

**TOWN OF SEVERANCE
ORDINANCE NO. 2025-13**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, ANNEXING THE PROPERTY KNOWN AS THE BOWER NORTH
ANNEXATION TO THE TOWN OF SEVERANCE, COLORADO; AND APPROVING
THE ASSOCIATED ANNEXATION AGREEMENT**

WHEREAS, the Town of Severance (“Town”) Council previously adopted a resolution finding substantial compliance and initiating annexation proceedings for the property known as the Bower North Annexation, (the “Property”), as described therein and as described below; and

WHEREAS, the Town Council subsequently adopted a resolution setting forth findings of fact and determinations regarding the eligibility of the Bower North Annexation for annexation; and

WHEREAS, the property owner submitted a petition for annexation, and the Planning Commission recommended approval of the Bower North Annexation on June 18, 2025; and the Town and the property owner have since negotiated and agreed upon certain terms governing the annexation of the property; and

WHEREAS, the Town Council conducted a public hearing on the Annexation Application on August 12, 2025; and

WHEREAS, after considering the testimony, evidence and argument presented at the Town Council public hearing, the Town Council finds and determines that the Annexation Application is complete, and that the Applicant has met the applicable requirements and standards set forth in Section 16.3.80(d) of the Severance Municipal Code and state statute; and

WHEREAS, the Town Council has determined that it is in the best interests of the Town of Severance to annex the Property known as the Bower North Annexation to the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO:

Section 1. The Town Council makes and adopts the determinations and findings contained above.

Section 2. The Town Council hereby incorporates the findings of its previously adopted resolutions concerning substantial compliance and eligibility. The Town Council further finds that the annexation of the Property complies with the Municipal Annexation Act of 1965 and is in the best interests of the Town.

Section 3. The Property, as more particularly described in **Exhibit A**, attached hereto and incorporated herein, is hereby annexed to the Town and made a part of the Town, to be known as the Bower North Annexation. The annexation shall become effective upon completion of the conditions set forth in C.R.S. § 31-12-113, including all required filings with the Weld County Clerk and Recorder.

Section 4. The Annexation Agreement between the Town and the Property owner concerning the Bower North Annexation is approved in substantially the same form as the copy attached hereto as **Exhibit B**. Upon the effective date of this Ordinance, the Mayor is authorized to execute the Agreement on behalf of the Town.

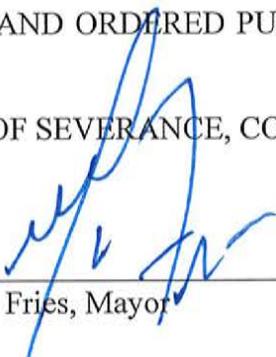
Section 5. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Town Council hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 6. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portions hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 7. Prior to recording, all staff comments regarding the annexation map shall be corrected and adhered to,

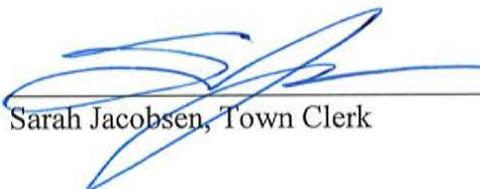
INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 12th day of August, 2025.

TOWN OF SEVERANCE, COLORADO



Matthew Fries, Mayor

ATTEST:



Sarah Jacobsen, Town Clerk



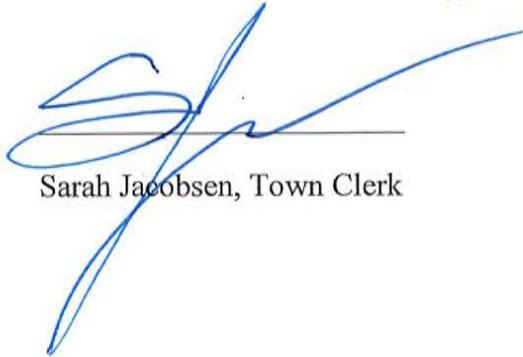
AFFIDAVIT OF PUBLICATION

STATE OF COLORADO)
)
COUNTY OF WELD)

I, Sarah Jacobsen, Town Clerk for the Town of Severance, Colorado do solemnly swear and affirm that I published in full a true and correct copy of Ordinance No. 2025-14 enacted by

the Town Council on August 12 2025, on the Town of Severance's website,
<https://www.townofseverance.org/255/Ordinances> , on the 15 day of August, 2025.

