

AGREEMENT FOR SALE AND PURCHASE OF CBT UNITS

This Agreement for Sale and Purchase of CBT Units (this "Agreement") is made and entered into this ____ day of _____, 2026 by and between **THE TOWN OF ERIE**, with a mailing address of 645 Holbrook Street, Erie, Colorado 80516, hereinafter referred to as "Purchaser," and **ROBERT V. MICHEL** and **CHRISTI J. MICHEL**, both in their individual capacities and in their capacities as Trustees of the **ROBERT AND CHRISTI MICHEL LIVING TRUST DATED MARCH 11, 2019**, with a mailing address of 1036 South County Road 21, Berthoud, Colorado 80513, hereinafter referred to as "Sellers." Purchaser and Sellers are referred to individually as a "Party" and collectively as the "Parties."

For and in consideration of the mutual promises and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **CBT UNITS TO BE TRANSFERRED.** The Purchaser agrees to buy and the Sellers agree to sell three (3) Units in the Colorado-Big Thompson Project ("CBT Units"), as evidenced by an allotment contract ("Allotment Contract") from the Northern Colorado Water Conservancy District ("Northern"). Said CBT Units are currently allocated to the property that is described in **Exhibit A** attached hereto and incorporated by reference herein ("Real Property"). The CBT Units shall be transferred by Seller to Purchaser in accordance with this Agreement, free and clear of all liens and encumbrances, including but not limited to all deeds of trust, liens, security interests, prior or preemptive rights to purchase, encumbrances and assessments, leases or other pending sale's agreements or first rights of refusal ("Liens").

2. **PURCHASE PRICE AND PAYMENT TERMS.** The purchase price per CBT Unit shall be \$57,000.00, for a total purchase price for all three (3) CBT Units of \$171,000.00 (the "Purchase Price"). This transaction is being scheduled for presentation at Purchaser's Council Meeting on **June 9, 2026**. By **June 12, 2026**, Purchaser shall deposit the sum of \$20,000.00 with Land Title Guarantee Company, 772 Whalers Way, Suite 100, Fort Collins, Colorado 80525, Attn: Donna Mancini, Email: dmancini@ltgc.com ("Escrow Agent") as earnest money (the "Earnest Money

Deposit"). Purchaser shall deposit the remainder of the Purchase Price in the amount of \$151,000.00 with Escrow Agent on or before **August 1, 2026**. The transfer of the CBT Units to the Purchaser shall be considered and acted upon at the regularly scheduled Northern Board meeting no later than its **August 13, 2026** Board Meeting (the "Northern Board Meeting"), for which the Board packet deadline is **July 1, 2026**. The Purchase Price shall be released from escrow to Sellers pursuant to the terms of the Escrow Agreement, attached hereto as **Exhibit B**, upon the occurrence of all of the following conditions (the "Closing Conditions"):

- a) written confirmation from Northern that an Allotment Contract for the CBT Units will be issued to the Purchaser upon Purchaser's payment to Northern of 2026 assessments for the CBT Units (municipal rate of \$56.17 per CBT Unit x 3 Units = \$168.51 total assessment payment for 2026), **and** Purchaser's payment of the \$168.51 in assessments prior to the **August 13, 2026** Northern Board Meeting;
- b) delivery to Purchaser of an updated (through the date of the Northern Board Meeting) Ownership and Encumbrance Report and an updated Uniform Commercial Code report ("UCC Report") indicating (i) no Liens against the Real Property or the CBT Units or (ii) only Liens that will be released at "Closing," as hereinafter defined; and
- c) delivery by Sellers to Purchaser of executed originals of releases of any Liens; and
- d) any and all other documents required by Northern to transfer the CBT Units to Purchaser.

If all of the Closing Conditions have not been satisfied by **August 29, 2026**, Sellers and Purchaser shall work in good faith to mutually extend the date of Closing, or Purchaser shall diligently pursue the execution of all necessary documentation, if any, to transfer the CBT Units back to Sellers. Upon the completed transfer of CBT Units back to Sellers, all funds in escrow shall be released to Purchaser by Sellers.

