City Council

Agenda

Tuesday, May 7, 2024
Council Chambers
749 Main Street
5:00 PM

Members of the public are welcome to attend and give comments remotely; however, the in-person meeting may continue even if technology issues prevent remote participation.

- *You can call in to +1 719 359 4580 or 877 853 5247 (toll free)*
  Webinar ID #876 9127 0986.
- *You can log in via your computer. Please visit the City's website here to link to the meeting: www.louisvilleco.gov/council*

The Council will accommodate public comments during the meeting. Anyone may also email comments to the Council prior to the meeting at Council@LouisvilleCO.gov.

1. CALL TO ORDER & ROLL CALL

2. EXECUTIVE SESSION – PENDING LITIGATION

Louisville Charter, Section 5-2(d) – Authorized Topics – Consultation with an attorney representing the City with respect to pending litigation, and C.R.S. 24-6-402(4)(b) for a conference with the City Attorney for the purpose of legal advice on specific legal questions concerning pending litigation.

The City Manager is Requesting the City Council Convene an Executive Session for the Purpose of Consultation with Respect to Pending Litigation

Citizen Information

If you wish to speak at the City Council meeting in person, please fill out a sign-up card and present it to the City Clerk at the meeting; if you are attending remotely, please use the "raise hand" icon to show you wish to speak in public comments.

Persons planning to attend the meeting who need sign language interpretation, translation services, assisted listening systems, Braille, taped material, or special transportation, should contact the City Clerk's Office (303.335.4536 or 303.335.4574) or ClerksOffice@LouisvilleCO.gov. A forty-eight-hour notice is requested.

Si requiere una copia en español de esta publicación o necesita un intérprete durante la reunión del Consejo, por favor llame a la Ciudad al 303.335.4536 o 303.335.4574 o email ClerksOffice@LouisvilleCO.gov.

- **Requests for Executive Session**
- **City Clerk Statement**
- **City Attorney Statement of Authority**
- **City Council Action on Motion for Executive Session**
- **Council Convenes Executive Session**
- **Council Reconvenes in Open Meeting**

3. REPORT – DISCUSSION/DIRECTION/ACTION – LITIGATION

THE FOLLOWING MEETING ITEMS WILL START NO EARLIER THAN 6 PM

4. PLEDGE OF ALLEGIANCE

5. APPROVAL OF AGENDA

6. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND ITEMS ON THE CONSENT AGENDA

Public comments are limited to 3 minutes per speaker. When several people wish to speak on the same position on a given item, Council requests they select a spokesperson to state that position.

7. CONSENT AGENDA

The following items on the City Council Agenda are considered routine by the City Manager and shall be approved, adopted, accepted, etc., by motion of the City Council and voice vote unless the Mayor or a City Council person specifically requests an item be considered under "Regular Business." In such an event the item shall be removed from the "Consent Agenda" and Council action taken separately on said item in the order appearing on the Agenda. Those items so approved under the heading "Consent Agenda" will appear in the Council Minutes in their proper order.

A. Approval of Bills
B. Approval of Minutes: August 15, 2023; September 5, 2023; September 12, 2023; September 19, 2023; March 19, 2024
C. Approval of Contract Between the City of Louisville, Aslan Construction, and JVA, Inc for the Wastewater Treatment Plant Solids Handling Construction
D. Approval of May 14 as a Special Meeting
E. Approval of Resolution No. 20, Series 2024 – A Resolution Approving Two Water Lease Agreements
F. Approval of Extension of Custodial Service Contract
G. Award Contract for 2024 Slurry Seal Project
H. Approval of Contract with Terpstra Roofing for City Services Roof Repairs
I. Hole 13 Cart Path Construction
  i. Approval of Additional Funding for Hole 13 Cart Path Construction
  ii. Award Bid for Hole 13 Cart Path Construction to Triple M Construction and Approve Contract
J. Approval of Resolution No. 21, Series 2024 – A Resolution Approving an Intergovernmental Agreement with Boulder County Partners for a Clean Environment for Enhanced 1:1 Commercial Advising Support and to Establish Add-On Rebates for Commercial Decarbonization
K. Approval of Amendments to City Financial Policies

8. COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA (Council general comments are scheduled at the end of the Agenda.)

9. CITY MANAGER'S REPORT

10. REGULAR BUSINESS

A. PROCLAMATION – OLDER AMERICANS MONTH

- Presentation
- Action

B. PROCLAMATION – ECONOMIC DEVELOPMENT WEEK, MAY 6-10

- Presentation
- Action

C. ORDINANCE NO. 1873, SERIES 2024 – AN ORDINANCE AMENDING TITLE 16 AND TITLE 17 OF THE LOUISVILLE MUNICIPAL CODE TO REVISE THE EXPEDITED PUD REVIEW PROCESS, THE MINOR SUBDIVISION PROCESS, AND SUBDIVISION DEFINITIONS – 1ST READING – SET PUBLIC HEARING 6/4/24

- Introduction
- Action

D. RESOLUTION NO. 22, SERIES 2024 – A RESOLUTION ADOPTING THE LOUISVILLE HOUSING PLAN AS A GUIDING DOCUMENT TO ADDRESS HOUSING AFFORDABILITY IN LOUISVILLE

- Staff Presentation
- Public Comments (Please limit to three minutes each)
- Council Questions & Comments
- Action

E. 2024 BUDGET AMENDMENT

i. **RESOLUTION NO. 23, SERIES 2024 – A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE GENERAL FUND, CONSERVATION TRUST - LOTTERY FUND, PEG FUND, HISTORIC RESERVATION FUND, RECREATION FUND, ARPA FUND, OPEN SPACE FUND, PARKS FUND, CAPITAL PROJECTS FUND, RECREATION CONSTRUCTION FUND, WATER UTILITY FUND, WASTEWATER UTILITY FUND, STORM WATER UTILITY FUND, GOLF COURSE FUND, TECHNOLOGY MANAGEMENT FUND AND FLEET MANAGEMENT FUND FOR CARRY FORWARD OF APPROPRIATIONS AND ADDITIONAL APPROPRIATIONS WITHIN SUCH FUNDS AND ADJUSTING BUDGETED REVENUE IN THE GENERAL FUND, CAPITAL PROJECTS FUND, DEBT SERVICE REC CENTER FUND, AND GOLF COURSE FUND**

ii. **RESOLUTION NO. 24, SERIES 2024 – A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE LOUISVILLE REVITALIZATION COMMISSION**

- Mayor Opens Public Hearing
- Staff Presentation
- Public Comments (Please limit to three minutes each)
- Council Questions & Comments
- Mayor Closes Public Hearing
- Action

F. ORDINANCE NO. 1872, SERIES 2024 – AN ORDINANCE AMENDING CHAPTER 2.17 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING MUNICIPAL CAMPAIGN FINANCE REGULATIONS – 2nd READING – PUBLIC HEARING (advertised *Daily Camera* 4/21/24)

- Mayor Opens Public Hearing
- Staff Presentation
- Public Comments (Please limit to three minutes each)
- Council Questions & Comments
- Additional Public Comments (Please limit to three minutes each)
- Mayor Closes Public Hearing
- Action

11. CITY ATTORNEY'S REPORT

12. COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS

13. ADJOURN

ITEMS TENTATIVELY SCHEDULED FOR REGULAR MEETING 5/21/24.

This list is not inclusive; items are subject to change; additional items may be added.

- Pride Month Proclamation
- Via Appia Striping Options
- 928 La Farge Preservation Grant Request
- Transportation Updates
- Expedited PUD Process – 2ND Reading
- Commercial Energy Code Update – 1st Reading
- EV Charging Updates – 1st Reading
- BCBOA Updated Duties – 1st Reading
- IGA for Signal Technology
- 2024-29 Contract with Republic Services
- 2024 Asphalt and Concrete Contract
- 2024 Crack Seal Contract
- LRC Ice Rink Agreement
- IGA with PLAY Boulder
- SCWTP Design Contract

CASH ACCOUNT: 001000 101001 WARRANT: 041124 04/11/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
15759	BE ACCESSIBLE INC.	Website Accessibility Aud	25,000.00
15808	BOULDER HANDYMAN SERVICES LLC	FENCE REPAIR - 396 JACKSO	2,078.17
15794	COLORADO BIOSCIENCE ASSOCIATIO	COLORADO LIFE SCIENCES CA	2,500.00
15794	COLORADO BIOSCIENCE ASSOCIATIO	COLORADO LIFE SCIENCES CA	2,500.00
1205	COLORADO DEPT OF REVENUE	Q1 2024 ACCT #01069804	3,674.56
15523	GOLF GURU LLC	GOLF LESSONS 3/23/24 - 4/	168.00
15805	KATHREN EAGLETON	ENTERTAINMENT 4/12/24	500.00
14632	KRISTEN BODINE	MILEAGE 4/5/24	110.28
15634	MAUREEN SCHREINER	GOLF LESSONS 3/23/24 - 4/	308.00
14801	MELENDEZ GOLF LLC	GOLF LESSONS 3/23/24 - 4/	3,263.40
99999	BETHANY WILSON	REFUND UTILITY BILLING 33	111.77
99999	SHANA LENEVEU	REFUND UTILITY BILLING 16	30.10
99999	COURTNEY HOM	MILEAGE 1/3/24 - 4/3/24	84.42
99999	AMY ENKE	MILEAGE 1/2/24 - 3/26/24	75.58
99999	CHARLES SISK	REPAIR OF LANDSCAPING 671	265.28
15509	SBRAND SOLUTIONS	ELT ALL DAY WORKSHOP	6,000.00
13805	USALCO LLC	CUST ID #LOUCOL	10,714.29
10884	WORD OF MOUTH CATERING INC	LUNCHES SERVED 4/5/24 - 4	2,136.25
3875	XCEL ENERGY	ACCT #53-1879596-1	36,720.59
3875	XCEL ENERGY	ACCT #53-1879596-1	5,186.50
3875	XCEL ENERGY	ACCT #53-1879596-1	71,642.63
3875	XCEL ENERGY	ACCT #53-1879593-8	140.41
3875	XCEL ENERGY	ACCT #53-1879595-0	916.09
3875	XCEL ENERGY	ACCT #53-1879600-8	13,131.32
24 INVOICES		WARRANT TOTAL	187,257.64

CASH ACCOUNT: 001000 101001 WARRANT: 041824 04/18/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
14621	CHAD ROOT	MILEAGE 2/20/24 - 3/26/24	370.11
11298	DELTA DENTAL OF COLORADO	007562-0001 MAY 2024 EMPL	15,602.51
5255	FAMILY SUPPORT REGISTRY	Payroll Run 1 - Warrant 0	173.53
2405	HACH COMPANY	ACCT #094039	23,755.00
6455	KAISER PERMANENTE	05920-01-16 MAY 2024 EMPL	197,002.67
15317	MAVIS SALAZAR	ENTERTAINMENT 4/19/24	300.00
14214	MICROAGE	CUST ID #106967 ORDER #1	16,776.00
14768	MOJOS CLEANING SERVICES INC	MARCH 2024 PARKS JANITORI	3,300.00
14768	MOJOS CLEANING SERVICES INC	APRIL 2024 JANITORIAL SER	33,533.41
13926	NICOLETTI-FLATER ASSOCIATES PL	MARCH 2024	910.00
99999	DAVID ALDERS	BOOT REIMBURSEMENT	75.00
14867	REBECCA L BENNETTI	4/2/24 WILLMAKER CLASS	770.00
10884	WORD OF MOUTH CATERING INC	LUNCHES SERVED 4/11/24 -	2,153.75
3875	XCEL ENERGY	ACCT #53-1879600-8	9,084.17
	14 INVOICES	WARRANT TOTAL	303,806.15

CASH ACCOUNT: 001000 101001 WARRANT: 042524 04/25/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
14164	ALPINE BANK	#5300089001 SOLAR PANEL L	3,729.33
14164	ALPINE BANK	#5300177601 SOLAR PANEL L	5,429.18
5754	BNSF RAILWAY COMPANY	CONT #BF77914 4/12/24 -	24,076.80
15311	COAL CREEK ACE HARDWARE	BUSINESS ASSIS PACKAGE RE	23,206.68
10590	DELL MARKETING LP	CUST #2051384	84,031.33
15523	GOLF GURU LLC	GOLF LESSONS 4/6/24 - 4/1	301.00
15511	GORDON G. MADONNA	PRESERV & RESTOR GRANT	14,639.74
9750	LEGALSHIELD	#22554 APR 2024 EMPLOYEE	980.80
7735	LINCOLN FINANCIAL GROUP	000400001000-26902 APR 20	1,842.30
7735	LINCOLN FINANCIAL GROUP	000010008469 MAY 2024 LIF	8,267.07
7735	LINCOLN FINANCIAL GROUP	000010008470 MAY 2024 LTD	5,044.45
7735	LINCOLN FINANCIAL GROUP	B00000001696 APR 2024 ACC	1,593.32
15634	MAUREEN SCHREINER	GOLF LESSONS 4/6/24 - 4/1	262.50
15317	MAVIS SALAZAR	ENTERTAINMENT 4/26/24	300.00
14801	MELENDEZ GOLF LLC	GOLF LESSONS 4/6/24 - 4/1	3,150.00
99999	AUSTIN BROWN	REIMB MILEAGE & PER DIEM	676.58
5178	PETTY CASH - KATHY MARTIN	PETTY CASH REIMBURSEMENT	282.77
14027	PROFORCE LAW ENFORCEMENT	CUST #11006	7,424.50
8442	VISION SERVICE PLAN	12059727 APR 2024 EMPLOYE	1,870.70
8442	VISION SERVICE PLAN	12059727 APR 2024 EMPLOYE	1,838.63
10884	WORD OF MOUTH CATERING INC	LUNCHES SERVED 4/18/24 -	2,240.00
3875	XCEL ENERGY	ACCT #53-1879600-8	69,430.57
13790	ZAYO GROUP LLC	ACCT #018253	10,813.80
	23 INVOICES	WARRANT TOTAL	271,432.05

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
14599	120 WATER, INC.	Lead and Copper Sampling	2,675.00
14599	120 WATER, INC.	Lead and Copper Sampling	136.03
6866	4 RIVERS EQUIPMENT, LLC	ACCT #72471	35.98
190	ACE EQUIPMENT & SUPPLY CO	CUST CODE: LOUISVIL	560.00
15077	ACHTERMANN CHIROPRACTIC, PC	FACADE IMPR 600 MAIN NEW	1,896.82
14121	ACUSHNET COMPANY	ACCT #US00002149/US000602	303.54
14391	ADAM M GOLLIN	MARCH-APR 2024 PROSECUTOR	1,236.90
14547	ADIDAS AMERICA INC	CUST #38058001	-620.00
14547	ADIDAS AMERICA INC	CUST #38058001	619.20
14547	ADIDAS AMERICA INC	CUST #38058001	156.60
14547	ADIDAS AMERICA INC	CUST #38058001	2,192.40
14547	ADIDAS AMERICA INC	CUST #38058001	1,588.80
14547	ADIDAS AMERICA INC	CUST #38058001	-48.00
14547	ADIDAS AMERICA INC	CUST #38058001	48.00
14547	ADIDAS AMERICA INC	CUST #38058001	141.00
14547	ADIDAS AMERICA INC	CUST #38058001	481.50
14448	ADVANTAGE MOBILE UPHOLSTERY LL	UPHOLSTERY FIXES	510.00
15449	AECOM TECHNICAL SERVICES, INC.	SERVICES 2/17/24 - 3/15/2	1,681.00
15333	AKILA ARUMUGAM	CULTURE OF INDIA WORKSHOP	250.00
14737	ALEX THOELE	APRIL 2024	1,344.00
14715	ALL TRAFFIC DATA SERVICES INC	PROJ #31321-DAHLIA & POLK	1,000.00
15707	AMERICAN WEST CONSTRUCTION, LL	2023 SBR Culvert Lining P	4,275.00
15788	ARROW STAGE LINES	CLIENT ID #LOUIRECRKB C	2,069.00
480	AV-TECH ELECTRONICS INC	CUST #10-LOU1002	1,400.00
11286	B A LAWRENCE LLC	4/18/24 CTC LIFT STATION	390.00
5001	BACKFLOW TECH	HERITAGE PARK CERT TEST O	100.00
500	BAKER AND TAYLOR	ACCT #415337 L121376 4 B0	52.76
500	BAKER AND TAYLOR	ACCT #415337 L121376 4 B0	108.29
14251	BK TIRE INC	TIRES FOR VEHICLE #5379	353.16
14251	BK TIRE INC	TIRES FOR VEHICLE #5326	176.58
14251	BK TIRE INC	TIRES VEHICLE #5390	453.16
14251	BK TIRE INC	TIRE DISPOSAL	25.00

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
14251	BK TIRE INC	TIRE DISPOSAL	20.00
14251	BK TIRE INC	3295 Tire Replacement	8,727.00
11605	BOBCAT OF THE ROCKIES LLC	CUST #021884	143.22
11605	BOBCAT OF THE ROCKIES LLC	ACCT #021884	573.81
11605	BOBCAT OF THE ROCKIES LLC	ACCT #021884	378.34
11605	BOBCAT OF THE ROCKIES LLC	ACCT #021884	329.41
640	BOULDER COUNTY	2024 DISPATCH SERVICES	338,069.44
640	BOULDER COUNTY	BOULDER COUNTY USE TAX MA	97,609.82
15204	BOULDER COUNTY PUBLIC WORKS	MARCH 2024 GATE FEES	1,581.65
15811	BRENNA CATHERINE AVERSANO	BEHAVIOR STRATEGIES IN CH	300.00
15098	BRIDGE HOUSE	MARCH 2024	1,949.46
15812	CARLSON INVESTIGATION SERVICES	APRIL 2024 INVESTIGATION	293.60
248	CDW GOVERNMENT	CUST #5143572	361.27
248	CDW GOVERNMENT	CUST #5143572	246.89
248	CDW GOVERNMENT	CUST #5143572	518.98
248	CDW GOVERNMENT	CUST #5143572	7,430.67
248	CDW GOVERNMENT	CUST #5143572	123.84
248	CDW GOVERNMENT	CUST #5143572	846.02
248	CDW GOVERNMENT	CUST #5143572	312.71
10773	CENTRIC ELEVATOR CORP	ACCT #164400	362.15
10773	CENTRIC ELEVATOR CORP	ACCT #156502	606.62
10773	CENTRIC ELEVATOR CORP	ACCT #156501	323.50
10773	CENTRIC ELEVATOR CORP	ACCT #156600	355.76
10773	CENTRIC ELEVATOR CORP	ACCT #164400	362.15
10773	CENTRIC ELEVATOR CORP	ACCT #156501	323.50
10773	CENTRIC ELEVATOR CORP	ACCT #156600	355.76
14688	CESCO LINGUISTIC SERVICES	3/12/24 Interpreter	398.45
15336	CHARLES ABBOTT ASSOCIATES, INC	MARCH 2024 BLDG INSPECTIO	27,355.50
15216	CHARLES D JONES CO	CUST #12341	203.80
15216	CHARLES D JONES CO	CUST #12341	283.79
2220	CHEMTRADE CHEMICALS US LLC	CUST #401485	6,704.51
4785	CINTAS CORPORATION #66	CUST #12522401	411.08
4785	CINTAS CORPORATION #66	CUST #12522401	320.75
4785	CINTAS CORPORATION #66	CUST #12522401	320.75
10290	CMCA	CMCA - LAURA JASIEWICZ	1,300.00

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
1120	COLORADO ANALYTICAL LABORATORI	WWTP - INFLUENT - WEEKLY	126.00
1120	COLORADO ANALYTICAL LABORATORI	ANNUAL GRIT & RAGS	429.20
1120	COLORADO ANALYTICAL LABORATORI	WWTP - EFFLUENT - MONTHLY	189.00
1120	COLORADO ANALYTICAL LABORATORI	WWTP - CTC LIFT STATION	319.50
1120	COLORADO ANALYTICAL LABORATORI	WWTP REG - 85 - MONTHLY	391.51
1120	COLORADO ANALYTICAL LABORATORI	WWTP - INFLUENT - MONTHLY	295.20
1120	COLORADO ANALYTICAL LABORATORI	WWTP - SOLIDS - MONTHLY	240.00
1120	COLORADO ANALYTICAL LABORATORI	WWTP - UPSTREAM - MONTHLY	374.10
1120	COLORADO ANALYTICAL LABORATORI	WWTP - INFLUENT - WEEKLY	126.00
1120	COLORADO ANALYTICAL LABORATORI	WWTP - INFLUENT - WEEKLY	126.00
1120	COLORADO ANALYTICAL LABORATORI	CITY OF LOUISVILLE CO1074	837.00
1120	COLORADO ANALYTICAL LABORATORI	CITY OF LOUISVILLE CO0107	16.20
1120	COLORADO ANALYTICAL LABORATORI	CITY OF LOUISVILLE CO0107	171.00
1120	COLORADO ANALYTICAL LABORATORI	CITY OF LOUISVILL CO01074	207.00
1120	COLORADO ANALYTICAL LABORATORI	CITY OF LOUISVILLE CO0107	171.00
10056	COLORADO DOORWAYS INC	ACCT #CITLOU REP TO THE	160.00
11353	COLORADO LIBRARY CONSORTIUM	JULY 2024 - JUNE 2025	1,694.59
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	258.75
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	201.25
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	155.25
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	241.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	241.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	287.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	287.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	287.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	287.50
15761	COLORADO OUTHOUSE LLC	CUST ID #C147	241.50
15611	CONTROLOGY STUDIO LLC	MARCH 2024 CONTROLOGY PIL	840.00
13162	CORE & MAIN LP	ACCT #103796	254.60
13162	CORE & MAIN LP	ACCT #103796	684.71
15304	CORONA ENVIRONMENTAL CONSULTIN	MARCH 2024 MARSHALL FIRE	92.50
15639	COVERMASTER INC.	ACCT #c-10768452	2,377.00
12428	CUMMINS SALES AND SERVICE	CUST #479194	3,866.50
15769	CURTIS, JUSTUS, & ZAHEDI, LLC	FILE #L0031	9,808.50
1570	DANA KEPNER COMPANY INC	CUST #57400000	3,323.52
15190	DANIEL LASHER	APRIL 2024 INTERPRETING S	976.11
11476	DBC IRRIGATION SUPPLY	CUST #1268	94.23
11476	DBC IRRIGATION SUPPLY	CUST #1268	100.91

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
14529	DE NORA WATER TECHNOLOGIES INC	CUST #30006141	1,762.44
10590	DELL MARKETING LP	CUST #2051384	2,363.99
15149	DENALI WATER SOLUTIONS LLC	CUST #1120056	2,174.82
15149	DENALI WATER SOLUTIONS LLC	CUST #1120056	3,154.86
15149	DENALI WATER SOLUTIONS LLC	CUST #1120056	3,287.43
15149	DENALI WATER SOLUTIONS LLC	CUST #1120056	2,058.25
15149	DENALI WATER SOLUTIONS LLC	CUST #1120056	3,201.07
15683	DESIGN WORKSHOP, INC.	MARCH 2024 PROJ #007131	33,748.77
13009	EIDE BAILLY LLP	CLIENT #80119	9,500.00
12270	FASTENAL COMPANY	CUST #COBOU1062	129.51
12270	FASTENAL COMPANY	CUST #COBOU1062	447.04
14606	FEHR AND PEERS	SERVICES 2/24/24 - 3/29/2	326.25
14606	FEHR AND PEERS	PROJ #DN24-0811.00 2/24/2	742.50
13615	FELSBURG HOLT & ULLEVIG INC	SERVICES 2/1/24 - 3/31/24	125.00
15781	FITLOGISTIX, LLC	MATRIX CLIMBMILL	6,920.00
15781	FITLOGISTIX, LLC	MATRIX SEATED CALF MACHIN	5,468.00
15612	GEI CONSULTANTS INC	SERVICES 5/27/23 - 6/30/2	1,668.00
15612	GEI CONSULTANTS INC	SERVICES 9/30/23-10/27/23	4,529.50
15612	GEI CONSULTANTS INC	SERVICES 10/28/23-11/24/2	2,238.00
15612	GEI CONSULTANTS INC	SERVICES 12/30/23 - 1/26/	4,893.00
1175	GEORGE T SANDERS COMPANY	CUST #5415	184.31
14936	GOLDEN AUTOMATION LLC	LOUISVILLE ETHERNET MIGRA	8,726.88
2310	GRAINGER	ACCT #802864512	155.60
2405	HACH COMPANY	ACCT #094039	187.58
2405	HACH COMPANY	ACCT #094039	262.79
2405	HACH COMPANY	ACCT #094039	968.85
2415	HARCROS CHEMICALS INC	CUST #01605450-GOL10	931.00
2415	HARCROS CHEMICALS INC	CUST #01605450-GOL10	551.25
2415	HARCROS CHEMICALS INC	CUST #01605450-GOL10	931.00
13457	HOLMAN	Cust #1848	1,517.00
15619	ICON ENGINEERING INC	SERVICES THROUGH 3/29/24	2,768.49
15619	ICON ENGINEERING INC	SERVICES THROUGH 3/29/24	2,470.00

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
15619	ICON ENGINEERING INC	SERVICES THROUGH 3/29/24	22,852.50
15337	SLADE GLASS CO.	QUOTE #104794A	1,713.42
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	113.63
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	372.93
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	311.04
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	2,689.25
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	119.64
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	195.41
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	1,104.21
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	257.96
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	-27.67
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	27.67
15261	WESTERN PAPER DISTRIBUTORS	CUST ID #244097	111.50
11267	INSIDE OUT HEALTH AND FITNESS	PIYO IN THE PARK 4/2/24 -	462.00
13280	INSIGHT PUBLIC SECTOR INC	ACCT #10669545	96.21
13280	INSIGHT PUBLIC SECTOR INC	ACCT #10669545	96.21
13280	INSIGHT PUBLIC SECTOR INC	ACCT #10669545	219.95
13280	INSIGHT PUBLIC SECTOR INC	ACCT #10669545	96.21
12462	INSTANT IMPRINTS	QUOTE 9160	2,028.87
10772	INTEGRATED SAFETY SERVICES LLC	3/27/24 SPRINKLER SYSTEM	2,101.68
10772	INTEGRATED SAFETY SERVICES LLC	4/1/24 SPRINKLER SYSTEM S	909.08
10772	INTEGRATED SAFETY SERVICES LLC	3/28/24 SPRINKLER SYSTEM	909.08
10772	INTEGRATED SAFETY SERVICES LLC	3/26/24 SPRINKLER SYSTEM	1,702.50
10772	INTEGRATED SAFETY SERVICES LLC	4/5/24 SPRINKLER SYSTEM S	2,297.86
10772	INTEGRATED SAFETY SERVICES LLC	5/1/23 HOOD SERVICE	2,217.50
10772	INTEGRATED SAFETY SERVICES LLC	2 extinguisher annual ins	130.00
9761	INTERMOUNTAIN SWEEPER CO	Cust #719	8,405.58
10558	INTERMOUNTAIN VALVE & CONTROLS	CUST #160000855	7,018.70
13778	INVISION GIS LLC	MARCH 2024	3,727.50
13911	J & M DISPLAYS INC	FIREWORKS 7/4/24	18,000.00
14239	JC GOLF ACCESSORIES	ACCT #COALCRK	203.61
14239	JC GOLF ACCESSORIES	ACCT #COALCRK	149.56
14922	JOHN BRUNNER & COMPANY INC	LAP POOL BOILDER #1	1,756.80
15264	GREEN GIRL RECYCLING	3/5/24	352.70
15264	GREEN GIRL RECYCLING	3/5/24	284.10
15264	GREEN GIRL RECYCLING	3/5/24	585.40

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
15757	JOSEPH ELLIOTT USA LLC	PO NO. GD22399-HAT	408.89
11289	JVA INC	MARCH 2024 PROJ #220059	3,958.00
2780	KAISER LOCK & KEY SERVICE INC	LIBRARY REKEY LOCKS	124.00
15499	KATHRYN A MIHELIC	APRIL 2024 PICKLEBALL CO	1,470.00
14219	KIMLEY-HORN AND ASSOCIATES INC	SERVICES THROUGH 3/31/24	27,590.00
14219	KIMLEY-HORN AND ASSOCIATES INC	SERVICES THROUGH 2/29/24	54,172.94
14219	KIMLEY-HORN AND ASSOCIATES INC	SERVICES THROUGH 2/29/24	25,692.50
14219	KIMLEY-HORN AND ASSOCIATES INC	SERVICES THROUGH 3/31/24	6,537.20
8002	KINSCO LLC	C.JACOBS ENGRAVED NAME PI	34.98
8002	KINSCO LLC	ORDER #0017351 S.FEAGLE	302.49
8002	KINSCO LLC	ORDER #0016422 S.HAMILT	64.99
15817	LIBRARY IDEAS, LLC	#IF1725	42.46
15817	LIBRARY IDEAS, LLC	#IF1725	1,559.16
15754	LIGHTHOUSE TRANSPORTATION GROU	2024 TRAFFIC SIGNAL MAINT	4,574.90
15754	LIGHTHOUSE TRANSPORTATION GROU	PS0124 - XCEL POWER SHUT	9,950.00
14592	LIVE OAK BANK	ACCT #1879600-SRC042438	7,710.61
3070	LL JOHNSON DISTRIBUTING CO	CUST #158907	62.52
3070	LL JOHNSON DISTRIBUTING CO	CUST #158907	74.68
3070	LL JOHNSON DISTRIBUTING CO	CUST #158907	19.60
3070	LL JOHNSON DISTRIBUTING CO	CUST #158907	298.58
5432	LOUISVILLE FIRE PROTECTION DIS	4/13/24 blood draw J.Cha	35.00
14068	MAC EQUIPMENT INC	CUST #303-666-6565	1,176.62
14068	MAC EQUIPMENT INC	CUST #303-666-6565	1,122.41
15691	MARCH, LLC	2024 TRAFFIC SIGNAL MAINT	520.35
15813	MARY JANE TOM	INTERPRETER 1/20/24- 3/2/	866.40
14731	MARY MULCAHEY	REIMBURSE BLOOMIN SENIORS	285.12
6939	MCCANDLESS TRUCK CENTER LLC	CUST #100743	962.70
7532	MILE HIGH FLOOD DISTRICT	CUST ACCT #0039	80,000.00
15068	MODERN DAVINCI LLC	STEP MGMT REF #DA042324	4,040.00
13712	MOORE IACOFANO GOLTSMAN INC	FEB 2024 PROJ #070357.0	36,026.91
3420	MOTOROLA SOLUTIONS INC	CUST ACCT #1011822485	520.35