Witness my hand and seal this 15 day of August, 2025.



A handwritten signature in blue ink, appearing to be 'S. Jacobsen', written over a horizontal line.

Sarah Jacobsen, Town Clerk

EXHIBIT A

Legal Description

PROPERTY DESCRIPTION

A TRACT OF LAND LOCATED IN THE EAST 1/2 OF SECTION 3, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN; COUNTY OF WELD, STATE OF COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN BEING MONUMENTED AT THE CENTER QUARTER CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "LS22098", AND AT THE SOUTH QUARTER CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "LS22098" ASSUMED TO BEAR S00°43'02"E A DISTANCE OF 2569.96 FEET.

COMMENCING AT THE CENTER QUARTER CORNER OF SAID SECTION 3,

THENCE ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, S00°43'02"E A DISTANCE OF 91.95 FEET TO THE NORTHWEST CORNER OF PARCEL A RECORDED UNDER RECEPTION NO. 4942158 IN THE RECORDS OF THE WELD COUNTY CLERK AND RECORDER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE ON THE NORTHERLY OF SAID PROPERTY, N86°11'12"E A DISTANCE OF 619.87 FEET, TO A POINT ON THE EXISTING BOUNDARY OF THE TOWN OF SEVERANCE, AS ANNEXED IN HUNTERS CROSSING ANNEXATION AND ZONING MAP NUMBER 1 RECORDED UNDER RECEPTION NO. 4431194;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE, N86°11'12"E A DISTANCE OF 1971.01 FEET, TO A POINT ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE, AS ANNEXED IN PLAT OF THE MIKELSON ANNEXATION RECORDED UNDER RECEPTION NO. 2859664;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE AS ANNEXED IN SAID PLAT OF THE MIKELSON ANNEXATION, S00°20'56"E A DISTANCE OF 60.32 FEET, TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 3;

THE DEPARTING SAID NORTH LINE, ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE AS ANNEXED IN THE OVERLOOK ANNEXATION AND ZONING MAP RECORDED UNDER RECEPTION NO. 4282922, S00°20'49"E A DISTANCE OF 2546.05 FEET, TO A POINT ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE, AS ANNEXED IN THE RESERVE ANNEXATION NO. 1, 2, 3, 4, AND 5 RECORDED UNDER RECEPTION NO. 3479091;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE, S89°41'32"W A DISTANCE OF 2570.32 FEET, TO A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3;

THENCE ON SAID WEST LINE, N00°43'02"W A DISTANCE OF 2448.01, TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 6,516,244 SQUARE FEET OR 149.59 ACRES.

EXHIBIT B

Bower North Annexation Agreement

**ANNEXATION AGREEMENT
(Bower North Annexation)**

This Agreement is made and entered into this ____ day of _____, 2025, by and between **Platte Land & Water, LLC**, a Delaware limited liability company, with a legal address of 3900 E. Mexico Avenue, Suite 614, Denver CO 80210 (the “Annexor”), and the **Town of Severance**, a Colorado municipal corporation, with a legal address of 3 South Timber Ridge Pkwy, PO Box 339, Severance, CO 80546 (the “Town”). The Town and Annexor may be termed individually a “Party” or collectively the “Parties.”

WHEREAS, the Annexor holds fee title to one hundred percent of the property to be annexed to the Town pursuant to the “Bower North Annexation,” and as more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference (hereinafter the “Annexation Property” or the “Property”); and

WHEREAS, the Annexor desires to have the Property annexed to and be subject to the jurisdiction of the Town, upon and subject to the terms and conditions set forth herein, all of which conditions are agreeable to the Annexor; and

WHEREAS, the Annexor has filed or intends to file a Petition to annex the Property to the Town; and

WHEREAS, the Parties desire to include in this Agreement certain provisions, understandings and agreements regarding the Property and its annexation; and

WHEREAS, the Town Council has determined that it is in the best interest of the Town to annex the Property, to provide certain municipal services thereto, and to receive revenues from the Property upon the terms and conditions contained herein.

THEREFORE, in consideration of the recitals, promises, mutual covenants and agreements herein contained, the parties agree as follows:

1. Warranties of Parties.
 - (a) Annexor.
 - (i) Annexor is the legal and equitable owner of the Annexation Property and has the legal capacity and the authority to enter into and perform its obligations under this Agreement.
 - (b) Town of Severance.
 - (i) The Town of Severance is a Colorado home-rule municipality and has the power to take all actions required to authorize this Agreement and to carry out the obligations hereunder.
2. Annexation. The annexation of the Annexation Property shall be in accordance

with the Colorado Municipal Annexation Act of 1965, as amended, the Severance Municipal Code and all applicable laws.