3. **ESCROW AGENT.** The Parties agree and appoint Land Title Guarantee Company as Escrow Agent pursuant to the terms of the Escrow Agreement attached hereto as **Exhibit B**. Purchaser shall each pay all of the escrow fees (total of \$400).

4. **CLOSING.** Upon the satisfaction of the Closing Conditions, the Parties shall close on the purchase and sale of the CBT Units as contemplated in this Agreement (the "Closing") through the Escrow Agent as soon as reasonably practical but in no event later than **August 29, 2026**, unless a written extension is executed by the Parties hereto.

5. **APPROVAL OF THIRD PARTIES.** Time is of the essence. Both Purchaser and Sellers recognize the need for obtaining necessary signatures from various third Parties, including Northern, to accomplish this transfer; and it is agreed that both Purchaser and Sellers will cooperate and exercise their timely and best efforts to obtain same. If after that effort, either Party is unable to obtain the signatures, then the Escrow Agent shall return all money deposited to the Purchaser and this Agreement shall become null and void and all rights and obligations hereunder shall terminate. All matters required for Northern's approval must be submitted to Northern by **July 1, 2026**, unless that date is extended by Northern, and ready for presentation to Northern's Board of Directors no later than the August Northern Board Meeting.

6. **WARRANTY.** Sellers warrant to Purchaser that the CBT Units will be conveyed free and clear of all Liens. Said warranty shall survive the Closing and the transfer of the allocation of the CBT Units by Northern to Purchaser.

7. **DEFAULT.**

a) In the event that Purchaser defaults in making or performing any covenant provided for in this Agreement, Sellers shall give written notice of the default to the Purchaser. If the default is not cured within ten (10) days after delivery of the notice, then Sellers shall have the right to receive the Earnest Money Deposit as liquidated damages as its sole and exclusive remedy under this Agreement.

b) In the event that Sellers (i) defaults in the performance of any of Sellers' material obligations under this Agreement, other than its obligation to proceed to Closing (for which there shall be no cure period), which default remains uncured for ten (10) days after delivery of notice from Purchaser to Sellers of such default, or (ii) defaults in its obligation to proceed to Closing or otherwise fails to consummate the transaction contemplated by this Agreement, Purchaser may either elect to terminate this Agreement by giving written notice to Sellers or elect to treat this Agreement as being in full force and effect and Purchaser shall have the right to an action for specific performance. If Purchaser properly terminates this Agreement, the Earnest Money Deposit shall be refunded to Purchaser. If Purchaser proceeds to Closing notwithstanding any defaults by Sellers, Purchaser shall be deemed to have waived such known defaults.

c) The Parties expressly waive, and agree that in no event shall either Party be liable for, any speculative, consequential, or punitive damages as a result of this Agreement.

8. **TRANSFER FEES.** Sellers shall pay any transfer fees charged by Northern for issuance of any Allotment Contract evidencing the CBT Units in the Purchaser's name.

9. **ASSESSMENTS.** Sellers have not yet paid the assessments for the current CBT Water Year (*i.e.*, the 2026 CBT Water Year), as agricultural CBT Units are paid through property taxes one year in arrears. As stated above in Paragraph 2, Purchaser shall pay the 2026 assessments for the CBT Units. Purchaser shall pay any other charges necessary for Purchaser's use of the water allotted to the CBT Units, including without limitation Northern's Rule 11 charges. Purchaser shall have use of water allotted to the CBT Units for the 2026 Water Year and thereafter.