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
3420	MOTOROLA SOLUTIONS INC	CUST ACCT #1011822485	796.80
15109	MOUNTAIN MAN WELDING AND FABRI	WORK ORDER #9346	480.00
10541	MTH FAMILY LLC	CUST #7703	1,220.00
6427	NORTHERN COLO WATER CONSERVANC	2024 WINDY GAP ANNUAL BIL	106,761.25
6427	NORTHERN COLO WATER CONSERVANC	2024 WINDY GAP ANNUAL BIL	31,605.04
6427	NORTHERN COLO WATER CONSERVANC	2024 ANNUAL ASSESSMENT 40	2,144.00
11261	OFFICESCAPES	SALES ORDER #640482	4,198.27
11342	OJ WATSON COMPANY INC	BILL TO: LOUISVI	2,172.34
99999	GEN 3 HOMES	REFUND HYDRANT METER RENT	2,200.00
99999	BAUEN BUILD	HYDRANT METER REFUND	2,250.00
99999	MILLER WALL COMPANY	HYDRANT METER REFUND	2,100.00
99999	SWINERTON BUILDERS	REFUND OVERPAYMENT USE TA	102,903.32
99999	DEBORAH PURO	REFUND LOUISVILLE REC CEN	357.02
99999	PERFECT TEMP INC.	REFUND PERMIT #MEP-5237-2	534.11
99999	BRINKMAN CONSTRUCTION, INC.	REFUND LICENSE #LSVL-0057	175.00
14899	OTAK INC	PROJ #020108.C00 SERVICE	3,159.00
14899	OTAK INC	SERVICES ENDING 3/29/24	8,241.50
14899	OTAK INC	SERVICES ENDING 3/29/24	649.00
14899	OTAK INC	SERVICES THROUGH 3/1/24	11,223.50
15254	NORTHSIDE TTC	FEB & MARCH 2024 TABLE TE	3,326.40
14144	PING INC	CUST #40692	1,899.95
14675	POINT AND PAY LLC	MARCH 2024 CREDIT CARD FE	5,584.85
14844	REPUBLIC SERVICES INC #535	ACCT #3-0535-9535390	130,444.45
14844	REPUBLIC SERVICES INC #535	ACCT #3-0535-0109715	5,259.56
15741	RMMI DIGITAL DOCUMENT SOLUTION	Epson DS-32000 Scanner	3,200.00
15741	RMMI DIGITAL DOCUMENT SOLUTION	2 EPSON DS-7700II SCANNER	1,100.00
13419	ROADSAFE TRAFFIC SYSTEMS CORP	CUST #11720	664.12
13419	ROADSAFE TRAFFIC SYSTEMS CORP	CUST #11720	80.20
13419	ROADSAFE TRAFFIC SYSTEMS CORP	CUST #11720	1,201.41
13419	ROADSAFE TRAFFIC SYSTEMS CORP	CUST #11720 QUOTE #1854	1,315.46
14297	ROCKFAN ENTERTAINMENT	JOB ID #858	63,751.63
13695	ROCKY MOUNTAIN PUMP & CONTROLS	60HP Premium Efficient US	4,000.00
15497	SENERGY PETROLEUM LLC	BOL #772241	1,014.69
15497	SENERGY PETROLEUM LLC	CUST #84628	672.51

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
15497	SENERGY PETROLEUM LLC	BOL #787377	1,671.94
15497	SENERGY PETROLEUM LLC	CUST ID #84627	13,358.20
15497	SENERGY PETROLEUM LLC	CUST ID #84626	3,408.00
4300	SILL-TERHAR MOTORS INC	VIN #1FM5K8AC7RGA62275	43,544.00
4300	SILL-TERHAR MOTORS INC	VIN #1FM5K8AC8RGA60860	43,544.00
4300	SILL-TERHAR MOTORS INC	VIN #1FM5K8AC8RGA72412	43,544.00
14612	SOME LIKE IT GREEN, LLC	APRIL 2024 PLANT CARE	94.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 WATER TRMT S WT	90.75
13059	SPRAGUE PEST SOLUTIONS	4/16/24 WATER TRMT N WT	82.50
13059	SPRAGUE PEST SOLUTIONS	4/16/24 REC/SENIOR CENT	105.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 POLICE DEPT	75.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 CITY HALL	82.50
13059	SPRAGUE PEST SOLUTIONS	4/16/24 MUSEUM	75.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 ART CENTER	75.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 CITY SERVICES	145.00
13059	SPRAGUE PEST SOLUTIONS	4/16/24 WASTE WATER TRMT	82.50
13059	SPRAGUE PEST SOLUTIONS	4/16/24 LIBRARY	75.00
13070	SUMMERWOOD	ARBORETUM TREE ID SIGNS	170.00
7404	SUN BADGE COMPANY	cust #4402	2,878.08
15451	SYLVESTER'S MAINTENANCE & MECH	JOB #84137399	552.26
14550	TAYLOR MADE GOLF COMPANY INC	ACCT #632413	188.26
14550	TAYLOR MADE GOLF COMPANY INC	ACCT #632413	187.76
14550	TAYLOR MADE GOLF COMPANY INC	ACCT #632413	97.72
14550	TAYLOR MADE GOLF COMPANY INC	ACCT #632413	569.69
15758	TEXTRON E-Z-GO LLC	CUST #700012259	360.00
15758	TEXTRON E-Z-GO LLC	CUST #700012259	130.00
14729	THE PURPLE PIANO LLC	YOGA CAMP APRIL 2024	210.00
13603	TOSHIBA BUSINESS SOLUTIONS INC	CUST #T0B5E4W	279.04
13603	TOSHIBA BUSINESS SOLUTIONS INC	CUST #T0B5E4W CONT #937	230.79
14483	ULINE INC	CUST #15860416	708.36
14483	ULINE INC	CUST #15860416	113.65
14446	VECTOR DISEASE CONTROL	CUST ID #LOUISV01 2024	2,137.96
14690	VELOCITY CONSTRUCTORS INC	2024 SCWTP Filter Media R	7,600.00
13851	VELOCITY PLANT SERVICES LLC	3/6/24 PUMP PAD REPAIR 19	1,776.58
13851	VELOCITY PLANT SERVICES LLC	3/7/24 LOUISVILLE PUMP P	2,440.54

CASH ACCOUNT: 001000 101001 WARRANT: 050724 05/07/2024

VENDOR	VENDOR NAME	PURPOSE	AMOUNT
4900	VRANESH AND RAISCH LLP	MARCH 2024 CLIENT #0751	780.88
15688	VTECH CONTROLLER TECHNOLOGY, L	IRRIGATION SUPPLIES & MAT	430.00
11053	WATER TECHNOLOGY GROUP	CUST #400328	538.77
14373	WEIFIELD GROUP CONTRACTING INC	900 WEST VIA APPIA WAY	1,357.50
14373	WEIFIELD GROUP CONTRACTING INC	951 SPRUCE STREET	1,070.00
14373	WEIFIELD GROUP CONTRACTING INC	WTP LED Lighting Upgrades	27,400.00
14373	WEIFIELD GROUP CONTRACTING INC	Electrical repair 7000 Ma	1,530.00
14373	WEIFIELD GROUP CONTRACTING INC	SUN BELT RENTAL	794.86
14373	WEIFIELD GROUP CONTRACTING INC	WTP LED Lighting Upgrades	1,594.77
14373	WEIFIELD GROUP CONTRACTING INC	3/15/24 ELECTRICAL 7000 M	897.50
14373	WEIFIELD GROUP CONTRACTING INC	3/15/24 ELECTRICAL 1955 W	1,402.78
14373	WEIFIELD GROUP CONTRACTING INC	ELECTRICAL SERVICE 1555 E	1,575.19
14373	WEIFIELD GROUP CONTRACTING INC	ELECTRICAL SERVICE 1955 W	572.50
14373	WEIFIELD GROUP CONTRACTING INC	ELECTRICAL SERVICE 1555 E	685.00
14373	WEIFIELD GROUP CONTRACTING INC	ELECTRICAL SERVICE 7000 M	1,071.32
14373	WEIFIELD GROUP CONTRACTING INC	ELECTRICAL SERVICE 1555 E	380.00
15816	WHENTOWORK, LLC.	SUBSCRIPTION #40046471	2,193.00
14050	YBA SHIRTS INC	CLIENT ID #1628666	2,488.50
	291 INVOICES	WARRANT TOTAL	1,742,498.71

City Council

Meeting Minutes

August 15, 2023
City Hall, Council Chambers
749 Main Street
6:00 PM

Call to Order – Roll call was taken and the following members were present.

City Council:	***Mayor Dennis Maloney***
	Mayor Pro Tem Deborah Fahey
	Councilmember Caleb Dickinson
	Councilmember Barbara Hamlington
	Councilmember Dietrich Hoefner
	Councilmember Chris Leh (arrived remotely 6:01 pm)
	Councilmember Maxine Most
Staff Present:	***Jeff Durbin, City Manager***
	Kayla Betzold, Sustainability Manager
	Rafael Gutierrez, Police Chief
	Paulina Bennett, IT Director
	Meredyth Muth, City Clerk
	Genny Kline, Deputy City Clerk
Others Present:	***Kathleen Kelly, City Attorney***

Mayor Maloney read a letter the City sent to the residents of Maui offering help as they recover from the recent wildfire.

APPROVAL OF AGENDA

Mayor Maloney called for changes to the agenda and hearing none asked for a motion. **Motion:** Councilmember Hamlington moved to approve the agenda, seconded by Councilmember Dickinson. **Vote:** All in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND ITEMS ON THE CONSENT AGENDA

Eric Lund, Chamber of Commerce, stated the Chamber has submitted a letter of support to the Council for the proposed concept plan review process as this may help encourage efficient development. They also submitted a letter with concerns about the proposed Dark Sky ordinance. He also noted concerns about the proposed Boulder County minimum wage changes. He invited everyone to their upcoming events.

APPROVAL OF THE CONSENT AGENDA

Mayor Maloney asked for changes to the consent agenda; hearing none he asked for a motion: **Motion:** Councilmember Dickinson moved to approve the consent agenda, seconded by Councilmember Hoefner. **Vote:** All in favor.

- **A.** Approval of Bills
- **B.** Approval of Minutes: February 7, 2023; August 1, 2023
- **C.** Approval of Contract with Zayo for Service Renewal & Additional Redundant Internet Connections

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

Councilmember Leh reported he was attending remotely as he recovers from COVID.

CITY MANAGER'S REPORT

None.

REGULAR BUSINESS

RESOLUTION NO. 48, SERIES 2023 – A RESOLUTION APPROVING AN INTERNAL DECARBONIZATION PLAN FOR THE CITY OF LOUISVILLE ORGANIZATION

Mayor Maloney introduced the item.

Sustainability Manager Kayla Betzold stated this project is a part of the Council's 2023 Work Plan. Staff is asking the Council to adopt the proposed plan for internal decarbonization.

She stated the City contracted with McKinstry Essention, LCC to complete an engineering, mechanical and financial analysis for each municipal facility and associated fleet and equipment with the goal of creating a strategic roadmap for cost-effective electrification and decarbonization of all operations by 2030.

She noted that Council gave direction earlier in the year to move forward with hybrid electrification to keep natural gas in place for use only when it is extremely cold. Council also gave direction to extend the goal date from 2030 to 2040 to ensure project cost effectiveness.

Betzold reviewed the process of decarbonization stating it will include evaluating the embodied carbon in existing facilities; reducing energy use; reducing emissions; reducing

fossil fuels on site by making facilities renewably operable; and moving to zero-carbon energy sources.

Brian Goldcrump, McKinstry, reviewed their key findings. They identified a pathway to decarbonization by 2040; included hybrid electrification; identified the total net cost at $4.3M – $14.4M; and found that self-owned solar is cheaper than purchasing solar.

He reviewed current overall emissions; roughly 90% of energy use is by buildings. For the fleet they found there are electric vehicles for many uses but not for large, heavy-duty trucks such as snow plows. He reviewed the road map and how the phasing would work to get to full decabronization by 2040. The phasing includes timing to only replace equipment when it has reached end of life.

He reviewed the evaluation criteria, the locations for implementation, and the roadmap with phases. The highest priority buildings for renewable energy systems are the wastewater plant, recreation center, and the City services building. He reviewed the recommended locations for EV chargers and the recommendations for replacing gas powered equipment.

Ashley Brasovan, McKinstry, reviewed the possible grant opportunities that could offset costs. She noted there is an unprecedented amount of funding available for shovel-ready projects. She stated this list should be refreshed every 5-7 years to find the best options.

She reviewed the other co-benefits and unquantified benefits of implementation including avoiding future carbon emissions penalties and future natural gas price shock; having facilities ready for future micro-grids; and improved employee conditions and retention.

She reviewed net costs of decarboniztion which the study shows to be $4M -$14M. She reviewed implementation strategies including energy performance contracting, design-build projects, and self-implementation.

Public Comments

John Cowley, Louisville, asked City Council to amend the resolution to commit Council to spending on the high priority items. He asked Council to shorten the schedule for the plan to be complete by 2028.

Tess Weltzin, Lafayette, encouraged the Council to divest from fossil fuels to help future generations and move toward decarbonization to ensure a better future for our residents.

Shira Nathan, Lafayette, encouraged Council to approve the plan. They noted recent extreme weather events across the world and encouraged Council to be a commit to the plan as the first priority of the City.

Katie Doyle-Myers, Louisville, noted that decarbonization in city buildings is key to a better future. She encouraged a yes vote. Approval of the plan is a message that the City prioritizes the future of our youth.

Josh Cooperman, Louisville, thanked Council for supporting the plan to this point and urged Council to adopt it. He asked for implementation to be prioritized with urgency. He would like Louisville to set an example for other communities and for residents.

Sherry Sommer, Louisville, stated this plan is doable and it makes Louisville a leader among its peers. She noted the co-benefits will help employees with a better work environment. She would like more detailed information on the grant opportunities and financing.

Tiffany Boyd, Louisville, stated she likes the on sight renewables to reduce dependence on power companies. She urged a yes vote to commit to addressing climate change.

Councilmember Dickinson stated he supports the plan and noted it allows the City to lead by example. He would like the City to also address decarbonization for the rest of the buildings in town that are not City owned.

Councilmember Most stated this is important to the community. She would like this information given to residents so others know how to do this type of work. We need to assist and incentivize our businesses and residents to do this on their own.

Councilmember Most asked when electric options for heavy duty vehicles are expected. Goldcrump stated those are just starting to come online but it will be a few years.

Councilmember Leh stated this is a great framework to reduce our carbon footprint. He is concerned the costs are not specific enough for longer term planning.

Mayor Maloney stated we need to address this issue and reduce Greenhouse gases. He likes the report and the direction it is taking the City. He would like deeper discussion of the numbers and costs involved. Phase one could be as much as $20M in the next three years. To fully fund this would likely require a bond issue as we don’t have the reserves to pay for this in cash. He looks forward to discussion of implantation and funding. He stated the phasing makes sense and aligns with the end of life of equipment.

Councilmember Hoefner stated he too would like more information on the financial model and how the City could pay for it. We wants to move forward but would like to better understand the costs.

Councilmember Dickinson asked if the plan presented tonight is likely to need a bond issue or just budgeting over time. City Manager Durbin stated staff can’t answer that at this time. Details of how to include this into the rest of the City’s budget still need to be worked out. Manager Betzold noted the plan estimates $1.7-$2M in annual costs.

Mayor Pro Tem Fahey agreed this is a good plan it would make us a leader in the community. She would like to determine what funding is available and what the timelines will be, then determine what to prioritize.

Councilmember Hamlington asked how long the funds from the Inflation Reduction Act will be available. Brasovan stated they are set to go through 2032 but that could change with a new administration.

Councilmember Hamlington wants to see real action implemented and would like to see a way to hold the City accountable to meeting these goals.

Mayor Maloney proposed continuing this item to a special meeting on October 24 for further discussion of how to start the financing of the plan.

Councilmember Most stated she would like to approve the plan this evening and also have the October meeting to start discussing implementation. She feels it is a reasonable commitment to approve the plan now and discuss the financing in October.

Mayor Maloney stated he agrees, however, he has questions on the financial side and he wants to make sure we get it right. He stated he is supportive of the plan but wants to make sure there is a financially doable strategy to move it forward.

Councilmember Dickinson agreed with Councilmember Most that the Plan can be approved this evening to show our commitment to the plan. How we fund this and how fast that happens can be addressed at the October meeting.

Mayor Maloney stated he would prefer a later vote when everyone can feel comfortable with the timing and understanding the funding so there is unanimous support.

Councilmember Hamlington stated the strategy is important and so understanding what is financially doable. The plan and the financing are tied together and she doesn't want to move forward with something without committing to pay for it.

Councilmember Hoefner agreed. He wants to understand the near term expenses and if we can pay for that before we commit to anything.

Mayor Pro Tem Fahey agreed everyone supports this but we need to know what we can afford and how it fits in the budget.

Councilmember Leh stated we need to know we can fund the projects before we adopt the goals. We need to understand how we will phase it and how it impacts other priorities.

Members agreed to continue the item to October 24 for further discussion of the financing and how the City can commit to making this happen.

ORDINANCE NO. 1855, SERIES 2023 – AN ORDINANCE AMENDING CHAPTER 5.08 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING ART GALLERY PERMITS – 2ND READING – PUBLIC HEARING (advertised *Daily Camera 8/6/23)*

Mayor Maloney introduced the item and opened the public hearing.

Deputy City Clerk Genny Kline stated the legislature recently passed a bill that allows retail establishments to serve complimentary alcoholic beverages on their premises for up to 24 special events each year. This bill amended state statute which previously limited this type of permit to Art Galleries. The Louisville Municipal Code needs to be amended to include this new license type. The Code modifications will replicate those in state statute.

This request was presented to the Local Licensing Authority at their July 24, 2023 meeting and they expressed no concerns regarding this new license. The State has set the fee for this application at $25.00

Public Comment – None.

Councilmember Hamlington asked if the businesses that might offer more risky events, such as rock climbing would take on this risk or if the ordinance should outline such issues. Deputy Clerk Kline stated that risk is taken on by the business and they are responsible for knowing the risks.

Councilmember Dickinson asked if the 24 times per year could be changed to weekly. Deputy Clerk Kline stated that would not be an allowed given how the state rules are written.

Public Comment – None.

Mayor Maloney closed the public hearing.

MOTION: Councilmember Dickinson moved to approve Ordinance No. 1855, Series 2023; seconded by Councilmember Most.

VOTE: Motion passed by unanimous roll call vote.

CITY ATTORNEY'S REPORT

None.

COUNCIL COMMENTS, COMMITTEE REPORTS AND IDENTIFICATION OF FUTURE AGENDA ITEMS

Mayor Maloney asked to move the budget and work plan discussion to September 12 and cancel the scheduled August 22 meeting. Everyone agreed to the change.

Councilmember Most asked staff to look at what Lafayette just passed for building code updates to compare it to what we have. Mayor Maloney asked for that information to be emailed to members.

Councilmember Dickinson asked for information about what other communities are putting in place for safety around ebikes and asked what our current rules are.

Mayor Pro Tem Fahey noted she has gotten many comments about traffic safety lately. Chief Guttierez noted some of the traffic work the Police Department is currently doing.

Mayor Pro Tem Fahey stated she would like discussion on fire mitigation and if we can require that power lines be undergrounded. City Manager Durbin noted that the PUC has that authority not the City. He noted the City annually undergrounds lines in Old Town.

Councilmember Most would like the City Council to consider banning open fires in backyards.

Councilmember Leh asked for more work on fire hardening and resilience.

ADJOURN

Members adjourned at 8:22 pm.

_____
Dennis Maloney, Mayor

_____
Meredyth Muth, City Clerk

City of Louisville
COLORADO • SINCE 1878

City Council

Meeting Minutes

September 5, 2023
City Hall, Council Chambers
749 Main Street
6:00 PM

Call to Order – Mayor Maloney called the meeting to order at 6:00 p.m. **Roll Call** was taken and the following members were present:

City Council:	***Mayor Dennis Maloney***
	Mayor Pro Tem Deborah Fahey
	Councilmember Caleb Dickinson
	Councilmember Barbara Hamlington
	Councilmember Dietrich Hoefner
	Councilmember Chris Leh
	Councilmember Maxine Most
Staff Present:	***Jeff Durbin, City Manager***
	Kurt Kowar, Public Works Director
	Rob Zuccaro, Community Development Director
	Amelia Brackett Hogstad, Senior Planner
	Adam Blackmore, Parks, Recreation, & Open Space Director
	Ryder Bailey, Finance Director
	Sharon Nemechek, Cultural Services Director
	Rhonda Henger, Human Resources Director
	Paulina Bennett, Information Technology Director
	Rafael Gutierrez, Police Chief
	Emily Hogan, Assistant City Manager
	Meredyth Muth, City Clerk
Others Present:	***Kathleen Kelly, City Attorney***

APPROVAL OF AGENDA

Mayor Maloney called for changes to the agenda and hearing none asked for a motion. **Motion:** Councilmember Dickinson moved to approve the agenda, seconded by Councilmember Hoefner. **Vote:** All in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND ON THE CONSENT AGENDA

None.

APPROVAL OF THE CONSENT AGENDA

Mayor Maloney noted a new version of the agreement for item L has been given to Council on the dais; this is the version to be approved this evening. City Attorney Kelly stated this new version is compliant with the Home Rule Charter.

He asked for any additional changes to the consent agenda; hearing none he asked for a motion. **Motion:** Mayor Pro Tem Fahey moved to approve the consent agenda, seconded by Councilmember Dickinson. **Vote:** All in favor**.**

- **A.** ***Approval of Bills***
- **B.** ***Approval of Minutes: April 4, 2023***
- **C.** ***Approval of City Council Meeting Schedule for September, October, and November***
- **D.** ***Award Bid for 2023 South Boulder Road Culvert Lining Project***
- **E.** ***Approval of Purchase Agreement with Basecamp Louisville LLC for the Sale of a City-Owned Building Located at 1501 Empire Road***
- **F.** ***Approve Contract Between the City of Louisville and MIG for Downtown Vision Plan for Streetscapes and Public Places Project***
- **G.** ***Approve Contract Between the City of Louisville and Kimley-Horn and Associates for the Highway 42 Design and ROW Project***
- **H.** ***Approval of 2023 Pavement Marking Contract***
- **I.** ***Approval of Change Order #1 to Contract for the 2023 Street Resurfacing Project***
- **J.** ***Approval of Street Faire Contract 2024 - 2026***
- **K.** ***Approval of Resolution No. 49, Series 2023 – A Resolution Approving a Cooperation Agreement with the Louisville Revitalization Commission Regarding the Outdoor Skating Rink at the Steinbaugh Pavilion***
- **L.** ***Approval of Land Use Agreement with Boulder County***
- **M.** ***Approval of Resolution No. 50, Series 2023 – A Resolution Supporting the Grant Application for a Community Impact Grant from the State Board of the Great Outdoors Colorado Trust Fund Towards the Reconstruction of Enclave and Sunflower Parks***
- **N.** ***Approval of Insight Microsoft Purchase Order***

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

Councilmember Leh stated he had a recent call from Community Food Share telling him that over the past few months they have seen record high numbers for people needing service; higher than they have ever seen, and they expect it to increase in the future.

Councilmember Most stated increases in homeowners insurance and car insurance are being felt as well. She asked that low and moderate income residents not be forgotten in our services.

Councilmember Dickinson thanked staff for the work on the Labor Day events.

CITY MANAGER'S REPORT

City Manager Jeff Durbin introduced new Deputy City Manager Samma Fox. He also thanked staff for their work at the Labor Day events.

He stated Boulder County and the Community Foundation have given $600,000 towards Marshall Fire debris removal cost to offset costs to private property owners.

He noted staff from the water division recently went to Maui to help with fire recovery.

REGULAR BUSINESS

ORDINANCE NO. 1856, SERIES 2023 – AN EMERGENCY ORDINANCE FOR EXTENDING THE CITY'S THREE-EIGHTHS OF ONE PERCENT (0.375%) SALES TAX FOR PARKS AND OPEN SPACE PURPOSES FOR AN ADDITIONAL 10 YEAR PERIOD, IMPOSING AN ADDITIONAL ONE-EIGHTH OF ONE PERCENT (0.125%) SALES AND USE TAX FOR OPEN SPACE PURPOSES AS PROVIDED HEREIN; AND PROVIDING FOR THE SUBMISSION OF THE BALLOT QUESTION TO A VOTE OF THE REGISTERED ELECTORS AT A REGULAR ELECTION TO BE HELD NOVEMBER 7, 2023 – 1ST AND FINAL READING – PUBLIC HEARING – Adoption as Emergency Ordinance

Mayor Maloney introduced the item and opened the public hearing. He noted this ordinance was brought forward to correct an error made in the earlier ordinance that placed this item on the ballot.

Public Comments – None.

Mayor Maloney asked for any Council discussion, seeing none he asked for the second round of public comments.

Public Comments

Sherry Sommer, Louisville, thanked everyone for their work on this ballot issue.

Mayor Maloney thanked the resident who noticed this error which led to this fix tonight.

MOTION: Councilmember Most moved to approve the ordinance; Councilmember Hoefner seconded the motion.

VOTE: Motion passed by unanimous roll call vote.

LOUISVILLE HEIGHTS REPLAT B AND LANDMARKING – 301 SPRUCE STREET

RESOLUTION NO. 51, SERIES 2023 – A RESOLUTION APPROVING A LANDMARK DESIGNATION FOR A HISTORICAL RESIDENTIAL PROPERTY LOCATED AT 301 SPRUCE STREET

RESOLUTION NO. 52, SERIES 2023 – A RESOLUTION APPROVING THE LOUISVILLE HEIGHTS REPLAT B, A MINOR SUBDIVISION TO REPLAT LOTS 12-16, BLOCK 5 OF THE LOUISVILLE HEIGHTS ADDITION TO CREATE TWO LOTS

Mayor Maloney introduced the items and opened the public hearing.

Planner Brackett Hogstad stated this is a request for a landmarking and minor subdivision replat. Staff believes the house at 301 Spruce Street meets the landmarking criteria and recommends approval of the resolution.

The replat would subdivide one lot into two and if approved would allow one lot to be 54-feet wide where 70 feet is required as well as approve a 6,755 sf lot where 7,000 sf is required. Staff supports the replat as it meets all other requirements of Title 16, maintains density of the lot, and maintains the character of an existing historic structure. Staff recommends approval of the replat.

Applicant Susannah Pels stated their goal is to subdivide the property so they can pass on both lots to their children and build a smaller house on the new lot for retirement.

Public Comments – None.

Councilmember Dickinson stated he supports this request and is happy to see the house landmarked and protected and to utilize a large lot for two homes.

Councilmember Most and Mayor Pro Tem Fahey agreed.

Mayor Maloney stated he appreciates the applicant's working with staff to find a great way to use and preserve the property.

MOTION: Councilmember Dickinson moved to approve Resolution No. 51, seconded by Councilmember Leh.

VOTE: Motion passed by unanimous roll call vote.

MOTION: Mayor Pro Tem Fahey moved to approve Resolution No. 52, seconded by Councilmember Hoefner.

VOTE: Motion passed by unanimous roll call vote.

DISCUSSION/DIRECTION – RECOMMENDED BUDGET FOR 2024, INCLUDING UPDATED CAPITAL IMPROVEMENTS PLAN FOR 2023-2028 & UPDATED LONG-TERM FINANCIAL PLAN FOR 2023-2028 – SET PUBLIC HEARING 10/17/23

Mayor Maloney introduced the item and noted this is the initial budget presentation. Next week the council will go into more detail and that will be the chance for councilmembers to ask in depth questions.

Director Bailey stated the City Council approved the 2023-2024 Biennial Budget on November 15, 2022. Per the City Charter, only the 2023 portion of the Biennial Budget was legally adopted and appropriated. The 2024 Budget and attachments are meant to supplement the previously approved document as an updated budget. He reviewed the budget meeting schedule and next steps.

City Manager Durbin stated this budget's fiscal priorities are Marshall Fire Recovery and Mitigation; Open Space and Parks Ballot Measure; Commitment towards Sustainability and De-carbonization of City Facilities; Economic Vitality; Affordable Housing; Office Space Needs; Personnel Expenditures; and the Superior Library IGA. He noted areas where he is recommending enhancements and where new personnel are being requested.

Bailey reviewed how the budget is divided citywide and reviewed projections for salaries, benefits, and revenue. He reviewed each of the City's funds and their forecasts as well as proposed changes to the Capital Improvement Projects for 2024.

Councilmember Most asked if salary increases are attributable to additional staff or increases in wages for exiting staff. Director Bailey stated it is mostly based on increases in salary and benefits for existing staff.

Mayor Maloney noted the budget as presented here is out of balance and that will be the discussion the Council will need to have next week.

Councilmember Leh asked about the proposed mill levy reduction. Director Bailey stated this is to lower property taxes for residents in this year when large increases in property assessments are expected. This will keep the increase at 7.5%.

Councilmember Leh noted that the bag tax revenue will ultimately go down as people use fewer bags, so using that for salaried for a new position may not be prudent. City Manager Jeff Durbin stated the projections show the continued use of paper bags, particularly at drive through restaurants, will continue as plastic bags are banned. This is projected to be enough to support the position.

Councilmember Leh asked what percentage of total costs is personnel costs. Director Bailey stated it is roughly one-third. Councilmember Leh noted staff is critical.

Councilmember Hoefner asked for the next meeting to have a “what if” analysis on the mill levy reduction and on the possibility of the open space tax not passing at the ballot. He also asked for staff suggestions on how to reduce the out year deficits.

Councilmember Hamlington asked for more information on if any others entities are considering a mill levy reduction in 2024. She also asked for information on future wages and benefits and if the City is competitive with our surrounding cities.

Mayor Maloney stated he is talking with BVSD and the County about what they may or may not do for mill levy reductions.

Councilmember Dickinson stated council has clearly wanted to help residents with a mill levy reduction but he stated he would like to see it at the level it was two years ago, not lower. He would like more information on this next week and on how the Rec Center bond affects this. He is concerned this creates a massive jump in 2025 and he would like to see options. He would like to see various projections for sales tax revenue and what those impacts would be.

