

VERNON ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT (the "Agreement") is made and entered into this 26th day of February 2019 (the "Effective Date") by and between the Town of Erie, a Colorado municipality with an address of 645 Holbrook Street, P.O. Box 750, Erie, Colorado 80516 (the "Town"), and Beverly Vernon, A Living Trust, a trust with an address of 10675 Goose Haven Drive, Lafayette, CO 80026 ("Owner") (each a "Party" and collectively the "Parties").

WHEREAS, Owner is the owner of certain real property located in unincorporated Boulder County and more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property");

WHEREAS, Owner desires to have the Property annexed to the Town;

WHEREAS, the Town wishes to annex the Property into the Town upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals, mutual covenants, and promises set forth below, the receipt and sufficiency of which are mutually acknowledged, the Parties hereby agree as follows:

1. Annexation. The annexation of the Property shall be in accordance with the Colorado Municipal Annexation Act of 1965, as amended.
2. Purpose. The purpose of this Agreement is to set forth the terms, conditions, and fees to be paid by Owner upon annexation and initial development of the Property. Unless otherwise expressly provided to the contrary herein, all conditions contained herein are in addition to any and all requirements of the Erie Municipal Code, as amended, and other applicable law.
3. Water Rights. Owner shall offer to dedicate any adjudicated water rights to the Town which are appurtenant to the Property as set forth in the Erie Municipal Code. In addition, Owner shall dedicate to the Town all nontributary ground water rights associated with the Property.
4. Sewer Service. The Town shall provide sewer service to the Property at its standard rates. To the extent sewer lines shall be constructed to connect to municipal service, the construction of such lines shall be the obligation and at the sole expense of Owner. The construction and extension of any such necessary lines and associated infrastructure shall be constructed in accordance with Town standards and specifications. The Town shall determine the sewer tap fees based on the Erie Municipal Code. Sewer connections shall be required before the Town will issue a building permit for the construction of a new residential dwelling on the Property.
5. Water Service. The Property is currently provided water service by the Left Hand Water District and the Town does not currently have a water main in the vicinity of the Property. The Property shall continue to be served by the Left Hand Water District until such time as the Town constructs a water main along 119th Street which adjoins the Property. At such time as a water main is so constructed, the Owner hereby agrees to connect to the Town's water system. At such time, the Property shall be excluded from the Left Hand Water District and the transfer of water service to the Town shall proceed in accordance with the Agreement Regarding Water Service and

Boundaries between the Town of Erie and the Left Hand Water District, recorded with the Boulder County Clerk and Recorder at Reception No. 2294066 on June 6, 2002, as that agreement may be amended or revised in the future.

6. Easements. Owner agrees to acquire at its own expense and to dedicate to the Town by special warranty deed all utility easements within the Property as necessary to provide for the location of water and wastewater distribution, collection and transmission lines and related facilities.

7. Northern Colorado Water Conservancy District. On or before the Effective Date of Annexation, Owner shall provide the Town with evidence that the Property is included within the Northern Colorado Water Conservancy District ("NCWCD"). At such time as the Town provides notice that water service will be provided to the Property by the Town, the Owner shall include the Property into the Municipal Subdistrict of NCWCD prior to receiving said water service from the Town.

8. Zoning and Development.

a. Owner hereby consents to the zoning of the Property as Rural Residential (RR), as defined by § 10.2.2 of the Erie Municipal Code. Owner acknowledges that RR zoning, with its gross density not to exceed one dwelling unit per 2 acres, prohibits subdivision of the Property.

b. The existing residential structure shall be demolished within 180 days of the effective date of the ordinance annexing the Property to the Town. Until such time as the Town issues a certificate of occupancy for a new, fully permitted residential structure, Owner shall not allow occupancy of the existing residential structure on the Property, and no person shall use the property for residential purposes. No building permit shall be issued for the Property and no new residential structure shall be constructed on the Property until the existing residential structure has been demolished and a sewer connection has been established for the Property. Upon annexation, the Property is only eligible for only a demolition permit.