10. **OWNERSHIP AND ENCUMBRANCE REPORT AND UCC REPORT.** At its cost, Purchaser shall obtain an Ownership and Encumbrance Report no later than June 5, 2026, evidencing that Sellers hold title to the CBT Units and that there are no Liens on the CBT Units or only Liens that will be released at Closing. Purchaser may obtain a UCC Report in its discretion and at its cost. The Ownership

and Encumbrance Report and any UCC Report shall be updated at Closing through the date of the NCWCD Board Meeting. If any Liens and/or encumbrances appear on said Ownership and Encumbrance Report or UCC Report at that time, Purchaser may elect to terminate this Agreement in writing and all rights and obligations hereunder shall terminate and this agreement shall be null and void. In such case, all funds in escrow shall be returned to Purchaser.

11. GOVERNING LAW. It is expressly understood and agreed between the Parties that this Agreement shall be governed by, and its terms construed under, the laws of the State of Colorado.

12. HEADINGS. Paragraph headings used herein are for convenience of reference and shall in no way define, limit, or prescribe the scope or intent of any provision under this Agreement.

13. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

14. LEGAL ADVICE. All Parties are hereby advised to seek competent tax and/or legal advice regarding this transaction.

15. NOTICES. Any notice or other communication given by either Party to the other Party hereunder shall be in writing and shall be deemed to have been duly given (i) on the date and at the time of delivery, if delivered personally to the Party to whom notice is given at the address specified below; or (ii) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed as specified below; or (iii) on the date and at the time shown on the delivery acknowledgment provided by the courier if sent by a nationally recognized overnight courier service (such as Federal Express) that provides evidence of delivery; or (iv) on the date and at the time shown on the e-mail message if sent to the e-mail addresses specified below (or at such other addresses as has been previously furnished in writing to the other Party):

If to Purchaser, to:

Town of Erie

c/o Todd Fessenden, Utilities Director
645 Holbrook Street
Erie, Colorado 80516
303-926-2895
tfessenden@erieco.gov

With a copy to:

Lyons Gaddis, P.C.
Attention: Peter C. Johnson and Andrea A. Kehrl
950 Spruce Street, Suite 1B
Louisville, CO 80027
303-678-6514 or 303-678-6534
pjohnson@lyonsgaddis.com; akehrl@lyonsgaddis.com

If to Sellers, to:

Robert and Christi Michel Living Trust
c/o Robert V. Michel and Christi J. Michel, Trustees
1036 South County Road 21
Berthoud, CO 80513
Email: christi50.cm@gmail.com

16. AUTHORITY ON BEHALF OF SELLERS. Sellers represent and warrant that their signatories to this Agreement are authorized to enter and implement this Agreement on behalf of Sellers, both in their individual capacities and as trustees. Sellers consent to providing a copy of the underlying formation agreement or other document that authorizes the signatories to the Agreement to act on behalf of the Sellers, including the authority to sell the CBT Units held by Sellers, to Purchaser and to NCWCD.

17. NOTICE OF ACCEPTANCE; COUNTERPARTS. If this proposal is accepted by all Parties by virtue of signatures below and if all Parties receive notice of such acceptance on or before the close of business on **June 12, 2026**, this instrument shall become a binding contract between Sellers and Purchaser, and shall inure to the benefit of their heirs, successors and assigns. If this proposal is not so accepted by all Parties by **June 12, 2026**, this proposal shall become null and void, and of no effect.

This Agreement may be executed in counterparts, which collectively shall be deemed to be a full and complete copy between the Parties. Electronic signatures of the Parties shall be valid and binding upon the Parties.

[Remainder of page intentionally left blank. Signature pages to follow.]