- (a) Conditions Precedent. Annexation of the Property shall not become effective, and neither the Annexor nor the Town shall record or cause to be recorded the items described in C.R.S. § 31-12-113(2)(a)(II)(A) or this Agreement, until all of the following conditions have been satisfied (it being acknowledged that the Town shall record the requisite documents to effect annexation of the Property upon satisfaction of the conditions precedent):
 - (i) The Annexor and the Town have mutually executed and delivered this Agreement;
 - (ii) The ordinance approving the annexation of the Property has become effective in accordance with the provisions of the Severance Municipal Code; and
 - (iii) The Town Council approves Suburban Perimeter and Rural Residential zoning for the Property.
 - (b) Failure of Conditions. Until the conditions precedent set forth in subparagraph 2.a have been satisfied, this document shall constitute an offer by the Annexor and the Town to enter into this Agreement (notwithstanding the parties' mutual execution and delivery of this document), and the annexation of the Property to the Town shall not become effective. In such case, neither the Annexor nor the Town shall record or cause to be recorded this Agreement or the items described in C.R.S. § 31-12-113(2)(a)(II)(A).
3. Purpose. The purpose of this Agreement is to set forth the terms, conditions, and fees to be paid by the Annexor upon the 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 Severance Municipal Code, as amended.
4. Consent to Annexation. Annexor hereby consents to the annexation of the Property subject to the terms of any Petition for Annexation filed with the Town, pursuant to C.R.S. § 31-12-107(1), and this Agreement.
5. Zoning.
 - (a) Annexor hereby consents to the zoning of the Property as Suburban Perimeter and Rural Residential, in accordance with the Town's established zoning designations and consistent with the Zoning Application submitted to the Town by Annexor. Initial zoning of the Property may be considered simultaneously with the Petition for Annexation by the Town as allowed by the Colorado Municipal Annexation Act of 1965.

- (b) Annexor is entering into this Agreement and is undertaking the obligations imposed upon Annexor herein in reliance upon the Town's adoption of an ordinance annexing the Property into the Town and an ordinance zoning the Property as provided in this Paragraph. Performance of Annexor's obligations hereunder is expressly conditioned upon the Town's adoption of the ordinances described in this Paragraph. If the Town fails to adopt the ordinances described in this Paragraph, then the petition for annexation shall be deemed withdrawn and the annexation process shall be terminated
 - (c) Because the zoning of property in Colorado constitutes legislative action by a municipality, nothing in this Agreement shall be construed to be an agreement, commitment, or contract binding the Town to approval of any specific zoning. Moreover, nothing in this Paragraph shall constitute or be interpreted as a waiver or abrogation of the Town's legislative, governmental, or police powers to later rezone the Property to promote and protect the health, safety and general welfare of the Town or its inhabitants.
 - (d) The Property is currently being used for agricultural purposes. The Town will allow the property to continue to be used for agricultural purposes until such time as the Property is approved for development and such development commences.
 - (e) A minimum of 4 acres shall be dedicated as commercial use on all future plats.
6. Application of Town Laws. Except as expressly provided herein, all Town ordinances, regulations, policies, and procedures, and all requirements contained in the Severance Municipal Code, currently in effect and as the same may be amended from time to time, shall be applicable to the use and development of the Property, upon annexation.
7. Water Services. The Annexation Property is outside of the Town of Severance Water Service Area. Water Service shall be provided by North Weld County Water District (NWCWD). Prior to approval of any development of the Annexation Property, Annexor or their successors shall arrange for water service from NWCWD and submit to the Town a will serve letter.
8. Sewer Services. Subject to the provisions of this Section 8, the Town will provide sewer services to the Annexation Property if Annexor satisfies all requirements of the Severance Municipal Code related to municipal sewer service, and the Town has the capacity to provide sewer service either through its own sewer treatment facility or by contract with another sewer treatment facility.
- (a) No Vested Rights. Annexor acknowledges and agrees that no vested property rights are granted by this Agreement.
- (b) System Connection. Annexor acknowledges and agrees that capacity in the Town's

wastewater system is not currently available or capable of serving the potential maximum development of the Property. Sanitary sewer and wastewater service will be approved and provided at the sole discretion of the Town Engineer, Town Manager, and Town Council. In order to provide sanitary sewer and wastewater service, the following conditions must be satisfied, at a minimum:

