

## AGREEMENT FOR SANITARY SEWER FACILITY FINANCING

This Agreement is made this 20 day of November 2012, by and between Larimer County, Colorado ("the County") acting through and on behalf of Larimer County Local Improvement District No. 2012-1, the River Glen Homeowners Association ("the Association") and the Riverside Farms Homeowners Association, Inc., (Riverside Farms);

WHEREAS, certain sanitary sewer facilities ("the Facilities") operated by the Association are in need of repair and reconstruction to be in accord with current standards for such facilities as promulgated by the Colorado Department of Public Health and Environment; and,

WHEREAS, the Facilities provide sanitary waste treatment and disposal for the Association and Riverside Farms; and

WHEREAS, the Association and Riverside Farms share the costs to operate and maintain the Facilities; and

WHEREAS, JVA, Inc., Consulting Engineers, of Boulder Colorado has prepared and filed preliminary plans, specifications, estimates of cost, maps, and schedules for repair and construction of the Facilities; and,

WHEREAS, pursuant to Title 30, Article 20, Part 6, Colorado Revised Statutes, the County is authorized to create local improvement districts, construct certain local improvements, and fund such improvements by assessing the cost thereof against the properties in the local improvement district which are benefited thereby; and,

WHEREAS, the County has heretofore formed Larimer County Local Improvement District No. 2012-1 (the "District") for the purpose of constructing, installing, completing and acquiring certain local sanitary sewer improvements in River Glen Estates; and,

WHEREAS, pursuant to the authority granted by Section 30-20-603(2), C.R.S. the County intends to proceed with the construction, installation, and acquisition of certain sanitation improvements, the imposition of assessments therefore, and the issuance of special assessment bonds or other financial obligations for the purpose of financing such improvements; and,

WHEREAS, the issuance of special assessment bonds or other financial obligations payable from such assessments, and other matters in connection therewith, have heretofore been approved by the electorate in the manner required or permitted by law at the time of such election; and

WHEREAS, the Association and Riverside Farms have the financial structure as needed to cause such Facility to be operated and maintained in perpetuity.

In consideration of the above, the parties agree as follows:

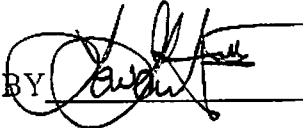
1. The Facilities will be financed by the issuance of special assessment bonds or other financial obligations payable from special assessments placed against real properties in the District. The County agrees to do all things necessary to provide for the issuance of bonds or other financial obligations and the perfection of special assessments against all properties benefiting from the Facility.
2. The County, through its Health Department, anticipates contracting with JVA, Inc. to prepare design and construction documents for the Facility, with review and approval by the Association.
3. Since the Facility design process, or parts thereof, and payment of various review fees to the Colorado Department of Public Health and Environment and certain potential legal fees and other related costs may occur prior to the bond sale transaction, the Association and Riverside Farms agree to pay certain expenses related to production of design and construction documents, review fees and certain legal fees related to agreements with the Town of Berthoud for the Facilities.
4. Construction of the improvements will be inspected by consulting engineers under the directions of the Larimer County Health Department, the Association and Riverside Farms.
5. The County agrees to reimburse the Association and Riverside Farms from bond proceeds for certain costs, as set forth herein, paid by the Association and Riverside Farms prior to receipt of bond proceeds and related to the furtherance of this project. Such expenses may include costs for design engineering work by consultants, fees charged by Colorado Department of Public Health and Environment for Site Application and Plans and Specifications review, certain legal fees related to preparing an Agreement with the Town of Berthoud, and certain construction work and other costs paid by the Association and Riverside Farms prior to receipt of bond proceeds. All expenses incurred by the Association and Riverside Farms and intended to be paid and reimbursed by the County will be agreed upon in advance. **No reimbursements will occur if bond proceeds are not available.**
6. Following completion of construction, acceptance of the Facilities, and final payment of the contractor, the Facility shall be owned by the County. The facility shall continue to be owned by the County until such time as the debt of the District is paid in full with interest, at which time the Association and Riverside Farms agree to purchase the improvements from the County for the sum of Ten Dollars and other valuable consideration.
7. The Association and Riverside Farms shall at all times operate and maintain the Facility in complete accord with rules and requirements of the Larimer County

Health Department and the Colorado Department of Public Health and Environment, except that, the Association and Riverside Farms may transfer operation and maintenance to the Town of Berthoud.


8. The County shall not have any obligation for operation or maintenance of the Facility, nor collection of service fees from property owners nor any other responsibilities with regard to the Facility other than perfection and collection of special assessments to be levied against all properties in the District which are specially benefited by construction of the Facilities.

IN WITNESS WHEREOF THE Parties have signed below

BOARD OF COMMISSIONERS of  
Larimer County, Colorado

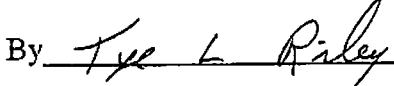
BY   
Chair

ATTEST:


  
Deputy County Clerk

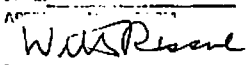


River Glen Estates Homeowners Association

By   
Tye L. Riley, President

Riverside Farm Homeowners Association, Inc.

By   
Richard L. Gutshall, President

DATE: 11-14-12  
APPROVED:   
WITNESSED