Councilmember Dickinson and Mayor Maloney asked to see the Rec Center renewal and replacement schedule to see more details on how the fund is expected to be spent.

Mayor Maloney noted there is a lot of work to do on this budget just as we do every year. He noted there will need to be a discussion on how funds will be allocated. He stated there will be a lot of work to be done on how the open space and parks funds will be handled if the ballot issue passes.

Mayor Maloney stated he would like to see a reduction in the mill levy so residents are not seeing a massive increase.

Councilmember Leh asked for additional information on how much sales tax is coming from outside sales.

Councilmember Most reiterated her request that lower income residents be considered in this conversation.

Chief Willson, Louisville Fire District, stated the Fire District is not planning to reduce their mill levy this year as they are anticipating a reduction in revenue depending on Proposition HH.

Public Comments

Sherry Sommer, Louisville, stated the mill levy reduction is very small for most homeowners and it might be better to keep that money for City projects. She supports additional funds being set aside for decarbonization. She stated if the interest on the Rec Center bond is low it might make sense to not refinance that.

MOTION: Mayor Maloney moved to set the public hearing for the budget for October 17, 2023; Mayor Pro Tem Fahey seconded.

VOTE: Voice vote all in favor.

ORDINANCE NO. 1857, SERIES 2023 – AN ORDINANCE AMENDING TITLE 3 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING THE CITY'S TAX AND BUSINESS ASSISTANCE PROGRAM SET FORTH IN CHAPTER 3.24, AND TO ADD A NEW CHAPTER 3.25 REGARDING ENHANCED ASSISTANCE FOR AEROSPACE BUSINESSES – 1st READING, SET PUBLIC HEARING 9/19/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for September 19, 2023; seconded by Councilmember Most.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1858, SERIES 2023 – AN ORDINANCE AMENDING TITLE 17 OF THE LOUISVILLE MUNICIPAL CODE BY THE ADDITION OF A NEW CHAPTER 17.26 TITLED OUTDOOR LIGHTING – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Mayor Pro Tem Fahey.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1859, SERIES 2023 – AN ORDINANCE AMENDING TITLE 17 OF THE LOUISVILLE MUNICIPAL CODE BY CREATING A NEW SECTION 17.16.350

ESTABLISHING PROCEDURES AND CRITERIA FOR A CONCEPT PLAN REVIEW – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Councilmember Leh.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1860, SERIES 2023 – AN ORDINANCE REPEALING THE PROHIBITION ON PIT BULLS CONTAINED IN SECTION 6.12.160 OF THE LOUISVILLE MUNICIPAL CODE – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Councilmember Hoefner.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1861, SERIES 2023 – AN ORDINANCE AMENDING SECTION 2.67.020 OF THE LOUISVILLE MUNICIPAL CODE REDUCING THE MEMBERSHIP ON THE RECREATION ADVISORY BOARD – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Councilmember Fahey.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1862, SERIES 2023 – AN ORDINANCE AMENDING CHAPTER 2.20 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING THE ARTS & CULTURE ADVISORY BOARD – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Councilmember Hoefner.

VOTE: Motion passed by unanimous voice vote.

ORDINANCE NO. 1863, SERIES 2023 – AN ORDINANCE AMENDING CHAPTER 2.20 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING THE HISTORICAL MUSEUM ADVISORY BOARD – 1st READING, SET PUBLIC HEARING 10/2/23

Mayor Maloney introduced the ordinance by title.

MOTION: Mayor Maloney moved to approve the ordinance on first reading and set the public hearing for October 2, 2023; seconded by Councilmember Hoefner.

VOTE: Motion passed by unanimous voice vote.

CITY ATTORNEY'S REPORT

None.

COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS

Mayor Pro Tem Fahey stated she has gotten thank yous from residents for the new no right on red sign at Via Appia and South Boulder Road.

Councilmember Most asked for a future agenda item for use tax waivers for those fire survivors whose homes were not destroyed but required mitigation.

Councilmember Hamlington stated how much she likes the new upgrades at the library plaza and stated she knows it is much appreciated.

ADJOURN

Members adjourned at 7:42 pm.

_____
Dennis Maloney, Mayor

_____
Meredyth Muth, City Clerk

City of Louisville
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City Council

Special Meeting Minutes

September 12, 2023
Library Meeting Room
951 Spruce Street
6:00 PM

Call to Order – Mayor Maloney called the meeting to order at 6:00 p.m. **Roll Call** was taken and the following members were present:

City Council:	***Mayor Dennis Maloney***
	Mayor Pro Tem Deborah Fahey
	Councilmember Caleb Dickinson
	Councilmember Barbara Hamlington
	Councilmember Dietrich Hoefner
	Councilmember Chris Leh
	Councilmember Maxine Most
Staff Present:	***Jeff Durbin, City Manager***
	Samma Fox, Deputy City Manager
	Kurt Kowar, Public Works Director
	Rob Zuccaro, Community Development Director
	Adam Blackmore, Parks, Recreation, & Open Space Director
	Ryder Bailey, Finance Director
	Sharon Nemechek, Cultural Services Director
	Rhonda Henger, Human Resources Director
	Paulina Bennett, Information Technology Director
	Rafael Gutierrez, Police Chief
	Emily Hogan, Assistant City Manager
	Meredyth Muth, City Clerk

DISCUSSION/DIRECTION – RECOMMENDED BUDGET FOR 2024, INCLUDING UPDATED CAPITAL IMPROVEMENTS PLAN FOR 2023-2028 & UPDATED LONG-TERM FINANCIAL PLAN FOR 2023-2028

Mayor Maloney introduced the item. City Manager Durbin noted this is a continuation of this conversation from September 5. This is the second year of a two-year process so this should only be minor changes to what was included last year. He noted there is a structural imbalance as the budget is currently presented so there is work to do to bring it into balance. He added that in the coming months there is work to do to evaluate process to create organizational efficiencies.

Mayor Maloney noted that this discussion will continue to the September 26 meeting if needed.

Director Bailey noted there is some updated information from last week in the presentation. It includes new sales tax assumptions and updated General Fund forecasts as well as information that Council asked for last week.

He reviewed new assumptions using a 5% annual growth for the sales tax assumption and reviewed tax growth for both inside the City and outside noting inside the City is relatively flat while outside the City sales tax has nearly doubled in recent years.

Councilmember Dickinson noted the large increase in outside sales is great but the stagnant business in town is a problem as our brick and mortar stores are not increasing and that is troubling.

Director Bailey reviewed the impacts of possible mill levy reductions on revenue collection. He recommended reducing the Rec Center mill levy to stay within TABOR compliance. For the general mill levy staff is recommending a temporary decrease to keep the increase to 7.5%.

Mayor Maloney would like to see the out years also be limited to a 7.5% increase. Councilmember Dickinson agreed it should be a smooth increase for out years. Mayor Maloney noted the difficult part will be determining how to figure out how to reach that number.

City Manager Durbin noted the County is limiting their mill levy to a 5% increase, the fire district board is still undecided. It is unclear what BVSD is planning to do.

Director Bailey shared a new General Fund forecast with new sales tax assumptions. He reviewed the Parks and Open Space Funds comparing if the ballot issue passes and if it does not. He also reviewed the Recreation Center Renewal and Replacement policy.

City Manager Durbin reviewed the office space needs that impact the budget. He noted money has been included in the 2024 budget to lease additional office space for staff to move to from City Hall but at this point this discussion will be budget dependent.

Councilmember Leh suggested office sharing for those staff that work from home part of the time. There are downsides to it but it might be considered. Councilmember Hamlington noted there may be options for having teams on site for certain days if there was appropriate flex space. It would also help reduce commuting and greenhouse gases. Councilmember Dickinson agreed that this can work really well if done right.

Director Bailey reviewed the 2024 CIP requests.

Public Comments

Mike Kranzdorf, Louisville, asked that public facing staff not reduce office hours as that makes it harder for residents. He also encouraged Council to consider reducing the mill levy on principal and encourage the County and BVSD to do the same. He reminded Council that businesses owners pay 4x in property tax over residential properties.

Sherry Sommer, Louisville, encouraged Council to continue with the division of the OpenSpace and Parks Funds as the task force recommended.

Councilmember Dickinson stated a reduction in the mill levy this year would be important to prove to residents we want to help even though it might not make a huge difference to the average home owner.

Mayor Maloney noted the council has to balance the budget before this can be approved in November. Mayor Maloney would like to see more information on how the utility rates and are being projected and what the turnback might be.

Councilmember Hoefner would like more information on the mill levy impacts, what the State is doing, and how that impacts us locally. Mayor Maloney would like to know when the City has the ability to make decisions on the mill levy based on if Proposition HH passes or not.

The consensus was to have another budget meeting on September 26 to further discuss how to bring the budget into balance.

2024 CITY COUNCIL WORK PLAN

Mayor Maloney noted this is on the agenda for approval tonight so it can be finalized as many of these items have budget impacts for 2024. City Manager Durbin stated this is culmination of the previous meetings work and is for consideration for adoption this evening.

Councilmember Most would like to add more details under EDI item showing programs such as Golf and the Rec Center being listed out.

Councilmember Hoefner asked to add an item for traffic safety under the transportation item.

Councilmember Dickinson would like more clarity on what the Economic Vitality goals are including business retention and filling vacant spaces.

Councilmember Hoefner suggested office space be added as a discussion item to the work plan.

Public Comments – None.

This item will come back on September 26 and staff will add some of this information for that discussion.

DISCUSSION/DIRECTION – TOWN OF SUPERIOR BIGSBY'S INCENTIVE REQUEST

City Manager Durbin stated the City and the Town of Superior have a small area in Superior where we share sales tax revenue. Superior is requesting the City Council consider supporting a new development in the area by providing a sales tax rebate similar to the City's Business Assistance Program (BAP). This would likely be implemented via an IGA with the Town of Superior as they would be collecting the taxes not the City of Louisville.

Neal Shah, Superior Trustee, noted Superior does not have a Business Assistance Program and this would be a great way to move this business forward and bring this business to Boulder County to help the entire area. As a special district there is a high tax rate on this parcel so this is an incentive. They feel it will be a boon to both communities to bring Bigsby's to the area where both towns would benefit.

Public Comment – None.

Councilmember Hoefner stated he would support if it was done at the same level as we do for businesses in town.

Councilmember Dickinson stated if Superior believes this is a way to get this business in that location he supports it as a way to help fill that spot using the tools we normally use for local businesses.

Councilmember Most noted there might be concerns of ripple effects for our community, and she doesn't want the perception that we are prioritizing a business in Superior at the expense of local businesses.

Councilmember Leh stated he is concerned there could be a perception that we are treating some businesses differently than others. He wants to know if it can be done in the same way we do a BAP in Louisville and will that meet the needs of Superior.

City Manager Durbin stated if Council is interested staff can bring an IGA to Council for consideration.

Mayor Maloney noted everyone is on board with this in concept it is a matter of how this is done that needs to be worked out. We should do something that is in line with what we would do for a business in Louisville. 50% rebate on our portion of the sales tax

would be comparable to what we do for local businesses. Mayor Pro Tem Fahey agreed.

Staff will bring back an IGA for Council to consider.

ADJOURN

Members adjourned at 8:20 pm.

_____
Dennis Maloney, Mayor

_____
Meredyth Muth, City Clerk

City of Louisville
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City Council

Meeting Minutes

September 19, 2023
Council Chambers
749 Main Street
6:00 PM

Call to Order – Mayor Maloney called the meeting to order at 6:00 p.m.

Roll Call was taken and the following members were present:

City Council:	***Mayor Dennis Maloney***
	Mayor Pro Tem Deborah Fahey
	Councilmember Caleb Dickinson
	Councilmember Barbara Hamlington
	Councilmember Dietrich Hoefner
	Councilmember Chris Leh
	Councilmember Maxine Most – arrived 6:15 pm
Staff Present:	***Jeff Durbin, City Manager***
	Samma Fox, Deputy City Manager
	Rob Zuccaro, Community Development Director
	Austin Brown, Economic Vitality Specialist
	Kayla Betzold, Sustainability Manager
	Adam Blackmore, Parks, Recreation, & Open Space Director
	Rafael Gutierrez, Police Chief
	Emily Hogan, Assistant City Manager
	Genny Kline, Deputy City Clerk
Others Present:	***Kathleen Kelly, City Attorney***
	Ashley Stolzmann, Boulder County Commissioner

APPROVAL OF AGENDA

Mayor Maloney called for changes to the agenda and hearing none asked for a motion.

MOTION: Councilmember Leh moved to approve the agenda, seconded by Councilmember Hoefner.

VOTE: All in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND THE CONSENT AGENDA

Leslie Robinson, Louisville, asked the Council to consider putting a light at the crosswalk on Bella Vista at the point it turns into Cherry Street as it is hard to see the crosswalk in the curve and cars move very fast.

Leah Lambe, Louisville, also asked for a light at this crosswalk as many people are speeding and it is a blind spot at that crosswalk. She stated it is particularly bad in the morning with the sun glare. She stated some people simply don't stop.

Jill Proctor, Louisville, also urged Council to consider a light at this crosswalk; she noted people drive very fast there and often don't stop for people in the crosswalk. Many kids use this crosswalk regularly to go to Louisville Elementary. It is a heavily used crosswalk and needs to be made safer.

Mike Deborski, Louisville, thanked for everyone that helped out on the fourth of July. He encouraged the Council to support local businesses and reduce the regulations and costs that have been increasing over the years. He asked that Council evaluate new ordinances by the impacts they have on small businesses.

Josh Cooperman, Louisville, stated he is excited that the City is applying for affordable housing funding (consent item G). He stated he has concerns with returning money to the Takoda Metropolitan District (consent item F) and perhaps that should be saved for future transportation improvements. He supports consent item D and asked that sustainability issues be included in the design standards.

APPROVAL OF THE CONSENT AGENDA

Mayor Maloney asked if there were any changes to the consent agenda; hearing none he asked for a motion.

MOTION: Mayor Pro Tem Fahey moved to approve the consent agenda, seconded by Councilmember Hoefner.

VOTE: All in favor.

A. ***Approval of Bills***
B. ***Approval of Minutes: September 13, 2023***
C. ***Approval of Contract Between the City of Louisville and JVA Inc. for the Wastewater Treatment Plant Solids Handling Upgrade Final Design***
D. ***Approval of Contract Between the City of Louisville and Kimley-Horn for Design and Construction Standards Update Project***

E. ***Approval of Resolution No. 53, Series 2023 – A Resolution Authorizing the Purchase of Wastewater Treatment Plant Chemicals***

F. ***Approval of First Amendment to Intergovernmental Agreement Between the City of Louisville, Colorado and the Takoda Metropolitan District***

G. ***Approval Resolution No. 54, Series 2023 – A Resolution in Support of the City of Louisville Filing an Affordable Housing Commitment with the State of Colorado to be Eligible for Proposition 123 Funds***

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

Councilmember Hoefner thanked those who came to speak on traffic issues and hopes that can be addressed.

CITY MANAGERS REPORT

None.

REGULAR BUSINESS

BOULDER COUNTY COMMISSIONERS – 2023 BALLOT ISSUES

Boulder County Commissioner Ashely Stolzmann presented the Boulder County Commissioners 2023 ballot issues. She noted all of these are extensions of existing taxes.

The first is a request to extend the .05% open space tax. This will help maintain 116,000 acres of open space, 120 miles of trails, 350 historic structures, and staffing.

The second is an extension of an affordable housing tax that is a 0.185% sales tax repurposed from a current tax. It is estimated to bring in an approximately $18M per year to put towards affordable housing.

Mayor Pro Tem Fahey asked what current tax is being repurposed for the affordable housing tax. Stolzmann stated it is an alternative sentencing facility tax which can end as there will be enough funding to build the facility.

Councilmember Dickinson asked how this housing money will be allocated and how Louisville will get a share. Stolzmann stated that will be determined over the next year.

Mayor Maloney asked what the term is for these taxes. Stolzman stated they are both 15-year terms.

Staff will bring back a resolution of support on October 2.

RESOLUTION NO. 55, SERIES 2023 – A RESOLUTION OF THE LOUISVILLE CITY COUNCIL URGING LOUISVILLE CITIZENS TO VOTE YES ON BALLOT ISSUE 2C AT THE NOVEMBER 7, 2023 ELECTION CONCERNING THE CITY'S OPEN SPACE AND PARKS SALES AND USE TAX

Mayor Maloney introduced the item. City Manager Durbin stated this is an important measure to fund the City's parks and open space.

Public Comment – None

MOTION: Mayor Pro Tem Fahey moved to approve Resolution No. 55; seconded by Councilmember Most.

VOTE: Motion passed by unanimous roll call vote.

ORDINANCE NO. 1857, SERIES 2023 – AN ORDINANCE AMENDING TITLE 3 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING THE CITY'S TAX AND BUSINESS ASSISTANCE PROGRAM SET FORTH IN CHAPTER 3.24, AND TO ADD A NEW CHAPTER 3.25 REGARDING ENHANCED ASSISTANCE FOR AEROSPACE BUSINESSES – 2nd READING, PUBLIC HEARING (advertised *Daily Camera* 9/10/23)

Mayor Maloney introduced the item and opened the public hearing.

Economic Vitality Specialist Austin Brown stated this ordinance makes amendments to the City's Business Assistance Program (BAP) by codifying the City's practice of rebating consumer use taxes and establishes a new provision offering enhanced assistance to businesses in the aerospace industry. He reviewed the history of the BAP program and how it has been used over the years.

He stated the changes around the Consumer Use Tax include adding a definition and requiring businesses to remain open for 10 years or pay back 10% of assistance for each year of the 10 that the business fails to remain open.

The enhanced assistance to Aerospace Businesses includes consideration to provide up to 100% rebate of sales/use taxes in these 3 categories for a period of up to 10 years if additional criteria is met. The State has a sales and use tax exemption for qualified property used in space flight and the City and County of Broomfield currently offers this exemption as well. Many jurisdictions also offer rebates and exemptions for the purchases of machinery or machine tools for manufacturing. Additionally, many jurisdictions offer tax agreements on software.

Staff recommends approval of the ordinance.

Councilmember Most has concerns about the average wages language and if this will language help the City meet that goal.

Councilmember Dickinson stated he doesn't have a good understanding of what we receive today from these companies and what we might be giving up in the future with this ordinance. Brown stated a company could apply for the regular BAP program but an aerospace company could apply additional rebates in the three categories listed.

Public Comments – None

Councilmember Hoefner stated he struggles with picking one industry and not others. He would like to offer the same incentives to small and large businesses alike based on tax revenue not industry type.

Mayor Pro Tem Fahey would like these incentives for any business that meets the criteria we set. Councilmember Hamlington had similar thoughts as well.

Councilmember Most stated she is concerned with using the average salary as it may mean a few very well paid people and many paid much lower salaries so you won't be helping those employees to live in Louisville. She is ok with targeting one industry if it is done well.

Mayor Maloney stated we should codify the practices we are already doing, but we need more information on salaries and if we are selecting specific industries for help.

Councilmember Leh stated the US 36 corridor is attractive to aerospace, but it might be interesting to see what other businesses might be in the area that we might be able to bring to the region.

Councilmember Dickinson noted how great the companies in CTC are and what they are doing. We want to keep that going and keep these companies in Louisville but we also want to keep all the other sectors we have in town. He agreed the process language should be codified but he is not ready to support the other parts of the ordinance.

Councilmember Hamlington stated she doesn't want to stop at aerospace but make do these things for all businesses.

Public Comments

Sherry Sommer, Louisville, stated she questions the wisdom of going after only one business type rather than diversify. She suggested looking at what other cities

incentivize. She questioned if only looking for higher paying jobs is the way to go, we need a variety of jobs.

Councilmember Most stated we should look at a series of targeted industries and targeted packages to attract a variety of businesses. She would support this so not to miss out on immediate opportunities. We need to brand the community for what kinds of businesses we want. Let's move this forward and come back with options for other industries.

Councilmember Hoefner stated he supports the codifying of the criteria to all for flexibility in what goes into the rebate agreement. He would prefer to keep the clear criteria and flexibility on who can apply and determine that on a case by case basis.

Mayor Pro Tem Fahey would like to see the code updated and offering the incentives but no limit it to just aerospace.

Mayor Maloney stated everyone supports the BAP program but we are looking for more information on how to expand to various industries. He proposed sending it back to staff for more work and bring back a new proposal.

Council took no action on the ordinance.

COMMUNITY DECARBONIZATION PLAN UPDATE

Mayor Maloney introduced the item.

Sustainability Manager Kayla Betzold noted this plan is a high priority item for Council for 2023 as a way to meet the decarbonization goals the City has adopted. She stated Partners in Energy is an Xcel two-year collaboration to develop an actionable decarbonization plan. Partners in Energy provides professional project management, facilitation, data analysis, and communications and marketing services to help the City meet its decarbonization goals.

Betzold stated Louisville was an early Partners in Energy participant, completing an Energy Action Plan in 2016. The plan was successful and the goals set forth in the plan were achieved or exceeded. This is an opportunity to receive similar support to develop a community facing decarbonization plan, focused on energy efficiency, renewable energy, building electrification, and transportation electrification

She gave some history on how we came to start the community decarbonization plan. The outcome of this planning process will be a detailed planning document that will be publicly shared with the community. While the focus of our planning effort will be on crafting action-oriented short-term strategies, we may identify and catalogue a roadmap of longer-term strategies to help us achieve the vision and goals established as part of this planning process.

Betzold reviewed the planning timeline, the steps outlined to reach decarbonization, and the scope of the plan. The objectives include confirming support for decarbonization goals; assessing support for various funding mechanisms; and identifying barriers and opportunities. She reviewed the next steps in the process.

Councilmember Leh asked how people are using the current incentive programs Xcel has. He stated he has heard that builders aren't interested in using the incentives as they benefit the homeowner, not the builder. Betzold stated applications for those rebuilding from the fire are lagging so they are working on outreach.

Mayor Maloney asked who the stakeholders are and what industries they represent. Betzold stated they were looking for a representative group of stakeholders but not necessarily those who live here. They were looking for residents, members of historically underrepresented groups, and business owners.

Public Comments

Josh Cooperman, Louisville, stated his is supportive of this plan. He doesn't support a middle of the road approach and he feels Louisville can do much better. He stated decarbonization is not enough; the community needs to think of climate adaptation as well. He requested that the stakeholder meetings to be open to the public.

Sherry Sommer, Louisville, there is no doubt we should be doing this but we don't need to be far out in front of the pack and we need to be aligned with our neighbors. She likes the goals that are set in here.

Councilmember Most stated we should be as aggressive as we can be on this rather than use Superior as the standard. We need to be ambitious.

Councilmember Dickinson stated he likes the plan as it is realistic and moves the needle in the right direction.

Mayor Pro Tem Fahey stated incentives to replace equipment will be essential.

Councilmember Hamlington stated she is supportive of pushing a little bit more. She asked if the survey will be advertised outside of Louisville as well. Betzold stated the survey is not limited to residents/business owners, but residency is a question on the survey.

Councilmember Leh stated that retrofitting is a big issue and that is where the huge gains might be made and the stakeholder group should focus on incentives that will really get people to do the work.

Councilmember Most stated it is important to find ways that residents at different income levels that can take advantage of this.

Mayor Maloney thanked staff for the update.

EXECUTIVE SESSION

PENDING LITIGATION (Louisville Charter, Section 5-2(d) – Authorized Topics – Consultation with an attorney representing the City with respect to pending litigation, and C.R.S. 24-6-402(4)(b) for a conference with the City Attorney for the purpose of legal advice on specific legal questions concerning pending litigation

The Mayor introduced the item and City Attorney Kelly stated the City Manager and City Attorney are requesting the City Council convene an executive session for the purpose of consultation with an attorney representing the City with respect to pending litigation pursuant to Section 5-2(d) of the City's Home Rule Charter and C.R.S. § 24-6-402(4)(b).

The Deputy City Clerk read Section 2.80.130 of the Louisville Municipal Code which outlines the topics permitted for discussion in an executive session.

City Attorney Kelly stated the authority to conduct this executive session is in the Home Rule Charter Section 5-2(d) which authorizes an executive session for the purpose of consultation with an attorney to discuss pending litigation or situations where the person believes a lawsuit may result. Authorization also allowed by the Colorado Open meetings law in C.R.S. 24-6-402(4)(b). The request involves discussion of potential litigation regarding the Marshall Fire.

MOTION: Mayor Maloney moved the City Council adjourn to executive session for the purpose of consultation with an attorney regarding pending litigation, and that the executive session include the City Council, City Manager Jeff Durbin, Deputy City Manager Samma Fox, and City Attorney Kathleen Kelly. Seconded by Councilmember Dickinson.

Vote: Motion carried by unanimous roll call.

The City Council adjourned to executive session at 8:07 pm.

REGULAR BUSINESS ITEMS SUSPENDED

The City Council meeting reconvened at 8:54 pm.

REGULAR BUSINESS ITEMS CONTINUED

REPORT – DISCUSSION/DIRECTION/ACTION

City Attorney Kelly reported the executive session was for the purpose of consultation with the City Attorney regarding pending litigation. No further action is needed in follow up to the executive session at this time.

CITY ATTORNEY'S REPORT

None.

COUNCIL COMMENTS, COMMITTEE REPORTS AND IDENTIFICATION OF FUTURE AGENDA ITEMS

None.

ADJOURN

Members adjourned at 8:55 pm.

_____
Dennis Maloney, Mayor

_____
Meredyth Muth, City Clerk

City of Louisville
COLORADO • SINCE 1878

City Council

Meeting Minutes

March 19, 2024
City Hall, Council Chambers
749 Main Street
6:00 PM

Call to Order – Mayor Leh called the meeting to order at 6:00 p.m. **Roll Call** was taken and the following members were present:

City Council:	***Mayor Chris Leh***
	Mayor Pro Tem Caleb Dickinson
	Councilmember Tim Bierman
	Councilmember Deborah Fahey
	Councilmember Barbara Hamlington
	Councilmember Dietrich Hoefner (arrived 6:02 pm)
	Councilmember Judi Kern (arrived 6:02 pm)
Staff Present:	***Jeff Durbin, City Manager***
	Samma Fox, Deputy City Manager
	Kurt Kowar, Public Works Director
	Cory Peterson, Deputy Director of Public Works
	Rob Zuccaro, Community Development Director
	Sharon Nemechek, Cultural Services Director
	Kiana Freeman, Recovery & Resilience Program Manager
	Genny Kline, Deputy City Clerk
	Meredyth Muth, City Clerk
Others Present:	***Melinda Culley, City Attorney***

APPROVAL OF AGENDA

Mayor Leh called for changes to the agenda and hearing none asked for a motion. **Motion:** Councilmember Fahey moved to approve the agenda, seconded by Councilmember Dickinson. **Vote:** All in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND ON THE CONSENT AGENDA

Avani Carter, Louisville, she stated Louisville Elementary and Middle School are working to add solar to their schools and the urged the Council to continue to educate people about solar power and climate change.

Maggie Miller, Louisville Elementary School, thanked the City for working on decarbonization and addressing climate change. She asked people to contribute to the decarbonization efforts at these schools.

Josh Cooperman, Louisville, noted the concrete replacement and resurfacing project on the consent agenda and asked staff to consider adding bike lanes in the Colorado Tech Center when the resurfacing is being done. He also stated he hopes the City's fuel usage will decline more rapidly as more gas powered equipment is replaced.

APPROVAL OF THE CONSENT AGENDA

Mayor Leh asked for changes to the consent agenda; hearing none he asked for a motion. **Motion:** Mayor Pro Tem Dickinson moved to approve the consent agenda, seconded by Mayor Pro Tem Fahey. **Vote:** All in favor**.**

- **A.** ***Approval of Bills***
- **B.** ***Award Contracts for the 2024 Concrete Replacement Project; 2024 Street Resurfacing Project; and 2024 On-Call Inspections***
- **C.** ***Approval of City Council Summer Meeting Schedule***
- **D.** ***Award Bid for 2024 Storm System Maintenance Project***
- **E.** ***Approval of a Construction Contract Between the City of Louisville and Krische Construction Inc. for Playground Improvements at Joe Carnival and Meadows Parks***
- **F.** ***Approval of Resolution No. 13, Series 2024 – A Resolution Approving an Intergovernmental Agreement with the City of Boulder for Support to Establish a Regional Affordable Homeownership and Rental Compliance Program***
- **G.** ***Approval of First Amendment to Planned Community Zone District Zoning Agreement Regarding Grading Permits for Redtail Ridge***
- **H.** ***Approval of Purchase of Wing Plow and Two V-Plows***
- **I.** ***Approval of 2024 Annual Fuel Purchase***
- **J.** ***Approval of Sole Source Agreement with Golden Automation LLC for SCADA Support***
- **K.** ***Approval of Resolution No. 14, Series 2024 – A Resolution Approving a Fourth Amendment to the Agreement with the Urban Drainage and Flood Control District D/B/A Mile High Flood District for Drainage and Flood Control Improvements for Coal Creek Drainageway A-1 at Garfield Avenue***
- **L.** ***Approval of Resolution No. 15, Series 2024 – A Resolution Authorizing Applications for Temporary Modification***

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

Mayor Leh stated he joined the Northwest Mayors and Commissioners Coalition on its annual lobbying trip to Washington DC. They met with the Colorado legislative delegation to lobby for transportation funding for the region.

Mayor Pro Tem Dickinson thanked Public Works for the snow removal efforts last week.

Councilmember Fahey reported that at the April 2 meeting she will have a report on the RMMA noise roundtable.

CITY MANAGER'S REPORT

City Manager Jeff Durbin thanked staff for keeping the equipment in the Council Chambers working while we wait for new equipment to be installed.

REGULAR BUSINESS

RESOLUTION NO. 16, SERIES 2024 – A RESOLUTION AUTHORIZING THE TEMPORARY CLOSURE OF PORTIONS OF MAIN STREET IN DOWNTOWN LOUISVILLE FOR OUTDOOR DINING AREAS AND ACTIVATION

Mayor Leh introduced the item and asked for disclosures.

Mayor Pro Tem Dickinson stated he has an office in downtown for his company Fox Property Management. In 2023, he also became a part owner in the downtown business Old Friends. He stated there has been an accusation that he has a conflict of interest related to this item as he may benefit by a closure of the street.