(i) Wastewater conveyance conditions and steps for approval:

- (1) Wastewater will need to be conveyed from the development to the 18" Interceptor which parallels the Great Western Trail. The Town of Severance can evaluate if the existing sanitary sewer collection system can accommodate this development, if any, or a portion of the development.
- (2) The applicant will need to identify the sanitary sewer connection points and the quantity of wastewater generated. The Town of Severance can evaluate the existing wastewater collection system to check if any remaining capacity exists.
- (3) If there is capacity within the existing wastewater collection system, wastewater flow monitoring will need to be completed for a two (2) week period to confirm the modeling results.
- (4) If no additional capacity exists within the existing wastewater collection system, then a new sanitary sewer will need to be designed and installed from the development to the 18" Interceptor which parallels the Great Western Trail.

(ii) Wastewater treatment conditions and steps for approval:

- (1) The wastewater for this project will be treated at the Town of Windsor Wastewater Treatment Facility (WWTF). The Town of Windsor is not able to provide the wastewater treatment capacity per the original Intergovernmental Agreement (IGA) with the Town of Severance. Wastewater treatment capacity for this development is dependent on a future Town of Windsor WWTF expansion.
- (2) The Colorado Department of Public Health and Environment (CDPHE) will need to provide written notification that the Town of Severance WWTF can operate in perpetuity. If the Town of Severance WWTF does not receive perpetual approval from the CDPHE, it will be decommissioned, and all of that wastewater will be sent downstream to the Town of Windsor WWTF. This will reduce the available wastewater treatment capacity for other developments.
- (3) Town Management will need to determine how much of the remaining Town of Windsor WWTF treatment capacity can be dedicated to this development.
- (4) An IGA amendment with the Town of Windsor will need to be executed providing wastewater treatment capacity for this project.
- (5) An on-site wastewater treatment facility may be allowed if approved by Town Management and Town Council, if owned and operated by a Town Council approved Metropolitan District, and if approved by all applicable referral agencies.

(c) Septic. All lots on the Property in the area zoned Rural Residential shall be

allowed to be on individual On-Site Wastewater Treatment Systems (“OWTS”) but may also be connected to and provided sewer services by the Town if Annexor satisfies all requirements of the Severance Municipal Code related to municipal sewer service, and the Town has the capacity to provide sewer service either through its own wastewater treatment facility or by contract with another wastewater treatment facility. Approval will be at the sole discretion of the Town Engineer, Town Management, and the Town Council.

9. Other Services. Upon annexation, the Town shall provide all customary public safety (but excluding fire protection), public roadway and maintenance services, and other municipal services commonly provided by the Town to the Annexation Property, to the same extent and upon the same terms and conditions as such services are provided to other properties throughout the Town.
10. Special District Formation. The Town may allow the formation of a special district or metropolitan district that includes the Property within its district boundaries to finance the construction of public improvements, subject to the applicable provisions of the Municipal Code Chapter 19 – Special Districts.
11. Water Dedication. Water dedication for treatment and potable water service to the Annexation Property shall be in accordance with the requirements of North Weld County Water District.
12. Non-Potable Water. In accordance with Section 16.4.40 of the Severance Municipal Code, upon development of the Property, Annexor shall design, construct, and install, and the Town may require Annexor to design, construct, and install, an on-site non-potable water system that is adequate to fully meet all of the irrigation demands and requirements for all end uses of the proposed development. It is intended and contemplated herein that the non-potable system shall be adequate to irrigate all irrigable areas within the Property with non-potable water. The non-potable water system will either i) become an extension of the Town’s Non-potable Water Enterprise and will be owned, operated, and maintained by the Town after acceptance by the Town; or ii) be owned, operated, and maintained by the Metropolitan District, if one is approved, after acceptance by the Town.
 - (a) Non-Potable Water Dedication.
 - i. Annexor owns certain water rights appurtenant to the Property that are more particularly described on **Exhibit B**, attached hereto and made a part of this Agreement (the "Water Rights").
 - ii. Annexor shall lease to either the Town or to a “water enterprise” of the Metropolitan District, if one is approved, all Water Rights required for irrigating all areas within the Property with non-potable water to be furnished through the non-potable water system.