SIGNATURE PAGE
TO THE
AGREEMENT FOR SALE AND PURCHASE OF CBT UNITS

PURCHASER: TOWN OF ERIE

By: _____
Andrew Moore, Mayor

Date: _____

SELLERS:

**ROBERT V. MICHEL, INDIVIDUALLY AND AS
TRUSTEE OF THE ROBERT AND CHRISTI MICHEL
LIVING TRUST DATED MARCH 11, 2019,**

Signature: 
Name: Robert V. Michel
Date: 5-20-2026

**CHRISTI J. MICHEL, INDIVIDUALLY AND AS
TRUSTEE OF THE ROBERT AND CHRISTI MICHEL
LIVING TRUST DATED MARCH 11, 2019**


Signature: 
Name: Christi J. Michel
Date: 5/20/2026

EXHIBIT A
Legal Description of the Real Property

Street Address:

1036 S. County Road 21
Berthoud, Colorado 80513

Larimer County Assessor Parcel No.:

9428200013

Metes and Bounds Legal Description:

PAR IN 28-4-69, BEG AT PT N 0 21' 15" E 733.28 FT & S 81 15' 40" E 50.64 FT FROM
W 1/4 COR, S 0 21' 15" E 334.48 FT, N 89 57' 43" E 451.35 FT, N 3 6' 8"W 273.16 FT, S 86
53' 52" W 145 FT, N 71 10' 25



EXHIBIT B

ESCROW AGREEMENT

1. **PARTIES.** The parties to this Escrow Agreement are the Town of Erie ("Purchaser") and **ROBERT V. MICHEL** and **CHRISTI J. MICHEL**, both in their individual capacities and in their capacities as Trustees of the **ROBERT AND CHRISTI MICHEL LIVING TRUST DATED MARCH 11, 2019** ("Sellers"), and Land Title Guarantee Company ("Escrow Agent"). Purchaser, Sellers, and Escrow Agent are referred to individually as a "Party" and collectively as the "Parties."

2. **RECITAL.** The Sellers and Purchaser have entered into an Agreement for Purchase and Sale of three (3) Units in the Colorado-Big Thompson Project ("CBT Units") which is operated by the Northern Colorado Conservancy District ("NCWCD") attached hereto as **EXHIBIT 1** ("Sales Agreement"). All terms not defined here shall have the meaning given to them in the Sales Agreement.

3. **DEPOSITS INTO ESCROW.** The Purchaser will deposit \$20,000.00 as the Earnest Money Deposit by **June 12, 2026**, and the balance of \$151,000.00 into escrow with the Escrow Agent by **August 1, 2026**. If any deposit does not occur by its specified deadline, the Escrow Agent shall notify Sellers, Purchaser, and NCWCD.

4. **ESCROW ACCOUNT FEES.** The Purchaser hereby agrees to pay Escrow Agent \$400.00 as consideration for this Escrow Agreement upon the execution hereof.

5. **CONDITIONS FOR CLOSING.** Funds held under this Escrow Agreement shall be disbursed as set forth in Section 6 on or before **August 29, 2026**, upon confirmation of the following:

- a. Written confirmation from Northern that an Allotment Contract for the CBT Units will be issued to the Purchaser upon Purchaser's payment to Northern of 2026 assessments for the CBT Units (municipal rate of \$56.17 per CBT Unit x 3 Units = \$168.51 total assessment payment for 2026), **and** Purchaser's payment of the \$168.51 in assessments prior to the **August 13, 2026** Northern Board Meeting;

- b. Copies of the releases of all deeds of trust, liens, security interests, and encumbrances (“Liens”), if any, on said CBT Units; and
- c. Updated Ownership and Encumbrance Report; and
- d. Uniform Commercial Code Report(s), showing unencumbered title or only Liens that will be released at Closing through the date of the NCWCD Board Meeting at which the transfer of the CBT Units is reviewed for approval by NCWCD; and
- e. Any and all other documents required by NCWCD to transfer the CBT Units to Purchaser.

6. DISBURSEMENT OF FUNDS FROM SALES AGREEMENT. Within ten (10) days of the written notice from Purchaser or delivery of the documents referenced in Section 5 hereof to Escrow Agent, the funds shall be distributed as follows, unless otherwise agreed to in any final settlement statement(s) signed by the Parties:

- a. \$171,000.00 to Sellers.

7. FAILURE OF SALES AGREEMENT TO CLOSE. In the event the conditions in the Sales Agreement are not satisfied on or before **August 29, 2026**, Escrow Agent shall deliver all funds in Escrow with any interest to Purchaser, unless the Parties extend that deadline pursuant to Section 2 of the Sales Agreement.