He stated the code of ethics notes that anyone with a financial interest in a decision should not participate in the conversations or vote on that item. However, the code states it is not a conflict of interest if the matter confers a similar benefit to all persons or property similarly situated. He stated he feels confident that his ownership of his businesses puts him in a similar situation to others who would receive a similar benefit. However, as the formal ethics complaint has not been settled as of yet and he will wait to see this play out so he has clarity that he can participate in such discussions. He stated he would therefore recuse himself from this item tonight. He left the room.

Mayor Leh stated this item has generated considerable interest and he asked everyone at the meeting to be respectful of others when they speak.

Community Development Director Zuccaro stated the City received a request from the Downtown Business Association (DBA) asking for consideration of a seasonal closure of Main Street to make it more pedestrian friendly and activate the area more, similar to what was done during COVID. Council then asked staff to bring back a plan for such a

closure. Staff has brought a Main Street closure option for Council to consider. The Revitalization Commission and the Chamber also support this request.

Staff is proposing a closure of the 600-800 blocks of Main Street from April 29 to November 8. All east-west streets would remain open to vehicular traffic and the RTD bus would be temporarily re-routed to LaFarge Avenue. There would be a required 16-foot fire lane with an additional 2-foot buffer on each side down the center of Main Street. The rest of the street could be used for restaurant seating and activation.

Staff would design and install directional signage in downtown to help people find parking and avoid the closure. The closure would look very much like the COVID closure. Restaurants could consider communal dining areas on each block. Areas not being used for restaurant seating could be used for activities. Staff has asked the DBA to take on the activation of those areas.

Councilmember Hamlington asked if the seasonal patios would be used with tables for the restaurants. Community Development Director Zuccaro stated they would not be used as they take up a great deal of space and keep it from being a totally open area.

Councilmember Kern asked Fire Chief Willson to explain the 16-foot fire lane. Chief Willson stated that would accommodate a fire truck with its stabilizers extended and allow the truck doors to open safely. He stated the width could be reduced slightly to 14 feet for short sections if desired.

Councilmember Bierman asked how a parking plan would work. Director Zuccaro stated people would be directed to park in DELO as that has the most parking available. There would be in an information campaign to direct people there. Staff would look to see if any businesses would lease additional parking to the City for this as well.

Councilmember Hoefner asked if the dates could be altered or perhaps have the seasonal patios April – November with a full closure in June and July. Director Zuccaro stated the dates align with previous seasonal patios but could be changed.

Councilmember Kern asked if traffic could be routed down Front Street rather than La Farge. Director Zuccaro stated it could be done but reminded her that the downtown businesses depend on the first couple of blocks on either side of Main Street for parking when the street is open and it likely would just push that parking further west into the neighborhood if the street is closed.

Councilmember Kern asked if the closure were delayed some could staff create a system for at least some resident parking. Director Zuccaro stated that would not be enough time to create such a program.

Councilmember Kern asked if there would be a way to do the patios for some of the time and do a full closure for some of that time. Deputy City Clerk Kline noted that each

time a restaurant changes is service area their liquor license also needs to be amended. There is a $300 State charge to do this and it takes some administrative time, so it is not simple to change the closure area every couple of months.

Mayor Leh asked how the closure would impact mobility impaired people trying to access a business. Director Zuccaro stated it would increase the distance it takes for people to reach a business as people would have to be dropped off at the corner.

Mayor Leh asked if permit parking in the residential neighborhood had been considered. Director Zuccaro stated it was considered a few years ago with a possible parking garage. It would require adequate parking available downtown (paid or in a structure).

Mayor Leh asked what is considered the maximum distance someone will walk from a parking space. Director Zuccaro stated the general rule of thumb is people will walk up to a quarter mile.

Public Comments

John Delassus, Louisville, speaking on behalf of Debra, stated that closing Main Street will create more obstacles for people with mobility issues to access restaurants and stores. She urged Council to keep the street open.

Marco Toscano, Louisville, asked Council to vote no on the closure. He stated the closure is not supported by downtown residents and will not necessarily help the downtown businesses. He asked Council to consider different solutions to help the businesses thrive.

Derek Wood, Louisville, stated he is concerned about how a closure might affect response times for emergency vehicles. He stated sending 400 buses down LaFarge each week will not enhance the lives of those who live there. He feels this is not a collaborative approach and urged a no vote.

Sally Harris, Louisville, stated a closure will not allow people with mobility issues to access the restaurants in downtown. She urged Council to leave the street open.

Kimberly Echols, Louisville, stated the City has not gotten enough information from the residents that will be impacted by this closure. Neighbors should have been involved in this discussion. She urged Council to take into account all stake holders before making a decision. She asked Council to pause this decision.

Joyce Brandenburg, Louisville, stated closing the street is not respectful to the history of Louisville. Main Street should remain open.

Rudy Donofrio, Louisville, stated Main Street should remain open and we should focus on other ways to make the area more vibrant. The traffic and parking will get pushed to La Farge. He urged a no vote and asked Council to do more research.

Debra Berkelhammer, Louisville, speaking on behalf of a business owner on the west side of town who wishes to remain anonymous, stated the City has ignored the rest of the business areas in town while focusing solely on downtown. Downtown restaurants get an unfair advantage by using public spaces for extra dining space. The City should spend money on the McCaslin corridor, not downtown.

Diana Barney, Louisville, stated everyone wants the downtown to thrive but there should not be a tradeoff between the few blocks getting dining and the impacts on the neighborhood. The City should focus on filling the empty buildings on Main Street.

Jean Morgan, Louisville, speaking for Barb Hesson, stated pushing the traffic to Lafarge is a great impact on the residents living there. Speaking for herself she stated it is not fair to reroute traffic and parking into the neighborhood, particularly when Front Street is closed for the Farmer's Market and Street Faire. She urged a no vote.

Larry Crowley, Louisville, stated it is already difficult to access restaurants and shops if you have mobility issues, closing the street makes it worse. This is not a benefit for residents and he urged a no vote.

Stephanie Schlegater, business owner, stated she favors the closure and understands everyone wants to help Main Street. She would like to see a thriving Main Street and community. The DBA wants to bring people downtown and make it a thriving area. The DBA also surveyed residents and has 550 signatures supporting the closure.

Eric Reed, Louisville, stated this is not a new idea and businesses just want to have a vibrant Main Street. The DBA wants to activate this area and keep the City moving forward. This proposal is for a temporary closure to help draw people to the businesses.

Rick Kron, president of the DBA, pooling time with Tom Horst, stated this conversation started last year and in December the DBA sent a formal request for a temporary closure to be considered. RTD has been unwilling to do anything other than go down LaFarge, unfortunately we can't control that. He stated most of the downtown businesses support this as way to make downtown more friendly to foot traffic. We want to get the word out that downtown businesses need more traffic. He asked for a yes vote. He asked everyone to help the downtown by visiting shops and restaurants and spending their money in the local businesses.

Fred Berkelhammer, Louisville, stated neighbors were surprised this was coming and should have had more notice this was being considered. He stated national studies show that pedestrian malls are not successful. He urged a no vote.

Mary Dibble, Louisville, stated it is being ramrodded through with no information given to residents. Get more information and look at residential parking before doing anything. She is concerned it may increase unhoused people in the area.

Tom Rafferty, Louisville, stated rerouting the traffic will keep people from shopping on Main Street and will put pressure on other streets that are not designed for it. He suggested finding other ways like design and signage to bring more people downtown.

Marianne Gibbs, Louisville, stated she enjoys activities and businesses on Main Street and wants to see it thrive, but a closure will bring unanticipated impacts. During COVID neighbors put up with it but it needs to be studied more before making a decisions.

Elisa Passarelli, Louisville, stated she is concerned about people using the alleyways as shortcuts if Main Street is closed. She also noted the alleys are used by delivery trucks and they are blocked much of the time making access a problem. She suggested more signage to bring people downtown.

Jeremy Carlson, Louisville, stated they enjoy living downtown and being able to walk to downtown. He supported the closures during COVID and supports it again now.

Eric Lund, Louisville Chamber of Commerce, stated the Chamber members were surveyed and strongly support the temporary closure to bring more people downtown. They would like the closure to support the vision of the DBA.

Alan Muir, Louisville, stated he feels a closure of Main Street will negatively impact the quality of life of the neighbors and make the streets less safe for kids walking or on bikes. He stated the impacts outweigh the benefit of a closure.

Susan Honstein, Louisville, stated the sidewalks on LaFarge create difficulties for people with disabilities to access the bus. She said Main Street is important to everyone and the City should find other ways to help the businesses including signage and a parking management plan. She would like a way for neighbors to give input to the downtown businesses directly.

Mark Oberholzer, Louisville, stated as both a resident and a business owner he supports the closure as it makes it a great gathering place people want to be. He stated it worked during COVID and he supports doing it again.

Cynthia Corne, Louisville, stated she worries about safety with so many kids walking and biking. She suggested pausing until that could be addressed. Buses and trucks on La Farge are not an option that will work.

Christian Dino, Louisville, stated he supports this measure to help the businesses who have been struggling through COVID. We need to support the economic vitality in our community. We should look for solutions to alleviate the concerns of the neighbors.

Leah Bradley, Owner of Eyeworks, stated when the street was closed during the pandemic it was difficult for their patients to get to them. She stated people in medical crisis come each week and not having on street parking near the business is problematic. The closure brought nice community but many other issues.

John Leary, Louisville, stated rerouting traffic on streets that are not designed for it impacts the quality of life on those streets.

Don McKee, Louisville, stated this closure only gives 3.5 more feet than the patios. It is not very much. He stated that putting the busses on La Farge will create safety issues with kids on bikes and scooters. Main Street is the heart and soul of the town and shouldn't be closed off.

Ben Knott, Louisville, stated he supports the temporary closure to create a safe, vibrant, and walkable space for everyone.

Steve Rolapp, Louisville, stated parking is already hard to find on La Farge and closing Main Street will only make it worse. The bus should be put on Front Street. He urged a no vote.

Graham Jackson, Louisville, stated the alley on La Farge takes a large amount of traffic when Main is closed and it is in bad shape already. He added La Farge has no parking spaces painted on it so when people park poorly the space is not used well.

Mary Ann Heaney, Louisville, asked Council to pause the project. She asked if a fire truck needs access how it can get around or through the jersey barriers.

Joanna Alidu, Louisville, agreed with others that the parking and the bus issues need to be addressed before a decision is made.

Sherry Sommer, Louisville, encouraged a pause in this given all the impacts on the neighbors. Access and safety need to be addressed. She encouraged Council to address the issues before making a decision.

Pat Carbone, Louisville, stated parking on La Farge is already difficult and pushing more parking there will make it worse. He suggested a permit parking program. 399 buses per day were not what people were expecting when they moved here.

Katie Zoss, Louisville, stated she supports the closure as a way to make downtown more inviting to families and create more space for people. She supports it as a place to crate community. She urged a yes vote.

Cyndi Thomas, Louisville, stated she moved here to be able to walk to downtown knowing she would have less parking. She supports the closure and urged a yes vote.

Scott Deborski, Louisville, pooling time with spouse, stated not all restaurants support the closure. There has not been enough research done about if it will help the restaurants increase sales and how much it will impact residents. This closure takes away the character of downtown. He suggested doing other things to make downtown inviting such as lighting or flowers. He urged a no vote.

Randy Caranci, Louisville Business Owner, suggested making Main Street and Front Street each one way to circulate traffic in the area.

Robert Zoss, Louisville, stated he supports the closure to make it a destination for people on bikes and for families.

Christina Metcalf, Louisville, stated she supports the closure to have a traffic free space for kids. She feels it brings a great sense of community.

Mike Deborski, Louisville, stated the neighbors' concerns need to be taken into consideration. The buses and delivery trucks are a big impact on the street and the people of La Farge did not sign up for this. He suggested establishing permit parking for Old Town. He suggested putting it on hold until these issues can be addressed.

Tamar Krantz, Louisville, stated she does not remember this being a Council work plan item and feels it should not be added now.

Mayor Leh thanked everyone for their comments. He noted there are strong feelings on both sides of this issue, but everyone agrees that downtown is struggling. He stated it is undisputed that there are impacts to those that live adjacent to Main Street including parking and the bus traffic. He stated we need to be careful not to pit the neighborhood against the businesses or vice versa. Everyone wants to find a solution that benefits all.

Councilmember Hoefner asked Chief Willson to address turning radii on Main Street. Chief Willson stated he and his staff are working with Public Works to make sure whatever is placed for a closure would not impact the ability of the fire trucks to turn.

Councilmember Hoefner asked Mayor Leh to address the question about the work plan timing. Councilmember Leh stated the Council revisited the work plan early in the year and that was when this item was added.

Councilmember Kern asked Chief Willson if a closure would increase response times for the Fire Department. Chief Willson stated they would use different routes if needed and it shouldn't impact times too much.

Members took a few minutes to discuss how to address the rest of the agenda given the hour. They continued all items except the utility rate resolution to the April 2 meeting.

Councilmember Bierman stated the bus is the big issue and we need to find a way to work with RTD to move the bus from LaFarge.

Councilmember Kern stated having the bus to LaFarge for six months is just a huge impact for the residents.

Mayor Leh asked if a closure of any length of time is acceptable.

Councilmember Hamlington stated Main Street needs to be revitalized and she wants the businesses to succeed, but is closure is the right way to do this for 2024. If we want to do it in 2025 with full engagement and data she would consider it. Running the bus down residential streets for any amount of time is not acceptable without clear data that it is beneficial to businesses. It is only an extra 3.5 feet from what they get from the patios and that is not worth a full closure of the street.

Councilmember Hoefner stated it will be hard to get more data on the impact and benefits without trying the closure. We do know that what is happening now is not generating a thriving downtown; sticking with the status quo isn't a good long term plan. He suggested a closure for June – August to get some data on if it helps businesses. Whatever we decide we need to give staff good direction to engage in outreach and apply pressure on RTD to come up with other options.

Councilmember Bierman stated he supports businesses but this feels too rushed and reactionary. Main Street is the lifeblood of downtown but this has serious impacts on the neighbors. He asked if there is a way to have the patio program enhanced with signage, lighting, etc. He stated people he spoke to agree 400 busses per week on their street would be a huge impact. He stated it is unfair to ask the neighbors on LaFarge to bear the brunt of the busses for another year.

Councilmember Leh stated RTD is the problem; we have tried for three years to get them to move the bus from LaFarge and they are unwilling to look at alternatives.

Councilmember Hamlington stated she likes the idea of a shorter closure but without knowing what data we want to collect she is not convinced 2024 is the year to do this.

Councilmember Hoefner stated he thinks giving staff the next two months to determine what data is needed could work; this would need to be the priority for staff and there would be tradeoffs with other staff work. Council would need to support this.

Councilmember Hamlington stated she is struggling with devoting so much time and effort to this at the expense of other priorities. She supports the downtown but is not sure this is the right move at this time.

Mayor Leh stated there are a large number of big projects on the schedule in the next few months so if we do this it will impact those other projects.

Councilmember Kern agreed there is a need for analysis of such a closure and would like to see if a shorter term closure over the summer months could get that information. If we do this we need all the stakeholders and businesses downtown to participate fully. Then we can use the information for consideration of a 2025 closure.

Councilmember Fahey agreed. She would limit the closure to just the 700 and 800 blocks of Main Street.

City Manager Durbin stated if Council wants to look at alternatives it would likely push everything back further; Council needs to make a clear decision this evening for there to be time to implement any program. Councilmember Hoefner agreed.

Councilmember Hamlington stated she finds it challenging to try to do anything this year in such a time crunch. This is an important decision; she wants to explore it but not at the expense of everything else on the work plan.

Councilmember Hoefner suggested a three-month closure starting in July or August to give staff more time to prepare a program.

Mayor Leh noted his concern that this would impact other programs staff is working on. He stated he has not heard what the benefits are for the non-restaurant businesses. We need to make sure all of downtown is benefiting.

Councilmember Hoefner noted that Economic Vitality is already a high priority item on the work plan; this program helps that it is not a departure from the work plan.

Councilmember Fahey stated it is too late to do a new program this year. She proposed the patio program stay for this year and for 2025 we look at a new program that we are sure benefits all downtown businesses and would have the bus and other issues figured out before we start.

Councilmember Kern stated she very much wants to help downtown. She is frustrated RTD won’t work with the City. She wants to work with RTD now to get something in place for next year well before something happens.

MOTION: Councilmember Hoefner moved to direct staff to come back with a more developed pilot program for a three-month closure from Memorial Day to Labor Day to get more data and do additional outreach. Councilmember Kern seconded the motion.

Councilmember Hoefner stated the plan would include how the DBA would activate all of the areas of the street that are not being used by restaurants.

Councilmember Bierman stated he has not seen enough mitigation of the parking impacts for him to support it.

Councilmember Hoefner agreed there are good reasons to say no and it is a tradeoff.

Mayor Leh stated there are real costs to doing it or not doing it. He is very concerned about doing this at the expense of other priorities.

Councilmember Hamlington stated even if this does not pass tonight she wants the business owners to know that the Council supports them, she is just not sure this is the right course of action.

Councilmember Hoefner stated that Economic Vitality is clearly a high priority for this Council. We asked staff to spend time on this and bring us a proposal and it is hard for him to now say we should stop and start over again.

Councilmember Kern would like to find a middle ground that is more than the patios but less than a full closure of the street.

MOTION: Councilmember Kern proposed a substitute motion to not close Main Street but ask staff, the DBA, and the Chamber to come up with an enhanced patio program for 2024. Mayor Leh seconded the motion.

VOTE: Substitute motion passed 5-1 with Councilmember Hoefner voting no. Councilmember Dickinson recused.

Councilmember Bierman proposed an amendment to explore having staff consider closing only the 600 Block of Main Street with a parking mitigation program. The amendment died for lack of a second.

Mayor Pro Tem Dickinson returned to the room.

UPDATE – COMMUNITY RESILIENCE, MARSHALL FIRE RECOVERY

Continued to April 2.

RESOLUTION NO. 17, SERIES 2024 – A RESOLUTION SETTING CERTAIN WATER, WASTEWATER, STORMWATER AND OTHER FEES, RATES, AND CHARGES FOR THE CITY OF LOUISVILLE, COLORADO

Mayor Leh introduced the item.

Director Kowar stated this is the recommendation for the 2024 utility rates. This is the culmination of a year's work with staff and the Finance Committee. What is adopted tonight will be effective May 1. He reviewed 2023 noting a $1M shortfall in the fund due to wet weather and inflation. He reviewed water usage over the years and the impacts of drought. He reviewed cost increases including inflation and construction costs.

He reviewed the increases for the past eight years and how it has impacted residential bills. He noted that during COVID and the Marshall Fire there were minimal increases and that has now caught up with us.

Director Kowar noted the proposed increases for 2024: 6.6% for water; 25% for wastewater; and 14% for stormwater for a total proposed increase of 14.7%. For wastewater there are options if Council wants to lower that number. He stated the proposal is an average of $13 increase on a utility bill.

He reviewed how Louisville compares to surrounding municipalities. He reviewed the City's commitment to helping with bill assistance through the Sister Carmen Center.

Director Kowar reviewed the factors that go into the rate setting: financial modeling; rate planning; debt service, cash reserves; turnback from the previous year; tap fee projections; and long term planning. He went through how each factor impacts this proposal.

Councilmember Kern asked what the number one driver of the wastewater increase is. Director Kowar stated it is driven by the solids handling project costs; purchasing a new vac truck; and replacing the CTC lift station. It is work that would need to happen for general maintenance and functionality.

Mayor Leh asked why the wastewater increase could not me smoothed over years. Director Kowar stated over the past years we have been absorbing costs here and there is no more ability to do that in the fund, additionally costs are increasing significantly.

Councilmember Hoefner stated the Finance Committee also worried about this increase. He stated he supports lowering the wastewater increase to 12%.

Public Comments

Christian Dino, Louisville, stated we need to make decisions that support businesses so the costs aren't all on residents.

Josh Cooperman, Louisville, stated he would like the Council to reduce or eliminate the base amount for single family homes and charge actual use. He feels the base amount is too high and some families don't even reach that amount. This would encourage conservation and would be more equitable. If that reduces income to the utility the larger users could be charged more.

MOTION: Councilmember Hoefner moved to adopt the utility rates as proposed with one change to reduce the wastewater increase to 12.1% in 2024, 2025; and 2026; seconded by Councilmember Bierman.

VOTE: Motion carried by unanimous roll call vote.

ORDINANCE NO. 1870, SERIES 2024 – AN ORDINANCE RENAMING THE ARTS & CULTURE ADVISORY BOARD AND AMENDING THE LOUISVILLE MUNICIPAL CODE TO REFLECT THE SAME – 2nd READING – PUBLIC HEARING (advertised *Daily Camera* 3/10/24)

MOTION: Mayor Pro Tem Dickinson moved to continue this item to April 2 at 6 pm; seconded by Councilmember Fahey.

VOTE Motion carried by unanimous voice vote.

ORDINANCE NO. 1871, SERIES 2024 – AN ORDINANCE AMENDING CHAPTER 15.18.030 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE – 1ST READING – SET PUBLIC HEARING 4/16/24

Continued to April 2.

ORDINANCE NO. 1872, SERIES 2024 – AN ORDINANCE AMENDING TITLE 17 OF THE LOUISVILLE MUNICIPAL CODE CONCERNING ELECTRIC VEHICLE CHARGING INFRASTRUCTURE – 1ST READING – SET PUBLIC HEARING 4/16/24

Continued to April 2.

CITY ATTORNEY'S REPORT

None.

COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS

Mayor Leh requested staff bring forward an ordinance clarifying that review of building codes is one of the duties of the Building Code Board of Appeals.

ADJOURN

Members adjourned at 11:27 pm.

_____
Christopher M. Leh, Mayor

_____
Meredyth Muth, City Clerk

SUBJECT: **APPROVAL OF CONTRACT BETWEEN THE CITY OF LOUISVILLE, ASLAN CONSTRUCTION, AND JVA, INC FOR THE WASTEWATER TREATMENT PLANT SOLIDS HANDLING CONSTRUCTION**

DATE: **MAY 7, 2024**

PRESENTED BY: **KURT KOWAR, P.E., PUBLIC WORKS DIRECTOR**

SUMMARY:

Staff recommends the approval of the construction guaranteed maximum price (GMP) contract with Aslan Construction in the amount of $2,175,000 along with a 5% owner contingency of $110,000 and a construction management contract with JVA Inc. in the amount of $172,000 along with a 10% contingency of $18,000 for the base scope of WWTP Solids Handling Upgrade construction.

The solids handling facilities at the Wastewater Plant (WWTP) were constructed in 1986 and 1998 and the associated equipment is reaching the end of useful life. In addition to the replacement of equipment, this project is looking to enhance operations. Major project elements include: the rotary drum thickener, centrifuge, WAS storage, building improvements, electrical equipment, polymer systems and SCADA control upgrades.

Through the CMAR design process it has been determined that the new WAS storage components for both the City and the potential Redtail Ridge Development (Redtail) cannot be separated from construction and financial practicability. Three project scopes have been developed and are presented in the following table. All construction costs include the previous Council approved equipment pre-purchasing at approximately $880,000.

Project Scope	Construction Cost	Anticipated Redtail Cost Share	City Cost
1. Base (critical equipment)	$3.056M	$0	$3.056M
2. #1 Plus WAS Storage	$5.2M	$1.1M	$4.1M
3. #2 Plus Redtail	$7.2M	$3.1M	$4.1M

The first scope option limits the project to the base needs for the replacement of critical equipment. This includes the replacement of the existing centrifuge along with additional building, polymer, electrical, and SCADA improvements. The second option shows the addition of the WAS storage facilities. The final option, contemplates the full scope including all Redtail additions. As shown options 2 and 3 require a significant cost share from Redtail.

Staff recommends proceeding with option 1 for the base scope to maintain the schedule for the critical improvements to the WWTP while preserving the flexibility to integrate any additional improvements resulting from Redtail at the appropriate time.

With approval of this GMP, JVA, Aslan Construction, and the City will begin the construction of the base project as outlined in the schedule below:

Project Phase	Estimated Completion
30% Design and RFP Development	Complete
Contractor RFP Solicitation and Selection	Complete
30-100% Final Design and Equipment Selection	Complete
Pre-purchasing Equipment	Complete
Award Construction and CM Services (This communication)	**Q2 2024**
Complete Construction	*Q3 2025*

FISCAL IMPACT:
Current costs are outlined as follows:

Total Budget (502499-660285) FY2023/24:	$4,600,000
30% Design Contract	$(66,600)
CMAR Contractor Pre-Construction Services	$0
Final Design Contract	$(220,000)
Final Design Contingency 10%	$(20,000)
Equipment Testing and Permitting	$(19,730)
Equipment Pre-Purchase	$(800,986)
Equipment Pre-Purchase Contingency	$(80,000)
Construction Services GMP (Approval Today)	**$2,175,000**
Construction Services GMP Owner Contingency (Approval Today)	**$110,000**
Construction Management Services Estimate (Approval Today)	**$172,000**
Construction Management Services Contingency (Approval Today)	**$18,000**
Remaining Balance	***$917,684***

The entire remaining balance is needed for the City scope under Option 2 or 3 and it is anticipated the full budget will be utilized to reach all project goals. Future council approval will be required prior to expanding the scope.

PROGRAM/SUB-PROGRAM IMPACT:
Consistently provide safe and effectively treated water and wastewater, routinely testing quality for compliance with State and Federal Standards. Operate and maintain facilities efficiently, allowing reasonable and equitable rates while maintaining optimal quality.

Produce high quality water services for City residents including consistent wastewater treatment. This project will ensure continued reliable wastewater treatment along with production and hauling of biosolids.

RECOMMENDATION:
Staff recommends the approval of the construction GMP contract with Aslan Construction for a total of $2,175,000 and construction management with JVA Inc. for a total of $172,000, authorize staff to execute change orders up to $128,000 for additional work and project contingency, and authorize the Mayor, Public Works Director and City Clerk to sign and execute contract documents on behalf of the City.

ATTACHMENTS:
1. Aslan Construction Contract Agreement
2. JVA Construction Management Contract Agreement

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

This Agreement is by and between **The City of Louisville** ("Owner") and ("Contractor").

Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

A. The Work will include all necessary labor, supervision, equipment, tools and materials for the construction of the WWTP Solids Handling Improvements. Work includes, but is not limited to the following:

1. Improvements to the Thickening Building including the installation miscellaneous piping and chemical feed systems, HVAC, electrical, lighting improvements.
2. Improvements to the Dewatering Building including the installation of a new centrifuge and support frame, new horizontal truck loading conveyor, expansion of the truck loading building, and replacement of the main electrical service panel. Installation of miscellaneous piping and chemical feed systems, HVAC, lighting improvements.
3. Installation of all electrical wiring, motor control centers, programmable logic controllers, instrumentation, HVAC, all process piping and valves, and completion of all associated site worked related to improvements.

ARTICLE 2—THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **Improvements to the Louisville Wastewater Treatment Plant solids handling process to optimize efficiency, increase capacity for future buildout, and improve operations and maintenance. Such improvements involve WAS thickening, aerobic digestion, and dewatering.**

ARTICLE 3—ENGINEER

3.01 The Owner has retained **JVA Consulting Engineers, Inc.** ("Engineer") to act as Owner's representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.

3.02 The part of the Project that pertains to the Work has been designed by **Engineer.**

ARTICLE 4—CONTRACT TIMES

4.01 *Time is of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

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4.03 *Contract Times: Days*

A. The Work will be substantially complete within **420** days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within **480** days after the date when the Contract Times commence to run.

4.05 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. *Substantial Completion:* Contractor shall pay Owner **$750** for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.

2. *Completion of Remaining Work:* After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner **$750** for each day that expires after such time until the Work is completed and ready for final payment.

4. Liquidated damages for failing to timely attain Milestones, Substantial Completion, and final completion are not additive, and will not be imposed concurrently.

B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

4.06 *Special Damages*

A. Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.

B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

C. The special damages imposed in this paragraph are supplemental to any liquidated damages for delayed completion established in this Agreement.

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ARTICLE 5—CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:

D. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6—PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

A. Owner shall make progress payments on the basis of Contractor's Applications for Payment on or about the **1st** day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

a. **95** percent of the value of the Work completed (with the balance being retainage).

1) If 50 percent or more of the Work has been completed, as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and

b. **95** percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to **95** percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less **200** percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

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6.04 *Consent of Surety*

A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

CONTRACT DOCUMENTS

7.01 *Contents*

A. The Contract Documents consist of all of the following:

1. This Agreement.
2. Bonds:
    a. Performance bond (together with power of attorney).
    b. Payment bond (together with power of attorney).
3. General Conditions.
4. Supplementary Conditions.
5. Specifications as listed in the table of contents of the project manual (copy of list attached).
6. Drawings (not attached but incorporated by reference) with each sheet bearing the following general title: **City of Louisville WWTP Solids Handling Improvements – Construction Set.**
9. Exhibits to this Agreement (enumerated as follows):
    a. **Contractor's GMP Cost Detail**
10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    a. Notice to Proceed.
    b. Work Change Directives.
    c. Change Orders.
    d. Field Orders.

B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).

C. There are no Contract Documents other than those listed above in this Article 7.

D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 7—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 *Contractor's Representations*

A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:

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1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
5. Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

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8.02 *Contractor's Certifications*

A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

8.03 *Standard General Conditions*

A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or "track changes" (redline/strikeout), or in the Supplementary Conditions.

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IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on **May 7th, 2024** (which is the Effective Date of the Contract).

Owner:	Contractor:
City of Louisville	Aslan Construction
(typed or printed name of organization)	*(typed or printed name of organization)*
By: _____	By: _____
(individual's signature)	*(individual's signature)*
Date: _____	Date: 5/7/24
(date signed)	*(date signed)*
Name: _____	Name: Jennifer Toland
(typed or printed)	*(typed or printed)*
Title: Christopher M. Leh, Mayor	Title: Assistant Secretray
(typed or printed)	*(typed or printed)*
	*(If **[Type of Entity]** is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)*
Attest: _____	Attest: _____
(individual's signature)	*(individual's signature)*
Title: Meredyth Muth, City Clerk	Title: Steve Berlage, Assistant Secretary
(typed or printed)	*(typed or printed)*
Address for giving notices:	Address for giving notices:
749 Main St.	120 Bunyan Ave #200
Louisville, CO	Berthoud, CO
80027 Attention: Justin Ferron, P.E.	80513
Designated Representative:	Designated Representative:
Name: _____	Name: Doug Crowl
(typed or printed)	*(typed or printed)*
Title: _____	Title: Project Manager
(typed or printed)	*(typed or printed)*
Address:	Address: 120 Bunyan Avenue, Suite 200
	Berthoud, CO 80513
Phone: _____	Phone: 970.344.1040
Email: _____	Email: dougc@aslanconstruction.com
*(If **[Type of Entity]** is a corporation, attach evidence of authority to sign. If **[Type of Entity]** is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)*	License No.: LSVL-005608-2024 *(where applicable)*
	State: Colorado

EJCDC® C-520, Agreement between Owner and Contractor for Construction Contract (Stipulated Price).
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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.