- iii. The lease agreement shall contain, at a minimum, the following provisions:
 - (1) All Water Rights to be leased shall be non-transferable (that is, the Annexor may not sublet, sell, donate, loan, assign, or otherwise dispose of any of its rights to the lease or the leased Water Rights), and cannot be encumbered by any creditor of Annexor other than the Town without the express written approval of the Town;
 - (2) The term of the lease shall be for a period of forty (40) years from the date of execution, with automatic renewals of 40-year terms for the full amount of leased Water Rights.
 - (3) The lessor may not terminate the lease except for the lessee's non-payment or if the lessor's legal ability to deliver the full amount of leased Water Rights is materially impaired or eliminated because of the termination or adverse modification of permits, decrees, or other authorizations which are needed to deliver the leased Water Rights.
 - iv. Any lease agreement or renewal between Annexor and the Metropolitan District shall be subject to review and approval by the Town.
 - v. If the non-potable system as contemplated does not irrigate all of the areas of the Property, the Annexor shall be required to irrigate those areas with potable water through its service agreement with North Weld County Water District.
- (b) If, for any reason, the Metropolitan District (whether directly or through a water enterprise) should fail to own or operate the non-potable water system, or fail to provide irrigation for all areas of the Property with non-potable water, the Town shall have the right:
- i. to require transfer of the on-site potable water system owned by the Metropolitan District to the Town and to require transfer or assignment of the Metropolitan District's rights to the lease or the leased Water Rights to the Town; or
 - ii. to require Annexor to acquire and dedicate additional water rights in a form solely determined by the Town and in an amount sufficient to fully supply the irrigation with non-potable water

requirements for all end uses of the proposed development, including drought years, based on the Town's then-current water dedication requirements, if such areas will be served by the Town.

13. Special Provisions.

- (a) School Site. No school sites are anticipated for this Property.
- (b) Open Space. Open space or parks dedicated to the Town at the time of development, if any, shall be deeded to the Town free and clear of all liens and encumbrances.
- (c) Right-of-Way. At the time of development, Annexor shall convey the following rights-of-way for public streets to the Town:
 - i. A right-of-way for the widening Teller Street (CR 21) shall be conveyed to the Town free and clear of liens or encumbrances at the time of development.
 - ii. A right-of-Way for the extension of Tinsman Avenue (CR 72) shall be conveyed to the Town free and clear of liens or encumbrances at the time of development.
- (d) In general, the Town defers the dedication of street right-of-way and utility easements to the time of development. However, the Town reserves the right to require Annexor to convey any street right-of-way or utility easements when required by the Town upon at least 30 days prior written notice. This reservation is intended to allow the Town to secure right-of-way for arterial street extensions or widening or for easements for public utilities (water, sanitary sewer, or storm drainage) that are necessary for the public health, safety, or welfare ahead of development of the Property. Any utility easements required by the Town subsequent to this section shall be accompanied by an easement agreement in the standard form of the utility owner.

14. Notice Upon Sale, or Transfer. Within 30 days after a sale or transfer of the Property, or any portion thereof, the Town shall be provided written notice of such sale or transfer, which notice shall include the name, address and telephone number of the new owner of the Property.

15. Notices. All notices, demands, or other documents required or desired to be given to either party under this Agreement shall be made in writing and shall be deemed effective upon receipt and shall be personally delivered or mailed by certified mail as follows:

Town: Nicholas J. Wharton, Town Manager
Town of Severance
3 S. Timber Ridge Pkwy, PO Box 339
Severance, CO 80546

Copy to: Wilson Williams Fellman Dittman
c/o Severance Town Attorney
1314 Main Street, Suite 101
Louisville, CO 80027

Annexor: Platte Land & Water, LLC
Attn: _____

Copy to: _____

16. Remedies. In the event of a breach of this Agreement by the Town, the Annexor will have the right to seek all remedies provided by law, including, without limitation breach of contract and specific performance. In the event of a breach of this Agreement by the Annexor, the Town's remedies under this Agreement include, but are not limited to, the following:
- (a) The refusal to issue any building permit or certificate of occupancy related to this Property;
 - (b) The revocation of any building permit related to structures on this Property 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 any public improvements on this Property be paid or honored; and
 - (d) Any other remedy available at law.
17. Cooperation. This Agreement is the product of the voluntary and cooperative effort of the Parties and shall not be construed or interpreted against either Party solely on the basis of that Party having drafted any portion of this Agreement
18. Covenant Running with the Property; Binding Effect of Agreement. This Agreement shall inure to the benefit of and be binding upon the successors and the assigns of the respective parties. The parties' respective rights and obligations set forth in this Agreement shall constitute covenants that shall run with the land.