8. ADDITIONAL DOCUMENTS OR ACTION. The Parties agree to execute any additional documents and to take any additional action necessary to carry out this Escrow Agreement.

9. INDEMNIFICATIONS. In the event of any conflicting demand made upon it in connection with this Escrow Agreement, Escrow Agent may continue to hold the escrowed funds until receipt of instructions from both Parties or until a final order by a court of competent jurisdiction resolving the subject dispute. Escrow Agent shall be entitled to rely upon any such final order. If for any reason the Parties fail to resolve a dispute, Escrow Agent may, at its discretion, commence a civil action to interplead any conflicting demands made upon it. Escrow Agent's

deposit with a court of competent jurisdiction of the escrowed funds shall relieve Escrow Agent from all further liability and responsibility hereunder. To the extent permitted by law, the Parties agree to indemnify and save Escrow Agent harmless against all costs, damages, attorneys' fees, expenses and liabilities which Escrow Agent may incur or sustain in connection with this Escrow Agreement, including any interpleader action brought by Escrow Agent. Escrow Agent shall not be liable for any act it may do or omit to do hereunder while acting in good faith and in the exercise of its reasonable judgment, and any act done or omitted by Escrow Agent pursuant to the advice of its attorney shall be conclusive evidence of such good faith and reasonable judgment.

10. NOTICES. Any notice pursuant to this Escrow Agreement shall be given in writing by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) e-mail transmission of a PDF copy of the signed written notice, sent to the intended addressee at the email address set forth below, or to such other physical or email address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of e-mail transmission, as of the date of the e-mail. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Escrow Agreement shall be as follows.

If to Purchaser, to:

Town of Erie
c/o Todd Fessenden, Utilities Director
645 Holbrook Street
Erie, Colorado 80516
303-926-2895
tfessenden@erieco.gov

With a copy to:

Lyons Gaddis, P.C.
Attention: Peter C. Johnson and Andrea A. Kehrl
950 Spruce Street, Suite 1B
Louisville, CO 80027

303-678-6514 or 303-678-6534
pjohnson@lyonsgaddis.com; akehrl@lyonsgaddis.com

If to Sellers, to:

Robert and Christi Michel Living Trust
c/o Robert V. Michel and Christi J. Michel, Trustees
1036 South County Road 21
Berthoud, CO 80513
Email: Christi.cm@gmail.com

If to Escrow Agent:

Land Title Guarantee Company
772 Whalers Way, Suite 100
Fort Collins, Colorado 80525
Attn: Donna Mancini
Email: dmancini@ltgc.com

11. TIME OF THE ESSENCE. Time is of the essence to all performance required by the instructions hereunder.

12. PARAGRAPH CAPTIONS. The captions of the paragraphs are set forth only for convenience and reference, and are not intended in any way to define, limit, or describe the scope or intent of the instructions hereunder.

[Remainder of page intentionally left blank. Signature page to follow.]

SIGNATURE PAGE
TO ESCROW AGREEMENT

PURCHASER:


Town of Erie

By: _____
Andrew Moore, Mayor

Date: _____


SELLER:

**ROBERT V. MICHEL, INDIVIDUALLY AND AS
TRUSTEE OF THE ROBERT AND CHRISTI MICHEL
LIVING TRUST DATED MARCH 11, 2019,**

Signature: 
Name: Robert V. Michel
Date: 5-20-2026

SELLER:

**CHRISTI J. MICHEL, INDIVIDUALLY AND AS
TRUSTEE OF THE ROBERT AND CHRISTI MICHEL
LIVING TRUST DATED MARCH 11, 2019**

Signature: 
Name: Christi J. Michel
Date: May 20, 2026

**ESCROW AGENT:
Land Title Guarantee Company**

By: _____

Name: _____

Title: _____

Date: _____