QLB Investigation (including QLC, QLD)																				
1.1.1 Initial Project Development						6	7						13	\$1,556	\$0	\$0				
1.1.2 QLB/QLC Field Investigation						10	10	6	6				32	\$4,450	\$92	\$0				
1.1.3 Process QLB/QLC Data			2	3	16	10							31	\$4,048	\$0	\$0				
Subtotal: Phase 1.1			2	3	32	27	6	6					76	\$10,054	\$92					
1.2 Preliminary Deliverables & Utility Coordination																				
1.2.1 QLA Test Holes						14	3						17	\$2,722	\$0	\$0				
1.2.1.1 Hydrovac Contractor (4 Holes)													0	\$0	\$0	\$0			\$8,500	
1.2.1.2 Traffic Control Contractor													0	\$0	\$0	\$0				
1.2.2 Preliminary Test Hole Table			2		10	2							14	\$2,084	\$0	\$0				
1.2.3 Preliminary Utility Conflict Matrix													0	\$0	\$0	\$0				
1.2.4 Preliminary Utility Coordination			4		4	4							12	\$1,696	\$0	\$0				
Subtotal: Phase 1.2			6		28	6	3						43	\$6,482						\$8,500
1.3 Final Deliverables & Utility Coordination																				
1.3.1 Final Test Hole Table						7							7	\$1,054	\$0	\$0	\$0	\$0		
1.3.2 Final Utility (SUE) Plans			2		5								7	\$1,120	\$0	\$0	\$0	\$0		
1.3.3 Final Utility Conflict Matrix					8	2							10	\$1,400	\$0	\$0	\$0	\$0		
1.3.4 Final Utility Coordination						18							18	\$2,736	\$0	\$0	\$0	\$0		
1.3.5 Utility Owner Clearance Letters					8								8	\$1,216	\$0	\$0	\$0	\$0		
1.3.6 Utility Specifications					15								15	\$2,280	\$0	\$0	\$0	\$0		
Subtotal: Phase 1.3			2		61	2							65	\$9,816						
1.4 Geotechnical Investigation																				
1.4.1 Geotechnical Field Investigation													0	\$0	\$0	\$9,900	\$0	\$0	\$0	
1.4.2 Geotechnical Report													0	\$0	\$0	\$5,500	\$0	\$0	\$0	
Subtotal: Phase 1.4																\$15,400				
1.5 Environmental Clearances																				
1.5.1 Environmental Review and Form 128 Completion/Clearance												20	20	\$3,160	\$0	\$0	\$0	\$0	\$0	
1.5.2 Harzardous Waste / Geosearch Review & Form 881-ISA												12	12	\$1,896	\$0	\$0	\$0	\$0	\$0	
1.5.3 Cultural Assessment												2	2	\$316	\$0	\$0	\$6,600	\$0	\$0	
Subtotal: Phase 1.5												34	34	\$5,372			\$6,600			
TASK 1 TOTALS:					10	3	121	35	9	6	34	0	218	\$31,724	\$92	\$15,400	\$6,600	\$8,500	\$0	