19. Recordation. Upon annexation of the Property, this Agreement shall be recorded in the records of the Clerk and Recorder of Weld County, State of Colorado.
20. Future Acts. Following execution of this Agreement, the parties covenant and agree that they will cooperate with each other in accomplishing the terms, conditions and provisions of the Agreement, and will execute such additional documents as necessary to effectuate the Agreement
21. Third Parties. The covenants, stipulations and agreements contained in this Agreement are and shall be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and nothing in this Agreement, express or implied, is intended nor shall be construed or confer upon or give any other person any rights, remedy or claim under or by reason of the Agreement. The Town shall not be obligated or liable under the terms of this Agreement to any person or entity not a party hereto. Further, the Town shall not be bound by any contracts or conditions that Annexor may negotiate with third parties related to matters set forth in this Agreement.
22. Police Power. Nothing contained in the Agreement shall constitute or be interpreted as a repeal of existing Codes or ordinances or as a waiver or release of the Town's legislative, governmental or police powers to promote and protect, the health, safety, morals or general welfare of the municipality or its inhabitants. This Agreement shall not prohibit the enactment by the Town of any tax, fee, ordinance, resolution, rule, or regulation which is of uniform and general application.
23. No Partnership or Agency. Notwithstanding any language in this Agreement, neither party shall be deemed a member, partner or joint venture of each other and neither party shall be responsible for the debts or liabilities of the other nor the other's contractor or agent.
24. Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Colorado, and the laws of Colorado shall govern the validity, construction, enforcement, and interpretation of this Agreement. Exclusive jurisdiction and venue for resolution of any dispute arising hereunder shall be in the District Court for Weld County, Colorado.
25. Attorney's Fees. In the event that it is necessary to initiate legal proceedings to enforce the provisions of this Agreement, the non-prevailing party shall be responsible for all reasonable legal expenses and costs incurred by the prevailing party, including reasonable attorney's fees.
26. Effective Date. This Agreement shall be effective and binding upon the parties immediately upon the effective date of an ordinance annexing the Property, regardless of whether the Agreement is executed prior to the effective date of said ordinance annexing the Property.

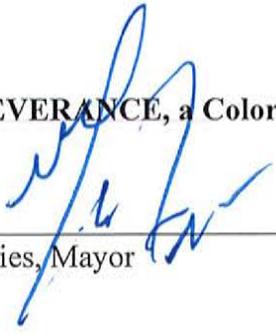
27. Entire Agreement. This Agreement including the Exhibits and Recitals, which are incorporated herein, set forth the entire agreement of the parties concerning the Bower North Annexation. There are no promises, terms, conditions, or obligations other than those contained herein that exist with respect to the annexation. This Agreement shall supersede all other provisions, communications, representations, or agreements, either verbal or written, between the parties with respect to the annexation and the economic incentives.
28. Waiver Limitations. A written waiver by either party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver or any subsequent breach by another party.
29. Headings. The headings of the sections or subsections of this Agreement are only for the convenience and reference of the parties and are not intended to define, limit, or describe the scope or intent of this Agreement.
30. Severability. If any part, term or provision of this Agreement is held by any court of competent jurisdiction to be illegal, invalid or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid, and the parties shall cooperate to cure any such defect.
31. No Vested Property Rights. It is understood and agreed by the parties that no vested property rights are granted by this Agreement. The Annexor represents to the Town that there are no vested rights to the Annexation Property from the County of Weld or any other governmental entity. Annexor hereby waives and releases any prior vested rights which may have been so granted or acquired in Weld County so long as the Property remains annexed into the Town.
32. Disconnection. No right or remedy of disconnection of the Annexation Property from the Town shall accrue from this Agreement, other than that provided by C.R.S. § 31-12-119 or other applicable laws. In the event the Annexation Property or any portion thereof is disconnected from the Town at the Annexor's request, the Town shall have no obligation to serve the disconnected Annexation Property.
33. Referendum. If the annexation of the Annexation Property or any portion thereof is challenged by a referendum, all provisions of the Agreement, together with the duties and obligations of each party, shall be suspended pending the outcome of the referendum election. If the referendum challenge to the annexation results in disconnection of the Annexation Property from the Town, then this Annexation Agreement shall be null and void and of no further effect. If the referendum challenge fails, then the Annexor and the Town shall continue to be bound by this Annexation Agreement.
34. Court Order. In the event that the annexation of the Property or any portion thereof