1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.

2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.

3. *Application for Payment*—The document prepared by Contractor, in a form acceptable to Engineer, to request progress or final payments, and which is to be accompanied by such supporting documentation as is required by the Contract Documents.

4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

5. *Bidder*—An individual or entity that submits a Bid to Owner.

6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.

7. *Bidding Requirements*—The Advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.

8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.

9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.

10. *Claim*

a. A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment of Contract Price or Contract Times; contesting an initial decision by Engineer concerning the

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requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract.

b. A demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal, or seeking resolution of a contractual issue that Engineer has declined to address.

c. A demand or assertion by Owner or Contractor, duly submitted in compliance with the procedural requirements set forth herein, made pursuant to Paragraph 12.01.A.4, concerning disputes arising after Engineer has issued a recommendation of final payment.

d. A demand for money or services by a third party is not a Claim.

11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

12. *Contract*—The entire and integrated written contract between Owner and Contractor concerning the Work.

13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.

14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents.

15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.

16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.

17. *Cost of the Work*—See Paragraph 13.01 for definition.

18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.

19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.

20. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.

21. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the

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recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.

22. *Engineer*—The individual or entity named as such in the Agreement.

23. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.

24. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto.

    a. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated into the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, is not a Hazardous Environmental Condition.

    b. The presence of Constituents of Concern that are to be removed or remediated as part of the Work is not a Hazardous Environmental Condition.

    c. The presence of Constituents of Concern as part of the routine, anticipated, and obvious working conditions at the Site, is not a Hazardous Environmental Condition.

25. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

26. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.

27. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date, or by a time prior to Substantial Completion of all the Work.

28. *Notice of Award*—The written notice by Owner to a Bidder of Owner's acceptance of the Bid.

29. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.

30. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.

31. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising Contractor's plan to accomplish the Work within the Contract Times.

32. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.

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33. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of Resident Project Representative.

34. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.

35. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer's review of the submittals.

36. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.

37. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

38. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands or areas furnished by Owner which are designated for the use of Contractor.

39. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.

40. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.

41. *Submittal*—A written or graphic document, prepared by or for Contractor, which the Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers' instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.

42. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion of such Work.

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43. *Successful Bidder*—The Bidder to which the Owner makes an award of contract.

44. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.

45. *Supplier*—A manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.

46. *Technical Data*

    a. Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (1) existing subsurface conditions at or adjacent to the Site, or existing physical conditions at or adjacent to the Site including existing surface or subsurface structures (except Underground Facilities) or (2) Hazardous Environmental Conditions at the Site.

    b. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then Technical Data is defined, with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06, as the data contained in boring logs, recorded measurements of subsurface water levels, assessments of the condition of subsurface facilities, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical, environmental, or other Site or facilities conditions report prepared for the Project and made available to Contractor.

    c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data, and instead Underground Facilities are shown or indicated on the Drawings.

47. *Underground Facilities*—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.

48. *Unit Price Work*—Work to be paid for on the basis of unit prices.

49. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.

50. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

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1.02 *Terminology*

A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.

B. *Intent of Certain Terms or Adjectives*: The Contract Documents include the terms "as allowed," "as approved," "as ordered," "as directed" or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives "reasonable," "suitable," "acceptable," "proper," "satisfactory," or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.

C. *Day*: The word "day" means a calendar day of 24 hours measured from midnight to the next midnight.

D. *Defective*: The word "defective," when modifying the word "Work," refers to Work that is unsatisfactory, faulty, or deficient in that it:

1. does not conform to the Contract Documents;

2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or

3. has been damaged prior to Engineer's recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or Paragraph 15.04).

E. *Furnish, Install, Perform, Provide*

1. The word "furnish," when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word "install," when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words "perform" or "provide," when used in connection with services, materials, or equipment, means to furnish and install said services, materials, or equipment complete and ready for intended use.

4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words "furnish," "install," "perform," or "provide," then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.

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F. *Contract Price or Contract Times*: References to a change in "Contract Price or Contract Times" or "Contract Times or Contract Price" or similar, indicate that such change applies to (1) Contract Price, (2) Contract Times, or (3) both Contract Price and Contract Times, as warranted, even if the term "or both" is not expressed.

G. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2—PRELIMINARY MATTERS

2.01 *Delivery of Performance and Payment Bonds; Evidence of Insurance*

A. *Performance and Payment Bonds*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner the performance bond and payment bond (if the Contract requires Contractor to furnish such bonds).

B. *Evidence of Contractor's Insurance*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6, except to the extent the Supplementary Conditions expressly establish other dates for delivery of specific insurance policies.

C. *Evidence of Owner's Insurance*: After receipt of the signed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each additional insured (as identified in the Contract), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

2.02 *Copies of Documents*

A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully signed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.

B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.03 *Before Starting Construction*

A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise required by the Contract Documents), Contractor shall submit to Engineer for timely review:

1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;

2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work

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into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work, and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other Submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.

B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Acceptance of Schedules*

A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review the schedules submitted in accordance with Paragraph 2.03.A. No progress payment will be made to Contractor until acceptable schedules are submitted to Engineer.

1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.

2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.

3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

4. If a schedule is not acceptable, Contractor will have an additional 10 days to revise and resubmit the schedule.

2.06 *Electronic Transmittals*

A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.

B. If the Contract does not establish protocols for Electronic Means, then Owner, Engineer, and Contractor shall jointly develop such protocols.

C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

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ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.

B. It is the intent of the Contract Documents to describe a functionally complete Project (or part thereof) to be constructed in accordance with the Contract Documents.

C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic versions of the Contract Documents (including any printed copies derived from such electronic versions) and the printed record version, the printed record version will govern.

D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.

E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

F. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Contractor, which agree that the Contract Documents will be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

G. Nothing in the Contract Documents creates:

1. any contractual relationship between Owner or Engineer and any Subcontractor, Supplier, or other individual or entity performing or furnishing any of the Work, for the benefit of such Subcontractor, Supplier, or other individual or entity; or

2. any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity, except as may otherwise be required by Laws and Regulations.

3.02 *Reference Standards*

A. *Standards Specifications, Codes, Laws and Regulations*

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.

2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of Owner, Contractor, or Engineer from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility

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inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies*

1. *Contractor's Verification of Figures and Field Measurements*: Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.

2. *Contractor's Review of Contract Documents*: If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.

3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:

a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or

b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.

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B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.

C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly notify Owner and Contractor in writing that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

A. Contractor and its Subcontractors and Suppliers shall not:

1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or

2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.

B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed*

A. The Contract Times will commence to run on the 30th day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the 60th day after the day of Bid opening or the 30th day after the Effective Date of the Contract, whichever date is earlier.

4.02 *Starting the Work*

A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work may be done at the Site prior to such date.

4.03 *Reference Points*

A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the

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established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Progress Schedule*

A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.

1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.

2. Proposed adjustments in the Progress Schedule that will change the Contract Times must be submitted in accordance with the requirements of Article 11.

B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work will be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

4.05 *Delays in Contractor's Progress*

A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times.

B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.

C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:

1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;

2. Abnormal weather conditions;

3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with Owner, as contemplated in Article 8); and

4. Acts of war or terrorism.

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D. Contractor's entitlement to an adjustment of Contract Times or Contract Price is limited as follows:

1. Contractor's entitlement to an adjustment of the Contract Times is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.

2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Times to which Contractor is otherwise entitled.

3. Adjustments of Contract Times or Contract Price are subject to the provisions of Article 11.

E. Each Contractor request or Change Proposal seeking an increase in Contract Times or Contract Price must be supplemented by supporting data that sets forth in detail the following:

1. The circumstances that form the basis for the requested adjustment;

2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;

3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;

4. The number of days' increase in Contract Times claimed as a consequence of each such cause of delay, disruption, or interference; and

5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.07.

Contractor shall also furnish such additional supporting documentation as Owner or Engineer may require including, where appropriate, a revised progress schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.

F. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.05.D and 4.05.E.

G. Paragraph 8.03 addresses delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

A. Owner shall furnish the Site. Owner shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.

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B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.

C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas*

1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.

2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.13, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

B. *Removal of Debris During Performance of the Work*: During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.

C. *Cleaning*: Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment

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and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

D. *Loading of Structures*: Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

A. *Reports and Drawings*: The Supplementary Conditions identify:

1. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data;

2. Those drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data; and

3. Technical Data contained in such reports and drawings.

B. *Underground Facilities*: Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.

C. *Reliance by Contractor on Technical Data*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b.

D. *Limitations of Other Data and Documents*: Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto;

2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;

3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or Owner's archival documents concerning the Site; or

4. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

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5.04 *Differing Subsurface or Physical Conditions*

A. *Notice by Contractor*: If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site:

1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate;

2. is of such a nature as to require a change in the Drawings or Specifications;

3. differs materially from that shown or indicated in the Contract Documents; or

4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

B. *Engineer's Review*: After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine whether it is necessary for Owner to obtain additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.

C. *Owner's Statement to Contractor Regarding Site Condition*: After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.

D. *Early Resumption of Work*: If at any time Engineer determines that Work in connection with the subsurface or physical condition in question may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the condition in question has been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.

E. *Possible Price and Times Adjustments*

1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in

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Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

a. Such condition must fall within any one or more of the categories described in Paragraph 5.04.A;

b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,

c. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:

a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise;

b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or

c. Contractor failed to give the written notice required by Paragraph 5.04.A.

3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.

4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

F. *Underground Facilities; Hazardous Environmental Conditions*: Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

5.05 *Underground Facilities*

A. *Contractor's Responsibilities*: Unless it is otherwise expressly provided in the Supplementary Conditions, the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:

1. reviewing and checking all information and data regarding existing Underground Facilities at the Site;

2. complying with applicable state and local utility damage prevention Laws and Regulations;

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3. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;

4. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and

5. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.

B. *Notice by Contractor*: If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings, or was not shown or indicated on the Drawings with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing regarding such Underground Facility.

C. *Engineer's Review*: Engineer will:

1. promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy;

2. identify and communicate with the owner of the Underground Facility; prepare recommendations to Owner (and if necessary issue any preliminary instructions to Contractor) regarding the Contractor's resumption of Work in connection with the Underground Facility in question;

3. obtain any pertinent cost or schedule information from Contractor; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and

4. advise Owner in writing of Engineer's findings, conclusions, and recommendations.

During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.

D. *Owner's Statement to Contractor Regarding Underground Facility*: After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.

E. *Early Resumption of Work*: If at any time Engineer determines that Work in connection with the Underground Facility may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the Underground Facility in question and conditions affected by its presence have been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.

F. *Possible Price and Times Adjustments*

1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, to the extent that any existing Underground Facility at the Site that was not shown

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or indicated on the Drawings, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

a. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;

b. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E; and

c. Contractor gave the notice required in Paragraph 5.05.B.

2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.

3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

4. The information and data shown or indicated on the Drawings with respect to existing Underground Facilities at the Site is based on information and data (a) furnished by the owners of such Underground Facilities, or by others, (b) obtained from available records, or (c) gathered in an investigation conducted in accordance with the current edition of ASCE 38, Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data, by the American Society of Civil Engineers. If such information or data is incorrect or incomplete, Contractor's remedies are limited to those set forth in this Paragraph 5.05.F.

5.06 *Hazardous Environmental Conditions at Site*

A. *Reports and Drawings*: The Supplementary Conditions identify:

1. those reports known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site;

2. drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and

3. Technical Data contained in such reports and drawings.

B. *Reliance by Contractor on Technical Data Authorized*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures

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of construction to be employed by Contractor, and safety precautions and programs incident thereto;

2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or

3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.

C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.

D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.

E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.

F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.

G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, as a result of such Work stoppage, such special conditions under which Work is agreed to be resumed by Contractor, or any costs or expenses incurred in response to the Hazardous Environmental Condition, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off. Entitlement to any such adjustment is subject to the provisions of Paragraphs 4.05.D, 4.05.E, 11.07, and 11.08.

H. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special

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conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.

I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.I obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J obligates Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6—BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of Contractor's obligations under the Contract. These bonds must remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the terms of a prescribed bond form, the Supplementary Conditions, or other provisions of the Contract.

B. Contractor shall also furnish such other bonds (if any) as are required by the Supplementary Conditions or other provisions of the Contract.

C. All bonds must be in the form included in the Bidding Documents or otherwise specified by Owner prior to execution of the Contract, except as provided otherwise by Laws or

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Regulations, and must be issued and signed by a surety named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.

D. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue bonds in the required amounts.

E. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer in writing and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.

F. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.

G. Upon request to Owner from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Owner shall provide a copy of the payment bond to such person or entity.

H. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

6.02 *Insurance—General Provisions*

A. Owner and Contractor shall obtain and maintain insurance as required in this article and in the Supplementary Conditions.

B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized in the state or jurisdiction in which the Project is located to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.

C. Alternative forms of insurance coverage, including but not limited to self-insurance and "Occupational Accident and Excess Employer's Indemnity Policies," are not sufficient to meet the insurance requirements of this Contract, unless expressly allowed in the Supplementary Conditions.

D. Contractor shall deliver to Owner, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Contractor has obtained and is maintaining the policies and coverages required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by

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Subcontractors or Suppliers. In any documentation furnished under this provision, Contractor, Subcontractors, and Suppliers may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those applicable to this Contract.

E. Owner shall deliver to Contractor, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Owner has obtained and is maintaining the policies and coverages required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, and full disclosure of all relevant exclusions. In any documentation furnished under this provision, Owner may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those relevant to this Contract.

F. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, will not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.

G. In addition to the liability insurance required to be provided by Contractor, the Owner, at Owner's option, may purchase and maintain Owner's own liability insurance. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.

H. Contractor shall require:

1. Subcontractors to purchase and maintain worker's compensation, commercial general liability, and other insurance that is appropriate for their participation in the Project, and to name as additional insureds Owner and Engineer (and any other individuals or entities identified in the Supplementary Conditions as additional insureds on Contractor's liability policies) on each Subcontractor's commercial general liability insurance policy; and

2. Suppliers to purchase and maintain insurance that is appropriate for their participation in the Project.

I. If either party does not purchase or maintain the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.

J. If Contractor has failed to obtain and maintain required insurance, Contractor's entitlement to enter or remain at the Site will end immediately, and Owner may impose an appropriate set-off against payment for any associated costs (including but not limited to the cost of purchasing necessary insurance coverage), and exercise Owner's termination rights under Article 16.

K. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect (but is in no way obligated) to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price will be adjusted accordingly.

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L. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests. Contractor is responsible for determining whether such coverage and limits are adequate to protect its interests, and for obtaining and maintaining any additional insurance that Contractor deems necessary.

M. The insurance and insurance limits required herein will not be deemed as a limitation on Contractor's liability, or that of its Subcontractors or Suppliers, under the indemnities granted to Owner and other individuals and entities in the Contract or otherwise.

N. All the policies of insurance required to be purchased and maintained under this Contract will contain a provision or endorsement that the coverage afforded will not be canceled, or renewal refused, until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured and Engineer.

6.03 *Contractor's Insurance*

A. *Required Insurance*: Contractor shall purchase and maintain Worker's Compensation, Commercial General Liability, and other insurance pursuant to the specific requirements of the Supplementary Conditions.

B. *General Provisions*: The policies of insurance required by this Paragraph 6.03 as supplemented must:

1. include at least the specific coverages required;

2. be written for not less than the limits provided, or those required by Laws or Regulations, whichever is greater;

3. remain in effect at least until the Work is complete (as set forth in Paragraph 15.06.D), and longer if expressly required elsewhere in this Contract, and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract;

4. apply with respect to the performance of the Work, whether such performance is by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable; and

5. include all necessary endorsements to support the stated requirements.

C. *Additional Insureds*: The Contractor's commercial general liability, automobile liability, employer's liability, umbrella or excess, pollution liability, and unmanned aerial vehicle liability policies, if required by this Contract, must:

1. include and list as additional insureds Owner and Engineer, and any individuals or entities identified as additional insureds in the Supplementary Conditions;

2. include coverage for the respective officers, directors, members, partners, employees, and consultants of all such additional insureds;

3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations);

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4. not seek contribution from insurance maintained by the additional insured; and

5. as to commercial general liability insurance, apply to additional insureds with respect to liability caused in whole or in part by Contractor's acts or omissions, or the acts and omissions of those working on Contractor's behalf, in the performance of Contractor's operations.

6.04 *Builder's Risk and Other Property Insurance*

A. *Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.

B. *Property Insurance for Facilities of Owner Where Work Will Occur*: Owner is responsible for obtaining and maintaining property insurance covering each existing structure, building, or facility in which any part of the Work will occur, or to which any part of the Work will attach or be adjoined. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, providing coverage consistent with that required for the builder's risk insurance, and will be maintained until the Work is complete, as set forth in Paragraph 15.06.D.

C. *Property Insurance for Substantially Complete Facilities*: Promptly after Substantial Completion, and before actual occupancy or use of the substantially completed Work, Owner will obtain property insurance for such substantially completed Work, and maintain such property insurance at least until the Work is complete, as set forth in Paragraph 15.06.D. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, and provide coverage consistent with that required for the builder's risk insurance. The builder's risk insurance may terminate upon written confirmation of Owner's procurement of such property insurance.

D. *Partial Occupancy or Use by Owner*: If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work, as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide advance notice of such occupancy or use to the builder's risk insurer, and obtain an endorsement consenting to the continuation of coverage prior to commencing such partial occupancy or use.

E. *Insurance of Other Property; Additional Insurance*: If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, then the entity or individual owning such property item will be responsible for insuring it. If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.04, it may do so at Contractor's expense.

6.05 *Property Losses; Subrogation*

A. The builder's risk insurance policy purchased and maintained in accordance with Paragraph 6.04 (or an installation floater policy if authorized by the Supplementary Conditions), will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against

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Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors.

1. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils, risks, or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all individuals or entities identified in the Supplementary Conditions as builder's risk or installation floater insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused.

2. None of the above waivers extends to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.

B. Any property insurance policy maintained by Owner covering any loss, damage, or consequential loss to Owner's existing structures, buildings, or facilities in which any part of the Work will occur, or to which any part of the Work will attach or adjoin; to adjacent structures, buildings, or facilities of Owner; or to part or all of the completed or substantially completed Work, during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them, and that the insured is allowed to waive the insurer's rights of subrogation in a written contract executed prior to the loss, damage, or consequential loss.

1. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from fire or any of the perils, risks, or causes of loss covered by such policies.

C. The waivers in this Paragraph 6.05 include the waiver of rights due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other insured peril, risk, or cause of loss.

D. Contractor shall be responsible for assuring that each Subcontract contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from fire or other peril, risk, or cause of loss covered by builder's risk insurance, installation floater, and any other property insurance applicable to the Work.

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6.06 *Receipt and Application of Property Insurance Proceeds*

A. Any insured loss under the builder's risk and other policies of property insurance required by Paragraph 6.04 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.

B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.04 shall maintain such proceeds in a segregated account, and distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.

C. If no other special agreement is reached, Contractor shall repair or replace the damaged Work, using allocated insurance proceeds.

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.01 *Contractor's Means and Methods of Construction*

A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.

B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor's expense. Such services are not Owner-delegated professional design services under this Contract, and neither Owner nor Engineer has any responsibility with respect to (1) Contractor's determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

7.02 *Supervision and Superintendence*

A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.

B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who will not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

7.03 *Labor; Working Hours*

A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall maintain good discipline and order at the Site.

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B. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of Contractor's employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor's own acts and omissions.

C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site will be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.04 *Services, Materials, and Equipment*

A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.

B. All materials and equipment incorporated into the Work must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications will expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.

C. All materials and equipment must be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

7.05 *"Or Equals"*

A. *Contractor's Request; Governing Criteria*: Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.

1. If Engineer in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer will deem it an "or equal" item. For the purposes of this paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:

a. in the exercise of reasonable judgment Engineer determines that the proposed item:

1) is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;

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2) will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;

3) has a proven record of performance and availability of responsive service; and

4) is not objectionable to Owner.

b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:

1) there will be no increase in cost to the Owner or increase in Contract Times; and

2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.

B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.

C. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal," which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.

D. *Effect of Engineer's Determination*: Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The Engineer's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.

E. *Treatment as a Substitution Request*: If Engineer determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer consider the item a proposed substitute pursuant to Paragraph 7.06.

7.06 *Substitutes*

A. *Contractor's Request; Governing Criteria*: Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related construction at the Site.

1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.

2. The requirements for review by Engineer will be as set forth in Paragraph 7.06.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.

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3. Contractor shall make written application to Engineer for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application:

    a. will certify that the proposed substitute item will:

        1) perform adequately the functions and achieve the results called for by the general design;

        2) be similar in substance to the item specified; and

        3) be suited to the same use as the item specified.

    b. will state:

        1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times;

        2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item; and

        3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.

    c. will identify:

        1) all variations of the proposed substitute item from the item specified; and

        2) available engineering, sales, maintenance, repair, and replacement services.

    d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.

B. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.

C. *Special Guarantee*: Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.

D. *Reimbursement of Engineer's Cost*: Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.

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E. *Contractor's Expense*: Contractor shall provide all data in support of any proposed substitute at Contractor's expense.

F. *Effect of Engineer's Determination*: If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.06.D, by timely submittal of a Change Proposal.

7.07 *Concerning Subcontractors and Suppliers*

A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to Owner to perform and complete the Work in accordance with the Contract Documents.

B. Contractor shall retain specific Subcontractors and Suppliers for the performance of designated parts of the Work if required by the Contract to do so.

C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor or Supplier to furnish or perform any of the Work against which Contractor has reasonable objection.

D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within 5 days.

E. Owner may require the replacement of any Subcontractor or Supplier. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors or Suppliers for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor or Supplier so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor or Supplier.

F. If Owner requires the replacement of any Subcontractor or Supplier retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.

G. No acceptance by Owner of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.

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H. On a monthly basis, Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.

I. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors and Suppliers.

J. The divisions and sections of the Specifications and the identifications of any Drawings do not control Contractor in dividing the Work among Subcontractors or Suppliers, or in delineating the Work to be performed by any specific trade.

K. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of Owner and Engineer.

L. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor for Work performed for Contractor by the Subcontractor or Supplier.

M. Contractor shall restrict all Subcontractors and Suppliers from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

7.08 *Patent Fees and Royalties*

A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents.

B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.

C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

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7.09 *Permits*

A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits, licenses, and certificates of occupancy. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

7.10 *Taxes*

A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

7.11 *Laws and Regulations*

A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.

B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It is not Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this does not relieve Contractor of its obligations under Paragraph 3.03.

C. Owner or Contractor may give written notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such written notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

7.12 *Record Documents*

A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

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7.13 *Safety and Protection*

A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.

B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs.

C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:

1. all persons on the Site or who may be affected by the Work;

2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and

3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.

D. All damage, injury, or loss to any property referred to in Paragraph 7.13.C.2 or 7.13.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).

E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection.

F. Contractor shall notify Owner; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.

G. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. Any Owner's safety programs that are applicable to the Work are identified or included in the Supplementary Conditions or Specifications.

H. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.

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I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed, Engineer has issued a written notice to Owner and Contractor in accordance with Paragraph 15.06.C that the Work is acceptable, and Contractor has left the Site (except as otherwise expressly provided in connection with Substantial Completion).

J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.14 *Hazard Communication Programs*

A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency, or are required as a result of Contractor's response to an emergency. If Engineer determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Work Change Directive or Change Order will be issued.

7.16 *Submittals*

A. *Shop Drawing and Sample Requirements*

1. Before submitting a Shop Drawing or Sample, Contractor shall:

a. review and coordinate the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;

b. determine and verify:

1) all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect to the Submittal;

2) the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and

3) all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto;

c. confirm that the Submittal is complete with respect to all related data included in the Submittal.

2. Each Shop Drawing or Sample must bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that Submittal, and that Contractor approves the Submittal.

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3. With each Shop Drawing or Sample, Contractor shall give Engineer specific written notice of any variations that the Submittal may have from the requirements of the Contract Documents. This notice must be set forth in a written communication separate from the Submittal; and, in addition, in the case of a Shop Drawing by a specific notation made on the Shop Drawing itself.

B. *Submittal Procedures for Shop Drawings and Samples*: Contractor shall label and submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals.

1. *Shop Drawings*

a. Contractor shall submit the number of copies required in the Specifications.

b. Data shown on the Shop Drawings must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide, and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.C.

2. *Samples*

a. Contractor shall submit the number of Samples required in the Specifications.

b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the Submittal for the limited purposes required by Paragraph 7.16.C.

3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.

C. *Engineer's Review of Shop Drawings and Samples*

1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the accepted Schedule of Submittals. Engineer's review and approval will be only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.

2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions or programs incident thereto.

3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

4. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will

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document any such approved variation from the requirements of the Contract Documents in a Field Order or other appropriate Contract modification.

5. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for complying with the requirements of Paragraphs 7.16.A and B.

6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.

7. Neither Engineer's receipt, review, acceptance, or approval of a Shop Drawing or Sample will result in such item becoming a Contract Document.

8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.C.4.

D. *Resubmittal Procedures for Shop Drawings and Samples*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous Submittals.

2. Contractor shall furnish required Shop Drawing and Sample submittals with sufficient information and accuracy to obtain required approval of an item with no more than two resubmittals. Engineer will record Engineer's time for reviewing a third or subsequent resubmittal of a Shop Drawing or Sample, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges.

3. If Contractor requests a change of a previously approved Shop Drawing or Sample, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

E. *Submittals Other than Shop Drawings, Samples, and Owner-Delegated Designs*

1. The following provisions apply to all Submittals other than Shop Drawings, Samples, and Owner-delegated designs:

   a. Contractor shall submit all such Submittals to the Engineer in accordance with the Schedule of Submittals and pursuant to the applicable terms of the Contract Documents.

   b. Engineer will provide timely review of all such Submittals in accordance with the Schedule of Submittals and return such Submittals with a notation of either Accepted or Not Accepted. Any such Submittal that is not returned within the time established in the Schedule of Submittals will be deemed accepted.

   c. Engineer's review will be only to determine if the Submittal is acceptable under the requirements of the Contract Documents as to general form and content of the Submittal.

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d. If any such Submittal is not accepted, Contractor shall confer with Engineer regarding the reason for the non-acceptance, and resubmit an acceptable document.

2. Procedures for the submittal and acceptance of the Progress Schedule, the Schedule of Submittals, and the Schedule of Values are set forth in Paragraphs 2.03. 2.04, and 2.05.

F. Owner-delegated Designs: Submittals pursuant to Owner-delegated designs are governed by the provisions of Paragraph 7.19.

7.17 *Contractor's General Warranty and Guarantee*

A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer is entitled to rely on Contractor's warranty and guarantee.

B. Owner's rights under this warranty and guarantee are in addition to, and are not limited by, Owner's rights under the correction period provisions of Paragraph 15.08. The time in which Owner may enforce its warranty and guarantee rights under this Paragraph 7.17 is limited only by applicable Laws and Regulations restricting actions to enforce such rights; provided, however, that after the end of the correction period under Paragraph 15.08:

1. Owner shall give Contractor written notice of any defective Work within 60 days of the discovery that such Work is defective; and

2. Such notice will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the notice.

C. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:

1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or

2. normal wear and tear under normal usage.

D. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Owner's warranty and guarantee rights under this Paragraph 7.17:

1. Observations by Engineer;

2. Recommendation by Engineer or payment by Owner of any progress or final payment;

3. The issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;

4. Use or occupancy of the Work or any part thereof by Owner;

5. Any review and approval of a Shop Drawing or Sample submittal;

6. The issuance of a notice of acceptability by Engineer;

7. The end of the correction period established in Paragraph 15.08;

8. Any inspection, test, or approval by others; or

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9. Any correction of defective Work by Owner.

E. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract will govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

7.18 *Indemnification*

A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance or furnishing of the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable.

B. In any and all claims against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

7.19 *Delegation of Professional Design Services*

A. Owner may require Contractor to provide professional design services for a portion of the Work by express delegation in the Contract Documents. Such delegation will specify the performance and design criteria that such services must satisfy, and the Submittals that Contractor must furnish to Engineer with respect to the Owner-delegated design.

B. Contractor shall cause such Owner-delegated professional design services to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.

C. If a Shop Drawing or other Submittal related to the Owner-delegated design is prepared by Contractor, a Subcontractor, or others for submittal to Engineer, then such Shop Drawing or other Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to Engineer.

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D. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under an Owner-delegated design, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.

E. Pursuant to this Paragraph 7.19, Engineer's review, approval, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to an Owner-delegated design will be only for the following limited purposes:

1. Checking for conformance with the requirements of this Paragraph 7.19;

2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and

3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.

F. Contractor shall not be responsible for the adequacy of performance or design criteria specified by Owner or Engineer.

G. Contractor is not required to provide professional services in violation of applicable Laws and Regulations.

ARTICLE 8—OTHER WORK AT THE SITE

8.01 *Other Work*

A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.

B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any third-party utility work that Owner has arranged to take place at or adjacent to the Site, Owner shall provide such information to Contractor.

C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.

D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.

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E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

F. The provisions of this article are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with Owner, or that is performed without having been arranged by Owner. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.05.C.3.

8.02 *Coordination*

A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:

1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;

2. An itemization of the specific matters to be covered by such authority and responsibility; and

3. The extent of such authority and responsibilities.

B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

A. If, in the course of performing other work for Owner at or adjacent to the Site, the Owner's employees, any other contractor working for Owner, or any utility owner that Owner has arranged to perform work, causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment will take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract, and any remedies available to Contractor under Laws or Regulations concerning utility action or inaction. When applicable, any such equitable adjustment in Contract Price will be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times or Contract Price is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

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B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site.

1. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this Paragraph 8.03.B.

2. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due Contractor.

C. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9—OWNER'S RESPONSIBILITIES

9.01 *Communications to Contractor*

A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

9.02 *Replacement of Engineer*

A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents will be that of the former Engineer.

9.03 *Furnish Data*

A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

9.04 *Pay When Due*

A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

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9.05 *Lands and Easements; Reports, Tests, and Drawings*

A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.

B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.

C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.06 *Insurance*

A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

9.07 *Change Orders*

A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.

B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

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ARTICLE 10—ENGINEER'S STATUS DURING CONSTRUCTION

10.01 *Owner's Representative*

A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.

B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.07. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Resident Project Representative*

A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in the Supplementary Conditions and in Paragraph 10.07.

B. If Owner designates an individual or entity who is not Engineer's consultant, agent, or employee to represent Owner at the Site, then the responsibilities and authority of such individual or entity will be as provided in the Supplementary Conditions.

10.04 *Engineer's Authority*

A. Engineer has the authority to reject Work in accordance with Article 14.

B. Engineer's authority as to Submittals is set forth in Paragraph 7.16.

C. Engineer's authority as to design drawings, calculations, specifications, certifications and other Submittals from Contractor in response to Owner's delegation (if any) to Contractor of professional design services, is set forth in Paragraph 7.19.

D. Engineer's authority as to changes in the Work is set forth in Article 11.

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E. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.05 *Determinations for Unit Price Work*

A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

10.06 *Decisions on Requirements of Contract Documents and Acceptability of Work*

A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.07 *Limitations on Engineer's Authority and Responsibilities*

A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, will create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. Engineer's review of the final Application for Payment and accompanying documentation, and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Contractor under Paragraph 15.06.A, will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.

E. The limitations upon authority and responsibility set forth in this Paragraph 10.07 also apply to the Resident Project Representative, if any.

10.08 *Compliance with Safety Program*

A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs of which Engineer has been informed.

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ARTICLE 11—CHANGES TO THE CONTRACT

11.01 *Amending and Supplementing the Contract*

A. The Contract may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.

B. If an amendment or supplement to the Contract includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order.

C. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, must be supported by Engineer's recommendation. Owner and Contractor may amend other terms and conditions of the Contract without the recommendation of the Engineer.

11.02 *Change Orders*

A. Owner and Contractor shall execute appropriate Change Orders covering:

1. Changes in Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;

2. Changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;

3. Changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.05, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters; and

4. Changes that embody the substance of any final and binding results under: Paragraph 11.03.B, resolving the impact of a Work Change Directive; Paragraph 11.09, concerning Change Proposals; Article 12, Claims; Paragraph 13.02.D, final adjustments resulting from allowances; Paragraph 13.03.D, final adjustments relating to determination of quantities for Unit Price Work; and similar provisions.

B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of Paragraph 11.02.A, it will be deemed to be of full force and effect, as if fully executed.

11.03 *Work Change Directives*

A. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.07 regarding change of Contract Price.

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B. If Owner has issued a Work Change Directive and:

1. Contractor believes that an adjustment in Contract Times or Contract Price is necessary, then Contractor shall submit any Change Proposal seeking such an adjustment no later than 30 days after the completion of the Work set out in the Work Change Directive.

2. Owner believes that an adjustment in Contract Times or Contract Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 60 days after issuance of the Work Change Directive.

11.04 *Field Orders*

A. Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly.

B. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

11.05 *Owner-Authorized Changes in the Work*

A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters will be supported by Engineer's recommendation.

B. Such changes in the Work may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work must be performed under the applicable conditions of the Contract Documents.

C. Nothing in this Paragraph 11.05 obligates Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

11.06 *Unauthorized Changes in the Work*

A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.C.2.

11.07 *Change of Contract Price*

A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment of Contract Price must comply with the provisions of Article 12.

B. An adjustment in the Contract Price will be determined as follows:

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1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03);

2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.07.C.2); or

3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.07.C).

C. *Contractor's Fee*: When applicable, the Contractor's fee for overhead and profit will be determined as follows:

1. A mutually acceptable fixed fee; or

2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:

a. For costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee will be 15 percent;

b. For costs incurred under Paragraph 13.01.B.3, the Contractor's fee will be 5 percent;

c. Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.07.C.2.a and 11.07.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted Work the maximum total fee to be paid by Owner will be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the Work;

d. No fee will be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;

e. The amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and

f. When both additions and credits are involved in any one change or Change Proposal, the adjustment in Contractor's fee will be computed by determining the sum of the costs in each of the cost categories in Paragraph 13.01.B (specifically, payroll costs, Paragraph 13.01.B.1; incorporated materials and equipment costs, Paragraph 13.01.B.2; Subcontract costs, Paragraph 13.01.B.3; special consultants costs, Paragraph 13.01.B.4; and other costs, Paragraph 13.01.B.5) and applying to each such cost category sum the appropriate fee from Paragraphs 11.07.C.2.a through 11.07.C.2.e, inclusive.

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11.08 *Change of Contract Times*

A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment in the Contract Times must comply with the provisions of Article 12.

B. Delay, disruption, and interference in the Work, and any related changes in Contract Times, are addressed in and governed by Paragraph 4.05.

11.09 *Change Proposals*

A. *Purpose and Content*: Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; contest an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; challenge a set-off against payment due; or seek other relief under the Contract. The Change Proposal will specify any proposed change in Contract Times or Contract Price, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents. Each Change Proposal will address only one issue, or a set of closely related issues.

B. *Change Proposal Procedures*

1. *Submittal*: Contractor shall submit each Change Proposal to Engineer within 30 days after the start of the event giving rise thereto, or after such initial decision.

2. *Supporting Data*: The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal.

    a. Change Proposals based on or related to delay, interruption, or interference must comply with the provisions of Paragraphs 4.05.D and 4.05.E.

    b. Change proposals related to a change of Contract Price must include full and detailed accounts of materials incorporated into the Work and labor and equipment used for the subject Work.

    The supporting data must be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event.

3. *Engineer's Initial Review*: Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal. If in its discretion Engineer concludes that additional supporting data is needed before conducting a full review and making a decision regarding the Change Proposal, then Engineer may request that Contractor submit such additional supporting data by a date specified by Engineer, prior to Engineer beginning its full review of the Change Proposal.

4. *Engineer's Full Review and Action on the Change Proposal*: Upon receipt of Contractor's supporting data (including any additional data requested by Engineer), Engineer will conduct a full review of each Change Proposal and, within 30 days after such receipt of the Contractor's supporting data, either approve the Change Proposal in whole, deny it in whole, or approve it in part and deny it in part. Such actions must be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change

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Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.

5. *Binding Decision*: Engineer's decision is final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.

C. *Resolution of Certain Change Proposals*: If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties in writing that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice will be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

D. *Post-Completion*: Contractor shall not submit any Change Proposals after Engineer issues a written recommendation of final payment pursuant to Paragraph 15.06.B.

11.10 *Notification to Surety*

A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

ARTICLE 12—CLAIMS

12.01 *Claims*

A. *Claims Process*: The following disputes between Owner and Contractor are subject to the Claims process set forth in this article:

1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;

2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents;

3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters; and

4. Subject to the waiver provisions of Paragraph 15.07, any dispute arising after Engineer has issued a written recommendation of final payment pursuant to Paragraph 15.06.B.

B. *Submittal of Claim*: The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim rests with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge

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and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.

C. *Review and Resolution*: The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim will be stated in writing and submitted to the other party, with a copy to Engineer.

D. *Mediation*

1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate will stay the Claim submittal and response process.

2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process will resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process will resume as of the date of the conclusion of the mediation, as determined by the mediator.

3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.

E. *Partial Approval*: If the party receiving a Claim approves the Claim in part and denies it in part, such action will be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.

F. *Denial of Claim*: If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim will be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.

G. *Final and Binding Results*: If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim will be incorporated in a Change Order or other written document to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

ARTICLE 13—COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

13.01 *Cost of the Work*

A. *Purposes for Determination of Cost of the Work*: The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:

1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or

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2. When needed to determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.

B. *Costs Included*: Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work will be in amounts no higher than those commonly incurred in the locality of the Project, will not include any of the costs itemized in Paragraph 13.01.C, and will include only the following items:

1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor in advance of the subject Work. Such employees include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs include, but are not limited to, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, will be included in the above to the extent authorized by Owner.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and Contractor shall make provisions so that they may be obtained.

3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, which will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.

4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work.

5. Other costs consisting of the following:

a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.

b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, which are

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consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.

1) In establishing included costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or the estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. Contractor will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such item.

c. *Construction Equipment Rental*

1) Rentals of all construction equipment and machinery, and the parts thereof, in accordance with rental agreements approved by Owner as to price (including any surcharge or special rates applicable to overtime use of the construction equipment or machinery), and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.

2) Costs for equipment and machinery owned by Contractor or a Contractor-related entity will be paid at a rate shown for such equipment in the equipment rental rate book specified in the Supplementary Conditions. An hourly rate will be computed by dividing the monthly rates by 176. These computed rates will include all operating costs.

3) With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price ("changed Work"), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.

d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.

e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.

f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of builder's risk or other property insurance established in accordance with Paragraph 6.04), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.

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g. The cost of utilities, fuel, and sanitary facilities at the Site.

h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.

i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.

C. *Costs Excluded*: The term Cost of the Work does not include any of the following items:

1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expediters, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.

2. The cost of purchasing, renting, or furnishing small tools and hand tools.

3. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.

4. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.

5. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.

6. Expenses incurred in preparing and advancing Claims.

7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.

D. *Contractor's Fee*

1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:

a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Contract will be determined as set forth in the Agreement.

b. for any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as follows:

1) When the fee for the Work as a whole is a percentage of the Cost of the Work, the fee will automatically adjust as the Cost of the Work changes.

2) When the fee for the Work as a whole is a fixed fee, the fee for any additions or deletions will be determined in accordance with Paragraph 11.07.C.2.

2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change

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Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.07.C.2.

E. *Documentation and Audit*: Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by Owner. Pertinent Subcontractors will afford such access to Owner, and preserve such documents, to the same extent required of Contractor.

13.02 *Allowances*

A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.

B. *Cash Allowances*: Contractor agrees that:

1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and

2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.

C. *Owner's Contingency Allowance*: Contractor agrees that an Owner's contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.

D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

13.03 *Unit Price Work*

A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.

B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.

C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.

D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision

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thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, and the final adjustment of Contract Price will be set forth in a Change Order, subject to the provisions of the following paragraph.

E. *Adjustments in Unit Price*

1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:

a. the quantity of the item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and

b. Contractor's unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.

2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor's costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.

3. Adjusted unit prices will apply to all units of that item.

ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

14.01 *Access to Work*

A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

14.02 *Tests, Inspections, and Approvals*

A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.

B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work will be governed by the provisions of Paragraph 14.05.

C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.

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D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:

1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;

2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;

3. by manufacturers of equipment furnished under the Contract Documents;

4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and

5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.

F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering will be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 *Defective Work*

A. *Contractor's Obligation*: It is Contractor's obligation to assure that the Work is not defective.

B. *Engineer's Authority*: Engineer has the authority to determine whether Work is defective, and to reject defective Work.

C. *Notice of Defects*: Prompt written notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.

D. *Correction, or Removal and Replacement*: Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.

E. *Preservation of Warranties*: When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.

F. *Costs and Damages*: In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs,

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losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work will be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

14.05 *Uncovering Work*

A. Engineer has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.

B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.

C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.

1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.

2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

14.06 *Owner May Stop the Work*

A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work,

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or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work will not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 *Owner May Correct Defective Work*

A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace defective Work as required by Engineer, then Owner may, after 7 days' written notice to Contractor, correct or remedy any such deficiency.

B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.

C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.

D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

ARTICLE 15—PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

15.01 *Progress Payments*

A. *Basis for Progress Payments*: The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.

B. *Applications for Payments*

1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.

2. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) a bill of sale, invoice, copies of subcontract or purchase order payments, or other documentation

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establishing full payment by Contractor for the materials and equipment; (b) at Owner's request, documentation warranting that Owner has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.

3. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.

4. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

C. *Review of Applications*

1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.

2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

   a. the Work has progressed to the point indicated;

   b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and

   c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.

3. By recommending any such payment Engineer will not thereby be deemed to have represented that:

   a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or

   b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.

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4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:

    a. to supervise, direct, or control the Work;

    b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto;

    c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work;

    d. to make any examination to ascertain how or for what purposes Contractor has used the money paid by Owner; or

    e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.

5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.

6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:

    a. the Work is defective, requiring correction or replacement;

    b. the Contract Price has been reduced by Change Orders;

    c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;

    d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or

    e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due*

1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner*

1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:

    a. Claims have been made against Owner based on Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages resulting from Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;

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b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;

c. Contractor has failed to provide and maintain required bonds or insurance;

d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;

e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;

f. The Work is defective, requiring correction or replacement;

g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;

h. The Contract Price has been reduced by Change Orders;

i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;

j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;

k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens; or

l. Other items entitle Owner to a set-off against the amount recommended.

2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed will be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.

3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld will be treated as an amount due as determined by Paragraph 15.01.D.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than 7 days after the time of payment by Owner.

15.03 *Substantial Completion*

A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time

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submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.

B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.

C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which will fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have 7 days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.

D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.

F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without

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significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:

1. At any time, Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through 15.03.E for that part of the Work.

2. At any time, Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.

3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.

4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.04 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

A. *Application for Payment*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.12), and other documents, Contractor may make application for final payment.

2. The final Application for Payment must be accompanied (except as previously delivered) by:

   a. all documentation called for in the Contract Documents;

   b. consent of the surety, if any, to final payment;

   c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.

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d. a list of all duly pending Change Proposals and Claims; and

e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.

3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

B. *Engineer's Review of Final Application and Recommendation of Payment*: If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within 10 days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the final Application for Payment to Owner for payment. Such recommendation will account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

C. *Notice of Acceptability*: In support of its recommendation of payment of the final Application for Payment, Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to stated limitations in the notice and to the provisions of Paragraph 15.07.

D. *Completion of Work*: The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment and issuance of notice of the acceptability of the Work.

E. *Final Payment Becomes Due*: Upon receipt from Engineer of the final Application for Payment and accompanying documentation, Owner shall set off against the amount recommended by Engineer for final payment any further sum to which Owner is entitled, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions of this Contract with respect to progress payments. Owner shall pay the resulting balance due to Contractor within 30 days of Owner's receipt of the final Application for Payment from Engineer.

15.07 *Waiver of Claims*

A. By making final payment, Owner waives its claim or right to liquidated damages or other damages for late completion by Contractor, except as set forth in an outstanding Claim,

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appeal under the provisions of Article 17, set-off, or express reservation of rights by Owner. Owner reserves all other claims or rights after final payment.

B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted as a Claim, or appealed under the provisions of Article 17.

15.08 *Correction Period*

A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the Supplementary Conditions or the terms of any applicable special guarantee required by the Contract Documents), Owner gives Contractor written notice that any Work has been found to be defective, or that Contractor's repair of any damages to the Site or adjacent areas has been found to be defective, then after receipt of such notice of defect Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:

1. correct the defective repairs to the Site or such adjacent areas;

2. correct such defective Work;

3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by Owner, and

4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.

B. Owner shall give any such notice of defect within 60 days of the discovery that such Work or repairs is defective. If such notice is given within such 60 days but after the end of the correction period, the notice will be deemed a notice of defective Work under Paragraph 7.17.B.

C. If, after receipt of a notice of defect within 60 days and within the correction period, Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others). Contractor's failure to pay such costs, losses, and damages within 10 days of invoice from Owner will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the failure to pay.

D. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

E. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

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F. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16—SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times directly attributable to any such suspension. Any Change Proposal seeking such adjustments must be submitted no later than 30 days after the date fixed for resumption of Work.

16.02 *Owner May Terminate for Cause*

A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:

1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Progress Schedule);

2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;

3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or

4. Contractor's repeated disregard of the authority of Owner or Engineer.

B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) 10 days' written notice that Owner is considering a declaration that Contractor is in default and termination of the Contract, Owner may proceed to:

1. declare Contractor to be in default, and give Contractor (and any surety) written notice that the Contract is terminated; and

2. enforce the rights available to Owner under any applicable performance bond.

C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.

D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within 7 days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.

E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects,

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attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.

G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond will govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate for Convenience*

A. Upon 7 days' written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):

1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;

2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and

3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.

B. Contractor shall not be paid for any loss of anticipated profits or revenue, post-termination overhead costs, or other economic loss arising out of or resulting from such termination.

16.04 *Contractor May Stop Work or Terminate*

A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon 7 days' written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, 7 days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The

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provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

ARTICLE 17—FINAL RESOLUTION OF DISPUTES

17.01 *Methods and Procedures*

A. *Disputes Subject to Final Resolution*: The following disputed matters are subject to final resolution under the provisions of this article:

1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full, pursuant to Article 12; and

2. Disputes between Owner and Contractor concerning the Work, or obligations under the Contract Documents, that arise after final payment has been made.

B. *Final Resolution of Disputes*: For any dispute subject to resolution under this article, Owner or Contractor may:

1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions;

2. agree with the other party to submit the dispute to another dispute resolution process; or

3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

ARTICLE 18—MISCELLANEOUS

18.01 *Giving Notice*

A. Whenever any provision of the Contract requires the giving of written notice to Owner, Engineer, or Contractor, it will be deemed to have been validly given only if delivered:

1. in person, by a commercial courier service or otherwise, to the recipient's place of business;

2. by registered or certified mail, postage prepaid, to the recipient's place of business; or

3. by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line.

18.02 *Computation of Times*

A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

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18.03 *Cumulative Remedies*

A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination of the Contract or of the services of Contractor.

18.07 *Controlling Law*

A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Assignment of Contract*

A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

18.09 *Successors and Assigns*

A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

18.10 *Headings*

A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

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SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

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SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

These Supplementary Conditions amend or supplement EJCDC® C-700, Standard General Conditions of the Construction Contract (2018). The General Conditions remain in full force and effect except as amended.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added—for example, “Paragraph SC-4.05.”

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

No suggested Supplementary Conditions in this Article.

ARTICLE 2—PRELIMINARY MATTERS

2.02 – COPIES OF DOCUMENTS

SC-2.02.A – *Delete Paragraph 2.02.A and replace with the following:*

A. Owner shall furnish to Contractor one printed copy of the Contract (including one fully executed counterpart of the Agreement) and one electronic copy of the Contract Documents in portable document format (PDF). Additional printed copies of the conformed Contract Documents will be furnished upon request at Owner’s cost of reproduction.

ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

No suggested Supplementary Conditions in this Article.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

4.05 *Delays in Contractor’s Progress*

SC-4.05 Amend Paragraph 4.05.C by adding the following subparagraphs:

5. *Weather-Related Delays*

a. If “abnormal weather conditions” as set forth in Paragraph 4.05.C.2 of the General Conditions are the basis for a request for an equitable adjustment in the Contract Times, such request must be documented by data substantiating each of the following: 1) that weather conditions were abnormal for the period of time in which the delay occurred, 2) that such weather conditions could not have been reasonably anticipated, and 3) that such weather conditions had an adverse effect on the Work as scheduled.

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b. The existence of abnormal weather conditions will be determined on a month-by-month basis in accordance with the following:

1) Every workday on which one or more of the following conditions exist will be considered a "bad weather day":

i) Total precipitation (as rain equivalent) occurring between 7:00 p.m. on the preceding day (regardless of whether such preceding day is a workday) through 7:00 p.m. on the workday in question equals or exceeds **the historical mean** of precipitation **by more than one standard deviation** (as rain equivalent, based on the snow/rain conversion indicated in the table entitled Foreseeable Bad Weather Days; such table is hereby incorporated in this SC-4.05.C by reference.

ii) Ambient outdoor air temperature at 11:00 a.m. is equal to or less than the following low temperature threshold: **0** degrees Fahrenheit; or, at 3:00 p.m. the ambient outdoor temperature is equal to or greater than the following high temperature threshold: **100** degrees Fahrenheit.

2) Determination of actual bad weather days during performance of the Work will be based on the weather records measured and recorded by **National Weather Service** weather monitoring station at **Erie Municipal Airport**.

ARTICLE 5—SITE, SUBSURFACE AND PHYSICAL CONDITIONS, HAZARDOUS ENVIRONMENTAL CONDITIONS

5.03 *Subsurface and Physical Conditions*

SC-5.03 Add the following new paragraphs immediately after Paragraph 5.03.D:

E. The following table lists the reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data, and specifically identifies the Technical Data in the report upon which Contractor may rely:

Report Title	Date of Report	Technical Data
Geotechnical Engineering Study – Additions to the Louisville Wastewater Treatment Plant	August 27, 2013	**Technical data includes, but is not limited to, subsurface conditions, laboratory testing results, regional geology, seismic classification, sulfate analysis, boring logs, and grain size analysis.**
Geotechnical Engineering Investigation for New Storage Tanks at the Louisville Waste Water Treatment Facility	November 30, 2023	**Technical data includes, but is not limited to, subsurface conditions, laboratory testing results, regional geology, seismic classification, sulfate analysis, boring logs, and grain size analysis.**

F. The following table lists the drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to

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the Site (except Underground Facilities), that contain Technical Data, and specifically identifies the Technical Data upon which Contractor may rely: **[If there are no such drawings, so indicate in the table.]**

Drawings Title	Date of Drawings	Technical Data
City of Louisville Wastewater Treatment Plant	February 2018	**Existing WWTP Drawing As-Builts**
City of Louisville Wastewater Treatment Plant Solids Handling Improvements	April 2024	**Construction drawing set**

G. Contractor may obtain copies of reports and drawings identified in SC-5.03.E and SC-5.03.F that were not included with the Bidding Documents from Engineer.

5.06 *Hazardous Environmental Conditions*

SC-5.06 Add the following new paragraphs immediately after Paragraph 5.06.A.3:

4. The following table lists the reports known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and the Technical Data (if any) upon which Contractor may rely:

Report Title	Date of Report	Technical Data
No such reports		

5. The following table lists the drawings known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and Technical Data (if any) contained in such Drawings upon which Contractor may rely:

Drawings Title	Date of Drawings	Technical Data
No such drawings		

SC-5.06.I – *Delete Paragraph 5.06.I and insert the following in its place:*

I. Contractor's indemnification obligation under subparagraph J shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the Owner.

ARTICLE 6—BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

SC-6.01 Add the following paragraphs immediately after Paragraph 6.01.A:

1. *Required Performance Bond Form:* The performance bond that Contractor furnishes will be in the form of EJCDC® C-610, Performance Bond (2010, 2013, or 2018 edition).

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2. *Required Payment Bond Form:* The payment bond that Contractor furnishes will be in the form of EJCDC® C-615, Payment Bond (2010, 2013, or 2018 edition).

SC-6.01 Add the following paragraphs immediately after Paragraph 6.01.B:

1. The correction period specified as one year after the date of Substantial Completion in Paragraph 15.08.A of the General Conditions is hereby revised to be **2** years after Substantial Completion.

2. After Substantial Completion, Contractor shall furnish a warranty bond issued in the form of EJCDC® C-612, Warranty Bond (2018). The warranty bond must be in a bond amount of **15** percent of the final Contract Price. The warranty bond period will extend to a date **2** years after Substantial Completion of the Work. Contractor shall deliver the fully executed warranty bond to Owner prior to or with the final application for payment, and in any event no later than 11 months after Substantial Completion.

3. The warranty bond must be issued by the same surety that issues the performance bond required under Paragraph 6.01.A of the General Conditions.

6.02 *Insurance—General Provisions*

SC-6.02 Add the following paragraph immediately after Paragraph 6.02.B:

1. Contractor may obtain worker's compensation insurance from an insurance company that has not been rated by A.M. Best, provided that such company (a) is domiciled in the state in which the Project is located, (b) is certified or authorized as a worker's compensation insurance provider by the appropriate state agency, and (c) has been accepted to provide worker's compensation insurance for similar projects by the state within the last 12 months.

6.03 *Contractor's Insurance*

SC-6.03 Supplement Paragraph 6.03 with the following provisions after Paragraph 6.03.C:

E. *Workers' Compensation and Employer's Liability:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance, including, as applicable, United States Longshoreman and Harbor Workers' Compensation Act, Jones Act, stop-gap employer's liability coverage for monopolistic states, and foreign voluntary workers' compensation (from available sources, notwithstanding the jurisdictional requirement of Paragraph 6.02.B of the General Conditions).

Workers' Compensation and Related Policies	**Policy limits of not less than:**
Workers' Compensation	
State	Statutory
Applicable Federal (e.g., Longshoreman's)	Statutory
Foreign voluntary workers' compensation (employer's responsibility coverage), if applicable	Statutory
Employer's Liability	
Each accident	$500,000
Each employee	$500,000
Policy limit	$500,000

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Workers' Compensation and Related Policies	Policy limits of not less than:
Stop-gap Liability Coverage	
For work performed in monopolistic states, stop-gap liability coverage must be endorsed to either the worker's compensation or commercial general liability policy with a minimum limit of:	$100,000

F. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against claims for:

1. damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees,
2. damages insured by reasonably available personal injury liability coverage, and
3. damages because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.

G. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy must be written on a 1996 (or later) Insurance Services Organization, Inc. (ISO) commercial general liability form (occurrence form) and include the following coverages and endorsements:

1. Products and completed operations coverage.
    a. Such insurance must be maintained for three years after final payment.
    b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
2. Blanket contractual liability coverage, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
3. Severability of interests and no insured-versus-insured or cross-liability exclusions.
4. Underground, explosion, and collapse coverage.
5. Personal injury coverage.
6. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together). If Contractor demonstrates to Owner that the specified ISO endorsements are not commercially available, then Contractor may satisfy this requirement by providing equivalent endorsements.
7. For design professional additional insureds, ISO Endorsement CG 20 32 07 04 "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent.

H. *Commercial General Liability—Excluded Content:* The commercial general liability insurance policy, including its coverages, endorsements, and incorporated provisions, must not include any of the following:

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1. Any modification of the standard definition of "insured contract" (except to delete the railroad protective liability exclusion if Contractor is required to indemnify a railroad or others with respect to Work within 50 feet of railroad property).
2. Any exclusion for water intrusion or water damage.
3. Any provisions resulting in the erosion of insurance limits by defense costs other than those already incorporated in ISO form CG 00 01.
4. Any exclusion of coverage relating to earth subsidence or movement.
5. Any exclusion for the insured's vicarious liability, strict liability, or statutory liability (other than worker's compensation).
6. Any limitation or exclusion based on the nature of Contractor's work.
7. Any professional liability exclusion broader in effect than the most recent edition of ISO form CG 22 79.

I. *Commercial General Liability—Minimum Policy Limits*

Commercial General Liability	**Policy limits of not less than:**
General Aggregate	$2,000,000
Products—Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Bodily Injury and Property Damage—Each Occurrence	$1,000,000

J. *Automobile Liability:* Contractor shall purchase and maintain automobile liability insurance for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy must be written on an occurrence basis.

Automobile Liability	**Policy limits of not less than:**
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	$2,000,000

K. *Umbrella or Excess Liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer's liability, commercial general liability, and automobile liability insurance described in the Paragraphs above. The coverage afforded must be at least as broad as that of each and every one of the underlying policies.

Excess or Umbrella Liability	**Policy limits of not less than:**
Each Occurrence	$5,000,000
General Aggregate	$5,000,000

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6.04 *Builder's Risk and Other Property Insurance*

SC-6.04 Supplement Paragraph 6.04 of the General Conditions with the following provisions:

F. *Builder's Risk Requirements:* The builder's risk insurance must:

1. Be written on a builder's risk "all risk" policy form that at a minimum includes insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment stored and in transit, and must not exclude the coverage of the following risks: fire; windstorm; hail; flood; earthquake, volcanic activity, and other earth movement; lightning; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; and water damage (other than that caused by flood).

    a. Such policy will include an exception that results in coverage for ensuing losses from physical damage or loss with respect to any defective workmanship, methods, design, or materials exclusions.

    b. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake, volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance will be provided through other insurance policies acceptable to Owner and Contractor.

2. Cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.

3. Cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of contractors, engineers, and architects).

4. Extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier). If this coverage is subject to a sublimit, such sublimit will be a minimum of $**1,000,000**.

5. Extend to cover damage or loss to insured property while in transit. If this coverage is subject to a sublimit, such sublimit will be a minimum of $**1,000,000**.

6. Allow for the waiver of the insurer's subrogation rights, as set forth in this Contract.

7. Allow for partial occupancy or use by Owner by endorsement, and without cancellation or lapse of coverage.

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8. include performance/hot testing and start-up, if applicable.

9. be maintained in effect until the Work is complete, as set forth in Paragraph 15.06.D of the General Conditions, or until written confirmation of Owner's procurement of property insurance following Substantial Completion, whichever occurs first.

10 include as named insureds the Owner, Contractor, Subcontractors (of every tier), and any other individuals or entities required by this Contract to be insured under such builder's risk policy. For purposes of Paragraphs 6.04, 6.05, and 6.06 of the General Conditions, and this and all other corresponding Supplementary Conditions, the parties required to be insured will be referred to collectively as "insureds."

SC-6.04 Supplement Paragraph 6.04 of the General Conditions with the following provision:

G. *Coverage for Completion Delays:* The builder's risk policy will include, for the benefit of Owner, loss of revenue and soft cost coverage for losses arising from delays in completion that result from covered physical losses or damage. Such coverage will include, without limitation, fixed expenses and debt service for a minimum of 12 months with a maximum deductible of 30 days, compensation for loss of net revenues, rental costs, and attorneys' fees and engineering or other consultants' fees, if not otherwise covered.

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.07 - PATENT FEES AND ROYALTIES

SC -7.07.B – Delete paragraph 7.07.B and replace it with the following:

B. Contractor's indemnification obligation under subparagraph C shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the Owner.

7.10 *Taxes*

SC-7.10 Add a new paragraph immediately after Paragraph 7.10.A:

A. Owner is exempt from payment of sales and compensating use taxes of the State of **Colorado** and of cities and counties thereof on all materials to be incorporated into the Work.

1. Owner will furnish the required certificates of tax exemption to Contractor for use in the purchase of supplies and materials to be incorporated into the Work.

2. Owner's exemption does not apply to construction tools, machinery, equipment, or other property purchased by or leased by Contractor, or to supplies or materials not incorporated into the Work.