TASK 2 - ENGINEERING DESIGN

2.1 Preliminary Design (FIR)																				
2.1.1 Preliminary Roadway Design			8	32									40	\$5,480	\$0	\$0	\$0	\$0	\$0	
2.1.2 Preliminary Sidewalk Design			4	8									12	\$1,700	\$0	\$0	\$0	\$0	\$0	
2.1.3 Preliminary Storm Sewer Design					4	8							12	\$1,616	\$0	\$0	\$0	\$0	\$0	
2.1.4 Preliminary QC Review (Plans, Estimate)					8								8	\$1,792	\$0	\$0	\$0	\$0	\$0	
2.1.5 Deliverables																				
FIR Plans	0	9	68	0	6	16	0	0	0	0	0	0	99	\$13,197	\$0	\$0	\$0	\$0	\$0	
Preliminary Quantities		4	4			1							9	\$1,292	\$0	\$0	\$0	\$0	\$0	
Preliminary Engineer's Estimate of Probable Cost (EOPC)	1	2			1								4	\$703	\$0	\$0	\$0	\$0	\$0	
Subtotal: Phase 2.1	1	27	112	8	11	25							184	\$25,780						
2.2 Final Design (90%)																				
2.2.1 Final Roadway Design			4	16									20	\$2,740	\$0	\$0	\$0	\$0	\$0	
2.2.2 Final Sidewalk Design			2	4									6	\$850	\$0	\$0	\$0	\$0	\$0	
2.2.3 Final Storm Sewer Design					2	4							6	\$808	\$0	\$0	\$0	\$0	\$0	
2.2.4 Final QC Review (Plans, Estimate)					8								8	\$1,792	\$0	\$0	\$0	\$0	\$0	
2.2.5 Deliverables																				
FOR Plans	0	10	91	0	7	16	0	0	0	0	0	0	124	\$16,532	\$0	\$0	\$0	\$0	\$0	
Project Special Provisions		4	16										20	\$3,412	\$0	\$0	\$0	\$0	\$0	
Final Quantities		4	8			1							13	\$1,812	\$0	\$0	\$0	\$0	\$0	
Final Engineer's Estimate of Probable Cost (EOPC)	1	2			1								4	\$703	\$0	\$0	\$0	\$0	\$0	
Subtotal: Phase 2.2	5	38	119	8	10	21							201	\$28,649						
2.4 Design Phase Completion (100%)																				
2.4.1 QC Review (Plans, Specs, Estimate)					4								4	\$896	\$0	\$0	\$0	\$0	\$0	
2.4.2 Deliverables																				
Final Construction Plans & Special Provisions		2	8	8		2							20	\$2,970	\$0	\$0	\$0	\$0	\$0	
Final Bid Tabulation			4										4	\$660	\$0	\$0	\$0	\$0	\$0	
Engineer's Estimate of Probable Cost - For Construction		1	4										5	\$853	\$0	\$0	\$0	\$0	\$0	
Subtotal: Phase 2.3	3	16	8	4		2							33	\$5,379						
TASK 2 TOTALS:	9	81	239	20	21	48	0	0	0	0	0	0	418	\$59,808	\$0	\$0	\$0	\$0	\$0	

TASK 3 - PROJECT ADMINISTRATION

1.1 Project Management & Meetings																				
1.1.1 Project Management (ongoing project coordination)			24										24	\$3,960	\$0	\$0	\$0	\$0	\$0	
CDOT Survey and ROW Coordination												20	20	\$3,600	\$0	\$0	\$0	\$0	\$0	
1.1.2 Meetings																				
Project Kick off Meeting (Assume in person)	5	5	5		5	5							25	\$4,100	\$92	\$0	\$0	\$0	\$0	
FIR Review Meeting		2	2		2	2					2		10	\$1,570	\$0	\$0	\$0	\$0	\$0	
FOR Review Meeting		2	2		2	2					2		10	\$1,570	\$0	\$0	\$0	\$0	\$0	
Monthly Progress Meetings (assume 13 month project duration)	2	13	13		6	6					6		46	\$7,161	\$0	\$0	\$0	\$0	\$0	
1.1.3 Deliverables																				
Meeting Minutes			13										13	\$2,145	\$0	\$0	\$0	\$0	\$0	
Monthly Progress Reports			13										13	\$2,145	\$0	\$0	\$0	\$0	\$0	
TASK 3 TOTALS:	7	72	22	0	15	0	15	0	0	0	0	10	20	161	\$26,251	\$92	\$0	\$0	\$0	\$0

PROJECT TOTALS:	16	153	261	20	46	51	136	35	9	6	44	20	797	\$117,783	\$185	\$15,400	\$6,600	\$8,500	\$0	
------------------------	----	-----	-----	----	----	----	-----	----	---	---	----	----	-----	-----------	-------	----------	---------	---------	-----	--