is voided by Final Action ("Final Action" means that no appeal can be made or the time to appeal has expired) of a court of proper jurisdiction (such Final Action not being associated with referendum or initiative matters), the Town and the Annexor shall cooperate to cure any legal defects cited by the court or that resulted in disconnection of the Annexation Property, and immediately upon such cure this Annexation Agreement shall be deemed to be an agreement to annex the Property to the Town pursuant to the Colorado Municipal Annexation Act of 1965. The Annexor shall reapply for annexation when the Initial Annexation Property becomes eligible for annexation as determined by the Town.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

[Remainder of page left intentionally blank—Signature Pages to follow]

TOWN OF SEVERANCE, a Colorado municipal corporation

By: 
Matthew Fries, Mayor

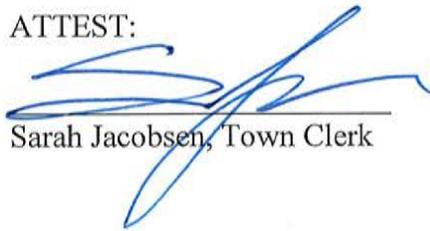
ATTEST:

Sarah Jacobsen, Town Clerk



Exhibit A

Legal Description of Property to be Annexed

A TRACT OF LAND LOCATED IN THE EAST 1/2 OF SECTION 3, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN; COUNTY OF WELD, STATE OF COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN BEING MONUMENTED AT THE CENTER QUARTER CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "LS22098", AND AT THE SOUTH QUARTER CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "LS22098" ASSUMED TO BEAR S00°43'02"E A DISTANCE OF 2569.96 FEET.

COMMENCING AT THE CENTER QUARTER CORNER OF SAID SECTION 3,

THENCE ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, S00°43'02"E A DISTANCE OF 91.95 FEET TO THE NORTHWEST CORNER OF PARCEL A RECORDED UNDER RECEPTION NO. 4942158 IN THE RECORDS OF THE WELD COUNTY CLERK AND RECORDER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE ON THE NORTHERLY OF SAID PROPERTY, N86°11'12"E A DISTANCE OF 619.87 FEET, TO A POINT ON THE EXISTING BOUNDARY OF THE TOWN OF SEVERANCE, AS ANNEXED IN HUNTERS CROSSING ANNEXATION AND ZONING MAP NUMBER 1 RECORDED UNDER RECEPTION NO. 4431194;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE, N86°11'12"E A DISTANCE OF 1971.01 FEET, TO A POINT ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE, AS ANNEXED IN PLAT OF THE MIKELSON ANNEXATION RECORDED UNDER RECEPTION NO. 2859664;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE AS ANNEXED IN SAID PLAT OF THE MIKELSON ANNEXATION, S00°20'56"E A DISTANCE OF 60.32 FEET, TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 3;

THE DEPARTING SAID NORTH LINE, ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE AS ANNEXED IN THE OVERLOOK ANNEXATION AND ZONING MAP RECORDED UNDER RECEPTION NO. 4282922, S00°20'49"E A DISTANCE OF 2546.05 FEET, TO A POINT ON THE EXISTING BOUNDARY LINE OF THE TOWN OF SEVERANCE, AS ANNEXED IN THE RESERVE ANNEXATION NO. 1, 2, 3, 4, AND 5 RECORDED UNDER RECEPTION NO. 3479091;

THENCE ON SAID EXISTING TOWN BOUNDARY LINE, S89°41'32"W A DISTANCE OF 2570.32 FEET, TO A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3;

THENCE ON SAID WEST LINE, N00°43'02"W A DISTANCE OF 2448.01, TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 6,516,244 SQUARE FEET OR 149.59 ACRES.

Exhibit B

Water Rights Appurtenant to the Property

- Three shares of the capital stock in the Windsor Reservoir and Canal Company;
- Two shares of the capital stock in the Larimer and Weld Irrigation Company;
- Two shares of the capital stock in the Larimer and Weld Reservoir Company;
- Two shares of the capital stock in the Finley Lateral Ditch; and
a 0.667 share in the Finley Reservoir