ARTICLE 8—OTHER WORK AT THE SITE

No Supplementary Conditions in this Article.

ARTICLE 9—OWNER'S RESPONSIBILITIES

No Supplementary Conditions in this Article.

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ARTICLE 10—ENGINEER'S STATUS DURING CONSTRUCTION

No Supplementary Conditions in this Article.

ARTICLE 11—CHANGES TO THE CONTRACT

No suggested Supplementary Conditions in this Article.

ARTICLE 12—CLAIMS

No suggested Supplementary Conditions in this Article.

ARTICLE 13—COST OF WORK; ALLOWANCES, UNIT PRICE WORK

No suggested Supplementary Conditions in this Article.

ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCCEPTANCE OF DEFECTIVE WORK

No suggested Supplementary Conditions in this Article.

ARTICLE 15—PAYMENTS TO CONTRACTOR, SET OFFS; COMPLETIONS; CORRECTION PERIOD

15.01 *Progress Payments*

SC-15.01 Add the following new Paragraph 15.01.F:

F. For contracts in which the Contract Price is based on the Cost of Work, if Owner determines that progress payments made to date substantially exceed the actual progress of the Work (as measured by reference to the Schedule of Values), or present a potential conflict with the Guaranteed Maximum Price, then Owner may require that Contractor prepare and submit a plan for the remaining anticipated Applications for Payment that will bring payments and progress into closer alignment and take into account the Guaranteed Maximum Price (if any), through reductions in billings, increases in retainage, or other equitable measures. Owner will review the plan, discuss any necessary modifications, and implement the plan as modified for all remaining Applications for Payment.

15.03 *Substantial Completion*

SC-15.03 Add the following new subparagraph to Paragraph 15.03.B:

1. If some or all of the Work has been determined not to be at a point of Substantial Completion and will require re-inspection or re-testing by Engineer, the cost of such re-inspection or re-testing, including the cost of time, travel and living expenses, will be paid by Contractor to Owner. If Contractor does not pay, or the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under this Article 15.

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15.06 – FINAL PAYMENT

SC-15.06.E – Revise paragraph 15.06.E by adding the following to the end of said paragraph: "Notwithstanding the provisions of this paragraph, final payment by the Owner shall be made in accordance with C.R.S. § 38-26-107."

15.08 *Correction Period*

SC-15.08 Add the following new Paragraph 15.08.G:

G. The correction period specified as one year after the date of Substantial Completion in Paragraph 15.08.A of the General Conditions is hereby revised to be the number of years set forth in SC-6.01.B.1; or if no such revision has been made in SC-6.01.B, then the correction period is hereby specified to be **2** years after Substantial Completion.

ARTICLE 16—SUSPENSION OF WORK AND TERMINATION

No suggested Supplementary Conditions in this Article.

ARTICLE 17—FINAL RESOLUTIONS OF DISPUTES

17.02 *Arbitration*

SC-17.02 Add the following new paragraph immediately after Paragraph 17.01.

17.02 *Arbitration*

A. The demand for arbitration will be filed in writing with the other party to the Contract and with the selected arbitration administrator, and a copy will be sent to Engineer for information. The demand for arbitration will be made within the specific time required in Article 17, or if no specified time is applicable within a reasonable time after the matter in question has arisen, and in no event will any such demand be made after the date when institution of legal or equitable proceedings based on such matter in question would be barred by the applicable statute of limitations.

B. The arbitrator(s) must be licensed engineers, contractors, attorneys, or construction managers. Hearings will take place pursuant to the standard procedures of the Construction Arbitration Rules that contemplate in-person hearings. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute or the Contract. Any award in an arbitration initiated under this clause will be limited to monetary damages and include no injunction or direction to any party other than the direction to pay a monetary amount.

C. The Arbitrators will have the authority to allocate the costs of the arbitration process among the parties, but will only have the authority to allocate attorneys' fees if a specific Law or Regulation or this Contract permits them to do so.

D. The award of the arbitrators must be accompanied by a reasoned written opinion and a concise breakdown of the award. The written opinion will cite the Contract provisions deemed applicable and relied on in making the award.

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E. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges will constitute a waiver by that party to present evidence or cross-examine witness. In such event, the other party shall be required to present evidence and legal argument as the arbitrator(s) may require for the making of an award. Such waiver will not allow for a default judgment against the non-paying party in the absence of evidence presented as provided for above.

F. No arbitration arising out of or relating to the Contract will include by consolidation, joinder, or in any other manner any other individual or entity (including Engineer, and Engineer's consultants and the officers, directors, partners, agents, employees or consultants of any of them) who is not a party to this Contract unless:

1. the inclusion of such other individual or entity will allow complete relief to be afforded among those who are already parties to the arbitration;

2. such other individual or entity is substantially involved in a question of law or fact which is common to those who are already parties to the arbitration, and which will arise in such proceedings;

3. such other individual or entity is subject to arbitration under a contract with either Owner or Contractor, or consents to being joined in the arbitration; and

4. the consolidation or joinder is in compliance with the arbitration administrator's procedural rules.

G. The award will be final. Judgment may be entered upon it in any court having jurisdiction thereof, and it will not be subject to modification or appeal, subject to provisions of the Laws and Regulations relating to vacating or modifying an arbitral award.

H. Except as may be required by Laws or Regulations, neither party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties, with the exception of any disclosure required by Laws and Regulations or the Contract. To the extent any disclosure is allowed pursuant to the exception, the disclosure must be strictly and narrowly limited to maintain confidentiality to the extent possible.

17.03 *Attorneys' Fees*

SC-17.03 Add the following new paragraph immediately after Paragraph 17.02.

17.03 *Attorneys' Fees*

A. For any matter subject to final resolution under this Article, the prevailing party shall be entitled to an award of its attorneys' fees incurred in the final resolution proceedings, in an equitable amount to be determined in the discretion of the court, arbitrator, arbitration panel, or other arbiter of the matter subject to final resolution, taking into account the parties' initial demand or defense positions in comparison with the final result.

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ARTICLE 18—MISCELLANEOUS

SC-18.07-CONTROLLING LAW

A. Delete paragraph 18.07.A in its entirety and insert the following in its place: This Contract shall be governed and construed according to the law of the State of Colorado. All civil actions brought in relation to this Contract shall be filed in District Court, Boulder County, and State of Colorado.

SC-18.11 Add the following new paragraph immediately after Paragraph 18.10:

B. Owner is City of Louisville and their duly authorized agents. All notices, letters and communication directed to Owner shall be addressed and delivered to JVA Incorporated, who is designated representative (below).

JVA, Incorporated

Attn: Robert Anderson

1319 Spruce Street

Boulder, CO 80302

C. All duties and responsibilities assigned to Engineer in the Contract Documents, with the corresponding rights and authority will be assumed by JVA, Incorporated and their duly authorized agents.

D. The business addresses of Contractor given in contract for the work and Contractor's office at the site of the Work are hereby designated as the places to which all notices, letters, and other communication to Contractor will be delivered

E. Either Owner, Engineer, or Contractor may change their address at any time by an instrument in writing delivered to the other parties.

SC-18.12 Add the following new paragraph immediately after Paragraph 18.12:

The cross-referencing or specification sections under the heading "Related Sections" and elsewhere within each specification section is intended as an aid to the Contractor and shall not relieve the Contractor from his responsibility to coordinate the Work under the Contract Documents. Listings of cross-references are not intended to be comprehensive. The omission of a cross-reference to an additional or related requirement shall not relieve the Contractor of his obligation to provide a complete Project.

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Exhibit A – GMP Cost Detail

Item	Item	Take-Off	Pre - Purchased Equipment Under Existing Contract	Construction Agreement
No.	Description	Price		Price
2	General Site Work	$92,815.24		$92,815.24
11	WAS Storage Division 11	$269,489.53	$180,786.00	$88,703.53
14	Sludge Thickening Bldg. Division 2	$9,083.38		$9,083.38
15	Sludge Thickening Bldg. Division 3	$2,189.31		$2,189.31
17	Sludge Thickening Bldg. Division 8 & 9	$34,212.07		$34,212.07
19	Sludge Thickening Bldg. Division 11	$215,908.05		$215,908.05
20	Sludge Thickening Bldg. Division 15	$97,795.73		$97,795.73
21	Sludge Thickening Bldg. Division 16	$392,125.61		$392,125.61
22	Dewatering Building Division 2	$19,792.21		$19,792.21
23	Dewatering Building Division 3	$40,278.39		$40,278.39
24	Dewatering Building Division 5	$215,736.99		$215,736.99
25	Dewatering Building Division 7	$79,389.93		$79,389.93
26	Dewatering Building Division 8	$19,624.88		$19,624.88
27	Dewatering Building Division 9	$59,012.09		$59,012.09
28	Dewatering Building Division 11	$966,646.38	$700,200.00	$266,446.38
29	Dewatering Building Division 15	$92,656.45		$92,656.45
30	Dewatering Building Division 16	$448,817.55		$448,817.55
		$3,056,000.00	$880,986.00	$2,175,000.00

AN AGREEMENT BY AND BETWEEN THE CITY OF LOUISVILLE AND JVA INC FOR CONSULTING SERVICES

1.0 PARTIES

This AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made and entered into this **7th** day of **May**, **2024** (the "Effective Date"), by and between the **City of Louisville**, a Colorado home rule municipal corporation, hereinafter referred to as the "City", and **JVA Inc**, a **Colorado Corporation** referred to as the "Consultant".

2.0 RECITALS AND PURPOSE

2.1 The City desires to engage the Consultant for the purpose of providing professional engineering services as further set forth in the Consultant's Scope of Services (which services are hereinafter referred to as the "Services").

2.2 The Consultant represents that it has the special expertise, qualifications and background necessary to complete the Services.

3.0 SCOPE OF SERVICES

The Consultant agrees to provide the City with the specific Services and to perform the specific tasks, duties and responsibilities set forth in Scope of Services attached hereto as Exhibit "A" and incorporated herein by reference.

4.0 COMPENSATION

4.1 The City shall pay the Consultant for services under this agreement a total not to exceed the amounts set forth in Exhibit "B" attached hereto and incorporated herein by this reference. [Further revise as needed to reflect whether contract is hourly of flat amount]. The City shall not pay mileage and other reimbursable expenses (such as meals, parking, travel expenses, necessary memberships, etc.), unless such expenses are (1) clearly set forth in the Scope of Services, and (2) necessary for performance of the Services ("Pre-Approved Expenses"). The foregoing amounts of compensation shall be inclusive of all costs of whatsoever nature associated with the Consultant's efforts, including but not limited to salaries, benefits, overhead, administration, profits, expenses, and outside consultant fees. The Scope of Services and payment therefor shall only be changed by a properly authorized amendment to this Agreement. No City employee has the authority to bind the City with regard to any payment for any services which exceeds the amount payable under the terms of this Agreement.

4.2 The Consultant shall submit monthly an invoice to the City for Services rendered and a detailed expense report for Pre-Approved Expenses incurred during the

previous month. The invoice shall document the Services provided during the preceding month, identifying by work category and subcategory the work and tasks performed and such other information as may be required by the City. The Consultant shall provide such additional backup documentation as may be required by the City. The City shall pay the invoice within thirty (30) days of receipt unless the Services or the documentation therefor are unsatisfactory. Payments made after thirty (30) days may be assessed an interest charge of one percent (1%) per month unless the delay in payment resulted from unsatisfactory work or documentation therefor.

5.0 PROJECT REPRESENTATION

5.1 The City designates **Justin Ferron** as the responsible City staff to provide direction to the Consultant during the conduct of the Services. The Consultant shall comply with the directions given by **Justin Ferron** and such person's designees.

5.2 The Consultant designates **Robert Anderson** as its project manager and as the principal in charge who shall be providing the Services under this Agreement. Should any of the representatives be replaced, particularly **Robert Anderson**, and such replacement require the City or the Consultant to undertake additional reevaluations, coordination, orientations, etc., the Consultant shall be fully responsible for all such additional costs and services.

6.0 TERM

6.1 The term of this Agreement shall be from the Effective Date to **December 31th**, **2025**, unless sooner terminated pursuant to Section 13, below. The Consultant's Services under this Agreement shall commence on [(the Effective Date) or (on another date desired by the City, after the Effective Date)] and Consultant shall proceed with diligence and promptness so that the Services are completed in a timely fashion consistent with the City's requirements.

6.2 Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of the City within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the City under this Agreement are subject to annual budgeting and appropriation by the Louisville City Council, in its sole discretion. Notwithstanding anything in this Agreement to the contrary, in the event of non-appropriation, this Agreement shall terminate effective December 31 of the then-current fiscal year.

7.0 INSURANCE

7.1 The Consultant agrees to procure and maintain, at its own cost, the policies of insurance set forth in Subsections 7.1.1 through 7.1.4. The Consultant shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant

to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. The coverages required below shall be procured and maintained with forms and insurers acceptable to the City. All coverages shall be continuously maintained from the date of commencement of services hereunder. The required coverages are:

7.1.1 Workers' Compensation insurance as required by the Labor Code of the State of Colorado and Employers Liability Insurance. Evidence of qualified self-insured status may be substituted.

7.1.2 General Liability insurance with minimum combined single limits of ONE MILLION DOLLARS ($1,000,000) each occurrence and TWO MILLION DOLLARS ($2,000,000) aggregate. The policy shall include the City of Louisville, its officers and its employees, as additional insureds, with primary coverage as respects the City of Louisville, its officers and its employees, and shall contain a severability of interests provision.

7.1.3 Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than FOUR HUNDRED THOUSAND DOLLARS ($400,000) per person in any one occurrence and ONE MILLION DOLLARS ($1,000,000) for two or more persons in any one occurrence, and auto property damage insurance of at least FIFTY THOUSAND DOLLARS ($50,000) per occurrence, with respect to each of Consultant's owned, hired or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interests provision. If the Consultant has no owned automobiles, the requirements of this paragraph shall be met by each employee of the Consultant providing services to the City of Louisville under this Agreement.

7.1.4 Professional Liability coverage with minimum combined single limits of ONE MILLION DOLLARS ($1,000,000) each occurrence and ONE MILLION DOLLARS ($1,000,000) aggregate.

7.2 The Consultant's general liability insurance, automobile liability and physical damage insurance, and professional liability insurance shall be endorsed to include the City, and its elected and appointed officers and employees, as additional insureds, unless the City in its sole discretion waives such requirement. Every policy required above shall be primary insurance, and any insurance carried by the City, its officers, or its employees, shall be excess and not contributory insurance to that provided by the Consultant. Such policies shall contain a severability of interests provision. The Consultant shall be solely responsible for any deductible losses under each of the policies required above.

7.3 Certificates of insurance shall be provided by the Consultant as evidence that policies providing the required coverages, conditions, and minimum limits are in

full force and effect, and shall be subject to review and approval by the City. No required coverage shall be cancelled, terminated or materially changed until at least 30 days' prior written notice has been given to the City. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

7.4 Failure on the part of the Consultant to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the City may immediately terminate this Agreement, or at its discretion may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by Consultant to the City upon demand, or the City may offset the cost of the premiums against any monies due to Consultant from the City.

7.5 The parties understand and agree that the City is relying on, and does 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, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to the City, its officers, or its employees.

8.0 INDEMNIFICATION

To the fullest extent permitted by law, the Consultant agrees to indemnify and hold harmless the City, and its elected and appointed officers and its employees, from and against all liability, claims, and demands, on account of any injury, loss, or damage, which arise out of or are connected with the services hereunder, if and to the extent such injury, loss, or damage is caused by the negligent act, omission, or other fault of the Consultant or any subcontractor of the Consultant, or any officer, employee, or agent of the Consultant or any subcontractor, or any other person for whom Consultant is responsible. The Consultant shall investigate, handle, respond to, and provide defense for and defend against any such liability, claims, and demands. The Consultant shall further bear all other costs and expenses incurred by the City or Consultant and related to any such liability, claims and demands, including but not limited to court costs, expert witness fees and attorneys' fees if the court determines that these incurred costs and expenses are related to such negligent acts, errors, and omissions or other fault of the Consultant. [Notwithstanding the foregoing, Consultant's duty to defend, indemnify and hold harmless the City, and its elected and appointed officials and employees as set forth in this section shall only arise upon determination, by adjudication, alternative dispute resolution, or mutual agreement between Consultant and the City, of the Consultant's liability or fault.] The City shall be entitled to its costs and attorneys' fees incurred in any action to enforce the provisions of this Section 8.0. The Consultant's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the City.

9.0 QUALITY OF WORK

Consultant's professional services shall be in accordance with the prevailing standard of practice normally exercised in the performance of services of a similar nature in the Denver metropolitan area.

10.0 INDEPENDENT CONTRACTOR

It is the expressed intent of the parties that the Consultant is an independent contractor and not the agent, employee or servant of the City, and that:

10.1. Consultant shall satisfy all tax and other governmentally imposed responsibilities including but not limited to, payment of state, federal, and social security taxes, unemployment taxes, worker's compensation and self-employment taxes. No state, federal or local taxes of any kind shall be withheld or paid by the City.

10.2. **Consultant is not entitled to worker's compensation benefits except as may be provided by the Consultant nor to unemployment insurance benefits unless unemployment compensation coverage is provided by the Consultant or some entity other than the City.**

10.3. Consultant does not have the authority to act for the City, or to bind the City in any respect whatsoever, or to incur any debts or liabilities in the name of or on behalf of the City.

10.4. Consultant has and retains control of and supervision over the performance of Consultant's obligations hereunder and control over any persons employed by Consultant for performing the Services hereunder.

10.5. The City will not provide training or instruction to Consultant or any of its employees regarding the performance of the Services hereunder.

10.6. Neither the Consultant nor any of its officers or employees will receive benefits of any type from the City.

10.7. Consultant represents that it is engaged in providing similar services to other clients and/or the general public and is not required to work exclusively for the City.

10.8. All Services are to be performed solely at the risk of Consultant and Consultant shall take all precautions necessary for the proper and sole performance thereof.

10.9. Consultant will not combine its business operations in any way with the City's business operations and each party shall maintain their operations as separate and distinct.

11.0 ASSIGNMENT

Except as provided in section 22.0 hereof, Consultant shall not assign or delegate this Agreement or any portion thereof, or any monies due or to become due hereunder without the City's prior written consent.

12.0 DEFAULT

Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default.

13.0 TERMINATION

13.1 This Agreement may be terminated by either party for material breach or default of this Agreement by the other party not caused by any action or omission of the other party by giving the other party written notice at least thirty (30) days in advance of the termination date. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

13.2 In addition to the foregoing, this Agreement may be terminated by the City for its convenience and without cause of any nature by giving written notice at least fifteen (15) days in advance of the termination date. In the event of such termination, the Consultant will be paid for the reasonable value of the services rendered to the date of termination, not to exceed a pro-rated daily rate, for the services rendered to the date of termination, and upon such payment, all obligations of the City to the Consultant under this Agreement will cease. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

14.0 INSPECTION AND AUDIT

The City and its duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

15.0 DOCUMENTS

All computer input and output, analyses, plans, documents photographic images, tests, maps, surveys, electronic files and written material of any kind generated in the performance of this Agreement or developed for the City in performance of the Services are and shall remain the sole and exclusive property of the City. All such materials shall

be promptly provided to the City upon request therefor and at the time of termination of this Agreement, without further charge or expense to the City. Consultant shall not provide copies of any such material to any other party without the prior written consent of the City.

16.0 ENFORCEMENT

16.1 In the event that suit is brought upon this Agreement to enforce its terms, the prevailing party shall be entitled to its reasonable attorneys' fees and related court costs.

16.2 This Agreement shall be deemed entered into in Boulder County, Colorado, and shall be governed by and interpreted under the laws of the State of Colorado. Any action arising out of, in connection with, or relating to this Agreement shall be filed in the District Court of Boulder County of the State of Colorado, and in no other court. Consultant hereby waives its right to challenge the personal jurisdiction of the District Court of Boulder County of the State of Colorado over it.

17.0 COMPLIANCE WITH LAWS

17.1 Consultant shall be solely responsible for compliance with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the City; for payment of all applicable taxes; and obtaining and keeping in force all applicable permits and approvals.

17.2 Consultant acknowledges that the City of Louisville Code of Ethics provides that independent contractors who perform official actions on behalf of the City which involve the use of discretionary authority shall not receive any gifts seeking to influence their official actions on behalf of the City, and that City officers and employees similarly shall not receive such gifts. Consultant agrees to abide by the gift restrictions of the City's Code of Ethics.

18.0 INTEGRATION AND AMENDMENT

This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

19.0 NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be given by hand delivery, by United States first class mail, postage prepaid, registered or certified, return receipt requested, by national overnight carrier, or by facsimile transmission, addressed to the party for whom it is intended at the following address:

If to the City:

City of Louisville
Attn: Justin Ferron
749 Main Street
Louisville, Colorado 80027
Telephone: (303) 335-4607
Email: jferron@louisvilleco.gov

If to the Consultant:

JVA Inc.
Attn: Robert Anderson
1319 Spruce St.
Boulder, Colorado 80302
Telephone: 303-444-1951
Email: randerson@jvajva.com

Any such notice or other communication shall be effective when received as indicated on the delivery receipt, if by hand delivery or overnight carrier; on the United States mail return receipt, if by United States mail; or on facsimile transmission receipt. Either party may by similar notice given, change the address to which future notices or other communications shall be sent.

20.0 EQUAL OPPORTUNITY EMPLOYER

20.1 Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, disability or national origin. Consultant will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, age, sex, disability, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by an agency of the federal government, setting forth the provisions of the Equal Opportunity Laws.

20.2 Consultant shall be in compliance with the applicable provisions of the American with Disabilities Act of 1990 as enacted and from time to time amended and any other applicable federal, state, or local laws and regulations. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the life of this Agreement or any renewal thereof.

21.0 NO THIRD PARTY BENEFICIARIES

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to City and Consultant, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than City or Consultant receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

22.0 SUBCONTRACTORS

Consultant may utilize subcontractors identified in its qualifications submittal to assist with non-specialized works as necessary to complete projects. Consultant will submit any proposed subcontractor and the description of its services to the City for approval. The City will not work directly with subcontractors.

23.0 AUTHORITY TO BIND

Each of the persons signing below on behalf of any party hereby represents and warrants that such person is signing with full and complete authority to bind the party on whose behalf of whom such person is signing, to each and every term of this Agreement.

In witness whereof, the parties have executed this Agreement to be effective on the date first above written.

CITY OF LOUISVILLE,
a Colorado Municipal Corporation

By:_____
Christopher M. Leh, Mayor

Attest:_____
Meredyth Muth, City Clerk

CONSULTANT:

JVA, INC.

By: Robert Anderson
Title: Sr. Project Manager

Exhibit A – Scope of Services

The scope of services for Construction Administration/Managment of the WWTP Solids Handling Improvements are detailed in the following (note: the WAS Storage Operation Building and WAS Storage Tank are not included in the construction). The CA includes both office and field engineering services during construction, start-up phase services, and project closeout.

1. Assumptions
   a. Finalize City Building Permit requirements
   b. 16-month construction contract to final completion
   c. Attendance at weekly meetings – assume a 14-month intensive period requiring weekly visits (56 meetings)
   d. Provide field observations. Assume the observation day will coincide with the weekly meeting. City staff will provide the required additional inspections.
   e. Review submittals and/or shop drawings.
   f. Answer request for information (RFI's)
   g. Evaluate Change Orders and provide recommendations to the City.
   h. Prepare As-Builts
   i. Prepare final close-out documentation for City & CDPHE
   j. Materials testing is not included.

2. JVA will assist the City in finalizing the Building Permit requirements, including responding to questions and the preparation of revised drawings and specifications for approval.

3. JVA will review equipment, product, and material submittals for conformance with the construction documents. Submittals will be received, reviewed, and returned electronically with an electronic submittal review stamp. JVA will maintain and update the submittal review log accordingly.

4. JVA will attend weekly construction meetings and review construction progress while on site. Contractor is required to administer the meetings.

5. JVA will perform construction observation for concrete reinforcement and periodic observations for concrete placement, excavation, pipe bedding, pipe placement, and backfill. JVA will prepare site observation reports for distribution to the City for every site visit.

6. JVA will review monthly pay application, construction progress and materials stored on-site to the amount of the scheduled value requested in the pay application. JVA will provide a recommendation of approval or corrections to the City.

7. JVA will prepare responses to Request for Information (RFI). The intent of the RFI is to provide clarification and detail to facilitate construction progress. JVA will notify the City of any RFI project cost implications.

8. If there is a change in contract price or contract schedule, the contractor will submit the change request in writing (WCD) documenting the change in contract conditions. Once a certain number of WCDs are accumulated, JVA will prepare a formal Change Order that will combine the WCD's to date. The Change Order will be sent to the City and contractor for signature.

9. JVA will attend unit operations and equipment process start-ups. JVA will assist in coordination and documentation of the start-up and training sessions with the contractor and City. The start-up forms and testing checklists will be included in the applicable O&M manuals.

10. JVA will document the start of equipment and material which will be included in applicable O&M manuals. During the warranty period, JVA will assist the City in coordination with the contractor and equipment manufacturer/s to correct the problem or deficiency.

11. JVA will review and assemble two hard copy O&M manuals for all the process equipment, and electrical and miscellaneous items provided by the contractor. An electronic copy will also be produced and provided to the City.

12. Following the project completion, JVA will prepare record drawings of the "as-built conditions" based on the contractor mark-ups. Two hard copies along with electronic PDF and AutoCAD drawings will be submitted to the City.

13. JVA will attend the substantial completion walk through and generate a punch list and Certificate for Substantial Completion. JVA will coordinate with the contractor for completing the punch list items for Final Completion. Once all the punch list items are completed, JVA will recommend to the City final payment and release of retainage for project closeout. JVA will provide the City with closeout documentation.

14. Immediately following project closeout, JVA will produce a certification letter to CDPHE documenting that the project was constructed in general conformance with the approved contract documents.

EXHIBIT B

Not to Exceed $172,000

The proposed fee for construction management is $172,000 and includes reimbursables and subconsultants. The basis of payment for the construction management will be monthly billings based on the work completed to date. A detailed work breakdown structure with tasks, staff assignments and rates are shown below:

City of Louisville WWTP Solids Handling - Construction Administration

April 12, 2024 Rev 3 Note: WAS Operations Building and WAS Storage Not Included

Staff Classification		PRINCIPAL - QA/QC Josh McGibbon		SR PROJECT MGR Rob Anderson		SR PROJECT ENGR Janet Hausmann		PROJECT ENGR Michael LaDue		DESIGN ENGR Gary Fischer		STRUCTURAL LEAD Adam Teunissen		DRAFTING Jon Driggers		SUBTOTAL LABOR COSTS		EXPENSES				TOTAL COSTS (Rounded to Nearest 100)	
		$232/hour		$204/hour		$168/hour		$148/hour		$128/hour		$180/hour		$164/hour									
DESCRIPTION OF SERVICES		HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	SUBTOTAL	HRS	$	PRINT	REIMBURSIBLES	SUB-CONSULTANTS	EXPENSE SUBTOTAL	LINE ITEM	
Task 1	**Office Administration**																						
■	General Management & Staff Coordination	4	$928	9	$1,836											13	$2,764			$1,500	$1,500	$4,264	
■	Finalize Building Permit	1	$232	6	$1,224	2	$336			16	$2,048	15	$2,700	16	$2,624	56	$9,164			$1,501	$1,501	$10,665	
■	Shop Drawing Review	2	$464	4	$816	8	$1,344	8	$1,184	42	$5,376	42	$7,560			106	$16,744	$100		$6,000	$6,100	$22,844	
■	Pay Application Review	2	$464	20	$4,080											22	$4,544					$4,544	
■	Respond to RFIs	2	$464	4	$816	8	$1,344	4	$592	12	$1,536	12	$2,160			42	$6,912	$50		$4,000	$4,050	$10,962	
■	WCD/Change Orders	2	$464	4	$816	8	$1,344	4	$512	12	$1,536	12	$2,160			42	$6,832	$50		$2,000	$2,050	$8,882	
	TASK 1 SUBTOTAL	**13**	**$3,016**	**47**	**$9,588**	**26**	**$4,368**	**16**	**$2,288**	**82**	**$10,496**	**81**	**$14,580**	**16**	**$2,624**	**281**	**$46,960**	**$200**		**$15,001**	**$15,201**		**$62,200**
Task 2	**Field Administration**																						
■	General Management & Staff Coordination	4	$928	9	$1,836											13	$2,764			$1,000	$1,000	$3,764	
■	Weekly Meetings (56 Trips - 4 hrs/trip)	8	$1,856	16	$3,264	8	$1,344	8	$1,184	200	$25,600	8	$1,440			248	$34,688	$200	$1,200	$6,000	$7,400	$42,088	
■	Other Observations (Structural, I&C & HVAC)											60	$10,800			60	$10,800	$200	$500	$6,000	$6,700	$17,500	
■	Process Start-up	4	$928	8	$1,632	16	$2,688	8	$1,184	40	$5,120					76	$11,552		$100	$5,000	$5,100	$16,652	
	TASK 2 SUBTOTAL	**16**	**$3,712**	**33**	**$6,732**	**24**	**$4,032**	**16**	**$2,368**	**240**	**$30,720**	**68**	**$12,240**			**397**	**$59,804**	**$400**	**$1,800**	**$18,000**	**$20,200**		**$80,000**
Task 3	**Project Close-out**																						
■	Substanitial Completion Punch List & Documentation			6	$1,224	6	$1,008					6	$1,080			18	$3,312	$50	$150	$2,000	$2,200	$5,512	
■	Final Completion Punch List & Documentation	4	$928	6	$1,224	6	$1,008					6	$1,080			22	$4,240	$50	$200	$2,000	$2,250	$6,490	
■	Assemble O&M Documentation			2	$408	4	$672	4	$592	12	$1,536					22	$3,208	$200			$200	$3,408	
■	Record Drawings	1	$232	2	$408	2	$336	2	$296	8	$1,024	16	$2,880	24	$3,936	55	$9,112	$200		$3,000	$3,200	$12,312	
■	Close-out Documentation (City & CDPHE)	1	$232	2	$408	2	$336			8	$1,024					13	$2,000	$50			$50	$2,050	
	TASK 3 SUBTOTAL	**6**	**$1,392**	**18**	**$3,672**	**20**	**$3,360**	**6**	**$888**	**28**	**$3,584**	**28**	**$5,040**	**24**	**$3,936**	**130**	**$21,872**	**$550**	**$350**	**$7,000**	**$7,900**		**$29,800**
	SUBTOTAL ALL TASKS	**35**	**$8,120**	**98**	**$19,992**	**70**	**$11,760**	**38**	**$5,544**	**350**	**$44,800**	**177**	**$31,860**	**40**	**$6,560**	**808**	**$128,636**					**ENGINEERING FEE**	**$172,000**

City of Louisville
COLORADO • SINCE 1878

CITY COUNCIL COMMUNICATION
AGENDA ITEM 7D

SUBJECT: **APPROVAL OF MAY 14 AS A SPECIAL MEETING**

DATE: **MAY 7, 2024**

PRESENTED BY: **MEREDYTH MUTH, CITY CLERK**

SUMMARY:
Staff recommends the City Council approve changing the May 14 study session to a special meeting to allow Council to give staff direction regarding the work plan if needed.