c. The Town acknowledges that the gazebo existing on the Property in the location depicted on **Exhibit B**, attached hereto and incorporated herein (the "Gazebo"), does not meet the Town's setback requirements, but the gazebo may remain as a legal nonconforming structure until the gazebo is either demolished or destroyed. If demolished or destroyed, the Gazebo may not be reconstructed.

d. Upon annexation, the Property shall be maintained in good condition and Owner shall immediately comply with the Town's nuisance and weed control ordinances.

e. Subject to the foregoing, Owner may develop the Property in accordance with this Agreement, Town ordinances and regulations and other applicable law.

9. Vested Rights. Upon annexation, Owner waives any prior vested property rights that may have been acquired in Boulder County and acknowledges that this Agreement creates no new vested rights.

10. Remedies. Owner's remedies against the Town for the Town's breach of this Agreement are limited to breach of contract claims. The Town's remedies under this Agreement include without limitation the following:

- a. The refusal to issue any building permit or certificate of occupancy.
- b. The revocation of any building permit previously issued under which construction directly related to such building permit has not commenced, except a building permit previously issued to a third party.
- c. A demand that the security given for the completion of the public improvements be paid or honored.
- d. Any other remedy available at law.

11. Authority of the Town. Nothing in this Agreement shall constitute or be interpreted as a repeal of existing codes or ordinances or as a waiver or abrogation of the Town's legislative, governmental, or police powers to promote and protect the health, safety and general welfare of the Town or its inhabitants.

12. Termination. If the zoning as set forth herein is not approved by the Town, or if the annexation of the Property is not completed, then this Agreement shall be null and void and of no force and effect whatsoever.

13. Miscellaneous

a. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Boulder County, Colorado.

b. No Waiver. Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the Town shall not constitute a waiver of any of the other terms or obligation of this Agreement.

c. Integration. This Agreement constitutes the entire agreement between the Parties, superseding all prior oral or written communications.

d. Third Parties. There are no intended third-party beneficiaries to this Agreement.

e. Notice. Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent pre-paid, first class U.S. Mail to the Party at the address set forth on the first page of this Agreement.

f. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

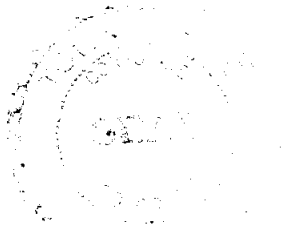
g. Modification. This Agreement may only be modified upon written agreement of the Parties.

h. Assignment. Neither this Agreement nor any of the rights or obligations of the Parties shall be assigned by either Party without the written consent of the other.

i. Governmental Immunity. The Town and its officers, attorneys and employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to the Town and its officers, attorneys or employees.

j. Subject to Annual Appropriation. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the Town not performed during the current fiscal year is subject to annual appropriation, shall extend only to monies currently appropriated, and shall not constitute a mandatory charge, requirement, debt or liability beyond the current fiscal year.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date.



TOWN OF ERIE, COLORADO

Jennifer Carroll
Jennifer Carroll, Mayor

ATTEST:

Jessica Koenig
Jessica Koenig, Town Clerk

OWNER

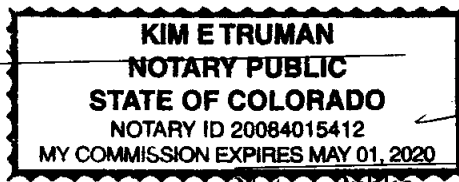
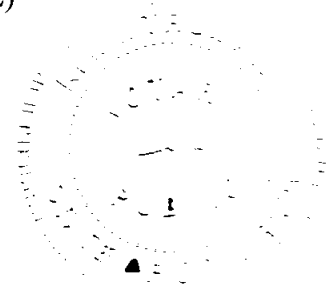
Beverly A. Vernon Living Trust,
by Beverly A. Vernon

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this 20th day of FEBRUARY, 2019, by BEVERLY A. VERNON.

My commission expires:

(SEAL)



Kim E Truman
Notary Public