The City Charter does not allow Council to give staff direction at a Study Session therefore if Council wants give direction of any kind it must be a special meeting.

FISCAL IMPACT:
None

RECOMMENDATION:
Approve special meeting May 14.

ATTACHMENT(S):
None

SUBJECT: **APPROVAL OF RESOLUTION NO. 20, SERIES 2024 – A RESOLUTION APPROVING TWO WATER LEASE AGREEMENTS**

DATE: **MAY 7, 2024**

PRESENTED BY: **KURT KOWAR, P.E., PUBLIC WORKS DIRECTOR**

SUMMARY:
Staff recommends approval of two long-term water leases of the City's excess return flow credits.

The City has executed annual leases of unused or excess return flow credits discharged from the Wastewater Plant as far back as 2008. These leases provide a small revenue offset for water that was beyond the City needs or difficult to recapture. The proposed agreements extend the lease period to 10 years with an optional renewal for another 10 years. The City has reserved the option to terminate at any time and may impose restrictions under emergencies. The lease price will be adjusted annually to reflect the City's actual costs and to align with market conditions.

The agreements were drafted and created by the City's water attorneys (White & Jankowski formerly Hill & Pollock).

FISCAL IMPACT:
The two water leases will generator approximately $5,000 a year.

PROGRAM/SUB-PROGRAM IMPACT:
One of the objective for the Water Utility Sub-Program is to maintain facilities efficiently, allowing for reasonable and equitable rates. Lease revenue assist in maintaining equitable rates.

RECOMMENDATION:
Staff recommends City Council approval of the Resolution to approve two water lease agreements. The Resolution would further authorize the Mayor and City Clerk to sign and execute the Agreement and certain other documents on behalf of the City.

ATTACHMENTS:
1. Resolution
2. Three Leaf Farms Water Lease Agreement
3. Schultz Water Lease Agreement

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

RESOLUTION NO. 20
SERIES 2024

A RESOLUTION APPROVING TWO WATER LEASE AGREEMENTS

WHEREAS, the City owns unused or excess return flow credits from its Wastewater Plant that are available to be leased to farms and other property owners; and

WHEREAS, by this resolution the City Council desires to approve, and authorize the Mayor to execute, two Water Lease Agreements related to these credits.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The City Council hereby approves: (1) the Water Lease Agreement by and between the City of Louisville and Jay and Kristen Schultz; and (2) the Water Lease Agreement by and between the City of Louisville and Three Leaf Farm, LLC (collectively, the Agreements), in essentially the same form as the copies of such Agreements that accompany this resolution.

Section 2. The Mayor is hereby authorized to execute the Agreements on behalf of the City, and the Mayor is hereby further authorized to negotiate and approve such revisions to such Agreements as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of such Agreements are not altered.

PASSED AND ADOPTED this 7th day of May, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

WATER LEASE AGREEMENT

THIS WATER LEASE AGREEMENT ("Lease") is made and entered into this 1st day of April, 2024 ("Effective Date") by and between the City of Louisville ("Lessor"), a Colorado municipal corporation, whose address is 749 Main Street, Louisville, Colorado 80027, and Three Leaf Farm, LLC ("Lessee"), whose address is 445 S. 112th Street, Lafayette, Colorado 80026. Lessor and Lessee are sometimes referred to individually herein as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Lessee owns land located as depicted on Exhibit A, attached hereto and incorporated herein by this reference; and

WHEREAS, Lessee intends to use the Leased Water, as defined herein, for direct use or by replacing out-of-priority depletions on Coal Creek associated with irrigation of a small farm located at 445 S. 112th Street, Lafayette, Colorado, in the amounts set forth in the Replacement Schedule, attached hereto as Exhibit B, and incorporated herein by this reference; and

WHEREAS, Lessee has filed an application in Case No. 23CW3154, Water Division No. 1, dated November 29, 2023 ("Lessee's Application"), which includes a claim for approval of a plan for augmentation using Leased Water as a replacement source that Lessee anticipates will result in a final decree approving that claim; and

WHEREAS, Lessor is willing to lease to Lessee water owned by the Lessor for the purposes described in Lessee's Application, and consistent with the terms and conditions described herein; and

WHEREAS, pursuant to the terms and conditions of the decree entered in Case No. 92CW079, Application of the City of Louisville, Water Division No. 1 (the "Marshall Decree"), the Lessor can make additional and successive uses of its municipal return flow credits from the fully consumable portion of the Lessor's decreed water rights and "[a]ny future plan for such use, reuse, successive use, augmentation, replacement, substitution, exchange, replacement of return flows or otherwise shall be approved by the State Engineer's Office or Water Court prior to its implementation;" and

WHEREAS, the water rights associated with Lessor's Farmers Reservoir and Irrigation Company, Marshall Division shares described in the Marshall Decree shall be defined herein as the "Lessor's Water Rights" or the "Leased Water"; and

WHEREAS, the water use that is the subject of this Lease is within Lessor's regular rate schedule established by the Lessor for water leases.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, it is agreed between the Parties as follows:

AGREEMENT

1. Grant of Lease. Subject to legal and physical availability, the terms and conditions of this Lease, and the terms and conditions of the Decrees described herein, the Lessor hereby leases to the Lessee the right to use the Lessor's Water Rights, the amount of which shall be limited pursuant to paragraph 10 herein.

2. Term of Lease.

2.1. This Lease is for an initial term commencing on the Effective Date and terminating on December 31, 2034. If the Lessee wishes to lease the Lessor's Water Rights for an additional term commencing at the end of the initial term, the Lessee shall give the Lessor written notice of its desire to enter into a subsequent lease agreement at least six (6) months prior to the end of the initial term. Lessee may terminate this Lease at any time if it determines that it no longer needs the Leased Water.

3. Payment.

3.1. The Lessee agrees to pay to the Lessor an initial annual lease payment equal to Five-hundred Dollars ($500.00) per acre-foot of the Lessor's Water Rights used by Lessee, provided that the Lessee's use of the Lessor's Water Rights are within the monthly volumetric limits set forth in Exhibit B and paragraphs 9 and 10 herein.

3.2. Subsequent payments under this Lease shall be made annually on or before April 1 of each year preceding the City's delivery of the Leased Water. The Lease Price following 2024 shall be adjusted each year based upon the Lessor's determination of the Lease Price. The Lease Price will reflect the City's then going rate for long-term leases of fully reusable effluent. If the Lessee objects to any Lease Price set by Lessor following 2024, Lessee shall have the right to terminate this Lease and all obligations hereunder.

4. Use of the Lessor's Water Right. The Lessee agrees that, during the term of this Lease, the Lessee will use the Lessor's Water Rights: (i) only pursuant to the claims in Lessee's Application and any substitute water supply plan obtained during the pendency of Lessee's Application or resulting final decree; and (ii) consistently with the terms and conditions of Lessor's water court decrees, including the Marshall Decree.

5. Delivery of the Lessor's Water Rights. The water to which the Lessee is entitled to shall be available to the Lessee at Lessor's discharge point on Coal Creek, or at other points in the Boulder Creek Basin designated by the Lessor and acceptable to the District 6 Water Commissioner to meet the requested needs of Lessee, per the Exhibit B Replacement Schedule. The Lessor's obligation to provide Leased Water to Lessee at any time during the term of this Lease is at Lessor's sole discretion, and is also expressly conditioned on the legal and physical availability of reuse water under the Lessor's decrees and water rights and shall be subordinate to the Lessor's water needs.

6. The fully consumable, reusable water can be provided from any of the Lessor's decreed water rights that contain fully consumable and reusable credits, at Lessor's sole discretion. Monthly deliveries will be accounted for daily during the irrigation season. Deliveries will be

made in hundredths (0.00) of an acre-foot increment. The Lessor will provide the Lessee with monthly accounting for the reuse water delivered to the system on behalf of the Lessee. Lessee is solely responsible for meeting the terms, conditions, and reporting requirements of any final decree resulting from Lessee's Application.

7. Lessee is responsible for calculating transit losses, including transit losses in the replacement schedule.

8. Lessee shall be responsible for the maintenance and repair costs of any structures from which water is diverted for Lessee's benefit, in addition to the operation and maintenance charges described herein, including paragraph 12.

9. Augmentation Credits and Diversions.

9.1. The Lessee has determined the current time and amount of water sought from Lessor, which is attached as Exhibit B. Lessee shall notify the Lessor, in writing, if the time and amount of water sought from Lessor under this Lease changes. If the Lessor is able to provide the water, Lessor shall release the water, and notify Lessee of the amount, location and time of the release. Lessor shall account for any provision of augmentation water in Lessor's accounting. Lessor shall notify Lessee, in writing, at any time Lessor is unable to provide augmentation water.

10. Volumetric Limits.

10.1. Lessor has agreed, subject to its discretion to determine whether water is available, to provide 4.34 acre-feet per year. The parties acknowledge that Lessee's Application includes up to seven (7) acre-feet per year of augmentation water available from Lessor. Lessee may request additional amounts up to seven acre-feet per year; however, Lessor is under no obligation to provide additional amounts.

11. Operational Requirements.

11.1. The Lessee shall keep detailed records and evidence of its use of the Lessor's Water Rights as will be required under the Lessee's final decree resulting from the Lessee's Application, including daily measurements of amounts requested using measuring devices approved by the Water Commissioner.

11.2. The Lessee shall provide Lessor with copies of its required reports to the Division Engineer regarding water use by the 15th following each proceeding month.

12. Maintenance and Operation. The Lessee shall be responsible for all expenses relating to the Lessee's use of the Lessor's Water Right. The Lessee shall install, operate, maintain, and repair all structures required for it to use the Lessor's Water Rights in good and safe condition at its own cost and expense. The Lessor may inspect all structures required for the Lessee's use of the Lessor's Water.

13. Title to Water Rights. Nothing in this Lease is to be interpreted as giving the Lessee any legal or equitable title in or to the Lessor's Water Rights.

14. Disclaimer of Warranties.

14.1. The Lessor makes no representations and warranties concerning the legal or physical availability of the Lessor's Water Rights and is under no duty or obligation to undertake any actions to otherwise perfect, deliver, or provide the Lessor's Water Rights to the Lessee. The Lessor expressly disclaims all representations and warranties to the Lessee concerning the availability or quality of the water under this Lease Agreement, express or implied, including the usefulness or fitness for a particular purpose.

14.2. The Lessee acknowledges that water availability and quality may be determined by many factors beyond the Lessor's control, including, but not limited to, drought or the need to ensure that the Lessor can utilize the maximum diversions for future augmentation use.

15. Waiver of Liability. The Parties agree that the Lessor is not liable in tort or contract under this Lease for any failure to accurately anticipate the availability of water supply or for an actual failure to supply water due to inadequate runoff or inadequate storage, or any conditions arising from an occurrence beyond the reasonable control of the Lessor, including, but not limited to, act of God, strike, war, insurrection, or inability to serve arising out of the order of any court, including a change of water rights decree, or the lawful order of any governmental administrative body or agency clothed with authority to regulate matters pertaining to water, public utilities, public health, or pollution control.

16. Indemnification. Lessee hereby indemnifies and holds the Lessor harmless from and against any and all demands, claims, actions, arbitrations, and lawsuits or other circumstances arising out of or connected in any way to exercise of the Lessor's Water Rights by the Lessee, including its employees, contractors, agents, or related Parties of interest. This indemnification includes, but is not limited to, any and all judgments, fines, liability, settlements, loss, damage, payments, injury, costs and expenses, of any nature whatsoever, including attorneys' fees, thereby incurred by the Lessor arising out of or connected in any way to use of the Lessor's Water Rights by the Lessee pursuant to this Lease.

17. Emergency Water Shortages. The Parties agree that from time-to-time emergency situations, such as water shortage, may arise where it is necessary for the Lessor to limit the use of water by contract customers, including the Lessee. The Parties agree that the determination of whether an emergency situation exists necessitating such limitation is a fact to be determined by the Lessor in the exercise of its discretion. It is hereby agreed that the Lessor may adopt, in the situation of shortage, such restrictions on uses or priorities for curtailment of use, as may be necessary to adapt to such emergency conditions or shortage, including reductions in water deliveries under this Lease. The Lessee agrees that the Lessor is not liable in tort or contract under this Lease on account of the necessity for adopting and implementing such policies to meet emergency conditions or shortage. In the event that the Lessor is unable to make the deliveries of water to the Lessee specified in this Lease, then the Lessee's payment for water shall be reduced or refunded in proportion to any reduction of deliveries by the Lessor.

18. Not a Permanent Supply. The Parties understand and agree that this Lease is not to be interpreted as any commitment on the part of the Lessor to furnish water to the Lessee on a permanent basis, but rather is for the initial term of this Lease.

19. Requests for Subsequent Lease Terms. Prior to entering into this Lease, the Lessor determined, based upon its present understanding of its current water supplies and the historical availability of water to its various sources of supply, that it will not need the water that is the subject of this Lease during the term of the Lease to supply the inhabitants or customers of the Lessor. The Parties to this Lease recognize, however, that the water supply for the Lessor and its water customers is dependent upon sources from which the supply is variable in quantity and beyond the control of the Lessor.

19.1. While it is the Lessor's purpose to maintain a water supply adequate to meet the needs of the Lessor's customers for water supply and to permit it to supply other temporary contract customers, there are many elements that make it uncertain whether the water supply can always be adequate for all such users.

20. Assignment. The Lessee agrees to not to sell, lease, give, sublease, assign, or otherwise provide any portion of the Lessor's Water Rights to any other person or entity without the express written consent of the Lessor. The Lessee shall not encumber or pledge the Lessor's Water Rights for any purpose.

21. Heirs, Successors and Assigns. The reservations, covenants and restrictions and the rights, duties and obligations stated and declared herein shall be binding upon and shall inure to the benefit of and shall be a burden upon the successors and assigns of the Parties and shall be enforced by each Party against any of the other Parties.

22. Notice: All notices to be given with respect to this Lease shall be in writing. Each notice may be sent by United States mail, first class postage prepaid, to the Party to be notified at the address set forth herein or at such other address as either Party may from time-to-time designate in writing, or sent to the email addresses provided by each party. Every notice shall be deemed to have been given at the time it shall be deposited in the United States mail in the manner prescribed herein, or sent by email. Nothing herein shall be construed to preclude personal service of any notice in the manner prescribed for personal services of a summons or other legal process.

All notices required to be given to the Lessor hereunder shall be delivered to:

Cory Peterson
Deputy Director of Utilities
City of Louisville
749 Main Street
Louisville, Colorado 80027
cpeterson@louisvilleco.gov

or at such other address as the Lessor may direct in accordance with this paragraph.

All notices required to be given to the Lessee hereunder shall be delivered to:

Three Leaf Farm, LLC ("Applicant")
445 S. 112th Street
Lafayette, Colorado 80026
Email: lenny@threeleafconcepts.com; jax@threeleafconcepts.com

Copy to:
Gunnar Paulsen
Bushong & Holleman P.C.
1525 Spruce Street, Suite 200
Boulder, CO 80302
Telephone: (303) 431-9141
Email: gpaulsen@bh-lawyers.com

or at such other address as the Lessee may direct in accordance with this paragraph.

23. Miscellaneous.

23.1. Waiver. Failure of either Party to this Lease to exercise any right hereunder shall not be deemed a waiver of such Party's right and shall not affect the right of said Party to exercise, at some future time, said right or rights or any other right it may have hereunder. No waiver of any of the provisions of this Lease shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

23.2. No Exclusive Right or Privilege. Nothing in this Lease is to be construed as a grant by the Lessor of any exclusive right or privilege.

23.3. Remedies. In the event that either Party defaults in the performance of any of its obligations under this Lease, each Party shall have all remedies provided in this Lease or by law or equity, but neither Party shall have the right of specific performance against the other. In the event of litigation, the prevailing Party shall be entitled to its litigation costs, including reasonable attorney's fees.

23.4. Default, Right to Cure. In the event that either Party believes that the other is in default of any obligation under this Lease, the non-defaulting Party shall promptly give written notice of the default to the defaulting Party. If a notice of default is provided, the Party accused of the default shall either cure it or provide a written statement explaining why it is not in default. If the alleged default is not cured or otherwise resolved within thirty (30) days, the Parties may resort to their remedies.

23.5. Right to Enter into Lease. Each Party hereby warrants and represents that it has the full right and lawful authority to enter into this Lease.

23.6. Governing Law. This Lease shall be governed by the laws of the State of Colorado in all respects, with jurisdiction and venue restricted to a court of competent jurisdiction in Boulder County, Colorado.

23.7. Entire Agreement, Modification. This Lease constitutes the entire agreement between the Parties pertaining to the subject matter described in it and supersedes any and all prior contemporaneous agreements, representations, and understandings. No supplement, modification, or amendment of this Lease shall be binding unless executed in writing by all Parties.

23.8. Severability. Wherever possible, each provision of this Lease shall be interpreted in such a manner as to be effective and valid under applicable law. If any provision of this Lease shall be found invalid or unenforceable, this shall not affect the validity of the remaining provisions of this Lease, and the remaining provisions shall remain in full force and effect.

23.9. Liberal Interpretation. The provisions of this Lease shall be liberally construed as a whole to effectuate the purpose of this Lease.

23.10. No Further Rights; No Third-Party Rights. This Lease is intended to affect, benefit or burden only the Parties to this Lease and no rights or obligations are created for any third Parties by this Lease.

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23.12. No Construction Against Drafter. This Lease was drafted by both Parties with review and comment from each Party's attorney. Accordingly, the Parties agree the legal doctrine of construction against the drafters will not be applied should any dispute arise concerning this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease as of the Effective Date.

LESSOR:

THE CITY OF LOUISVILLE, a Colorado municipal corporation

By: _____

_____

STATE OF COLORADO

COUNTY OF BOULDER

Acknowledged, subscribed and sworn to before me this _____ day of _____, 2027, by _____.

Witness my hand and official seal.

My commission expires:

_____

_____
Notary Public

LESSEE:

Three Leaf Farm

By: _____
Lenny Martinelli, Owner

STATE OF COLORADO

COUNTY OF BOULDER

Acknowledged, subscribed and sworn to before me this 1 day of April, 2024, by Lenny Anthony Martinelli.

Witness my hand and official seal.

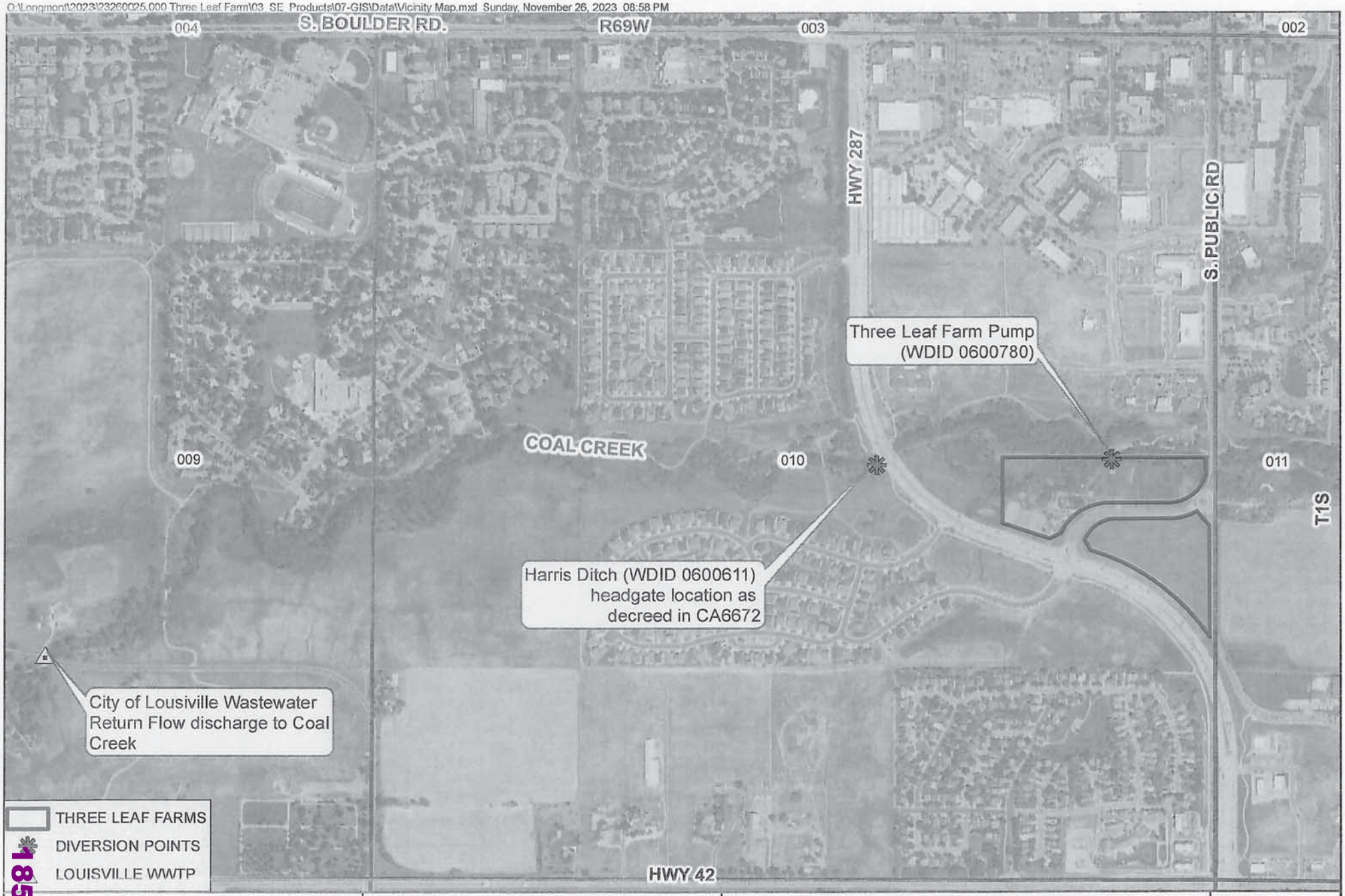
My commission expires:

Feb. 06, 2028

_____
Notary Public

HUA HUI LI
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20204005125
MY COMMISSION EXPIRES FEB 6, 2028

O:\Longmont\2023\23260025.000 Three Leaf Farm\03_SE_Products\07-GIS\Data\Vicinity Map.mxd Sunday, November 26, 2023 08:58 PM



Schnabel ENGINEERING

THREE LEAF FARM - VICINITY MAP
SECTION 10, TOWNSHIP 1 SOUTH, RANGE 69 WEST

JOB NO: 23260025.000 | SCALE: 1 inch = 800 feet

EXHIBIT: A

THREE LEAF FARM

REPLACEMENT SCHEDULE

Three Leaf Farm, Located in Boulder County, Colorado

Month	Required Deliveries (including 15% Transit Loss) [acre-ft]	Price per acre-foot [acre-ft]	Total Price [$]	
Janruary-24	0.00	$	$	Non-
February	0.00	$	$	Irrigation
March	0.00	$500	$0.00	
April	0.13	$500	$65.00	
May	0.45	$500	$225.00	
June	0.84	$500	$420.00	Irrigation
July	1.08	$500	$540.00	Season
August	0.99	$500	$495.00	
September	0.63	$500	$315.00	
October	0.22	$500	$110.00	
November	0.00	$	$	
December-24	0.00	$	$	
TOTAL (AF)	**4.34**		**$2,170.00**	

NOTES:

(1) Replacement Schedule proved by Three Leaf Farm.
(2) Amounts returned are in hundredth of a unit (0.00) acre-foot (AF).
(3) Requires Deliveries is the total amount to be returned, including transit losses and all other required amounts
(4) Amounts returned will equal monthly total divided by the number of days deliveries and rounded up to the nearest hundredth (0.00) acre-foot (AF).

DAILY DELIVERY SCHEUDLE:

- April deliveries of 0.01 AF/delivery will occur on Monday, Wednesday, and Friday (three times a week).
- May deliveries of 0.02 AF/delivery will occur on Monday and Wednesday and deliveries of 0.03 AF/delivery will occur on Tuesday and Friday (four times a week).
- June deliveries of 0.04 AF/delivery will occur on Monday, Tuesday, Wednesday, Friday, and Saturday (five times a week).
- July deliveries of 0.04 AF/delivery will occur on Monday through Saturday (six times a week).
- August deliveries of 0.04 AF/delivery will occur on Monday, Wednesday, Friday, and Saturday, and 0.03 AF/delivery on Tuesday and Thursday (six times a week).
- September deliveries of 0.03 AF/delivery will occur on Monday, Wednesday, and Friday, and 0.02 AF/delivery on Tuesday, Thursday, and Saturday (six times a week).
- October deliveries of 0.02 AF/delivery will occur on Monday and Wednesday, as well as 0.01 AF/delivery on Friday (three times a week).

WATER LEASE AGREEMENT

THIS WATER LEASE AGREEMENT ("Lease") is made and entered into this 22 day of April, 2024 ("Effective Date") by and between the City of Louisville ("Lessor"), a Colorado municipal corporation, whose address is 749 Main Street, Louisville, Colorado 80027, and Jay and Kristen Schultz (collectively "Lessee"), whose address is 355 Orion Circle, Erie, Colorado 80516. Lessor and Lessee are sometimes referred to individually herein as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Lessee owns land located as depicted on Exhibit A, attached hereto and incorporated herein by this reference; and

WHEREAS, Lessee intends to use the Leased Water, as defined herein, for direct use by exchange or by replacing out-of-priority depletions on Coal Creek associated with irrigation and filling a pond located at 10064 Empire Road, Lafayette, Colorado 80026, in the amounts set forth in the Replacement Schedule, attached hereto as Exhibit B, and incorporated herein by this reference; and

WHEREAS, Lessee has obtained a decree in Case No. 20CW3207, Water Division No. 1, dated January 3, 2024 ("Lessee's Decree"), which includes approval of a plan for augmentation and an appropriative right of exchange using Leased Water as an augmentation source and replacement source; and

WHEREAS, Lessor is willing to lease to Lessee water owned by the Lessor for the purposes described in Lessee's Decree, and consistent with the terms and conditions described herein; and

WHEREAS, pursuant to the terms and conditions of the decree entered in Case No. 92CW079, Application of the City of Louisville, Water Division No. 1 (the "Marshall Decree"), the Lessor can make additional and successive uses of its municipal return flow credits from the fully consumable portion of the Lessor's decreed water rights and "[a]ny future plan for such use, reuse, successive use, augmentation, replacement, substitution, exchange, replacement of return flows or otherwise shall be approved by the State Engineer's Office or Water Court prior to its implementation;" and

WHEREAS, the water rights associated with Lessor's Farmers Reservoir and Irrigation Company, Marshall Division shares described in the Marshall Decree shall be defined herein as the "Lessor's Water Rights" or the "Leased Water"; and

WHEREAS, the water use that is the subject of this Lease is within Lessor's regular rate schedule established by the Lessor for water leases; and therefore, the Parties agree that all of the terms of the Lease for the Lessees' use set forth below are provided by this Lease.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, it is agreed between the Parties as follows:

AGREEMENT

1. Grant of Lease. Subject to legal and physical availability, the terms and conditions of this Lease, and the terms and conditions of the Decrees described herein, the Lessor hereby leases to the Lessee the right to use the Lessor's Water Rights, the amount of which shall be limited pursuant to paragraph 10 herein.

2. Term of Lease.

2.1. This Lease is for an initial term commencing on the Effective Date and terminating on December 31, 2034. If the Lessee wishes to lease the Lessor's Water Rights for an additional term commencing at the end of the initial term, the Lessee shall give the Lessor written notice of its desire to enter into a subsequent lease agreement at least six (6) months prior to the end of the initial term.

3. Payment.

3.1. The Lessee agrees to pay to the Lessor an initial annual lease payment equal to Five-hundred Dollars ($500.00) per acre-foot of the Lessor's Water Rights used by Lessee, provided that the Lessee's use of the Lessor's Water Rights are within the monthly volumetric limits set forth in Exhibit B and paragraphs 9 and 10 herein.

3.2. Subsequent payments under this Lease shall be made annually on or before April 1 of each year preceding the City's delivery of the Leased Water. The Lease Price following 2024 shall be adjusted each year based upon the Lessor's determination of the Lease Price. The Lease Price will reflect the City's then going rate for long-term leases of fully reusable effluent. If the Lessee objects to any Lease Price set by Lessor following 2024, Lessee shall have the right to terminate this Lease and all obligations hereunder.

4. Use of the Lessor's Water Right. The Lessee agrees that, during the term of this Lease, the Lessee will use the Lessor's Water Rights: (i) only pursuant to Lessee's Decree; and (ii) consistently with the terms and conditions of Lessee's Decree and Lessor's water court decrees, including the Marshall Decree.

5. Delivery of the Lessor's Water Rights. The water to which the Lessee is entitled to shall be available to the Lessee at Lessor's discharge point on Coal Creek, or at other points in the Boulder Creek Basin designated by the Lessor and acceptable to the District 6 Water Commissioner to meet the requested needs of Lessee, per the Exhibit B Replacement Schedule and the Lessee's Decree. The Lessor's obligation to provide Leased Water to Lessee at any time during the term of this Lease is at Lessor's sole discretion, and is also expressly conditioned on the legal and physical availability of reuse water under the Lessor's decrees and water rights and shall be subordinate to the Lessor's water needs.

6. The fully consumable, reusable water can be provided from any of the Lessor's decreed water rights that contain fully consumable and reusable credits, at Lessor's sole discretion. Monthly deliveries will be accounted for daily during the irrigation season. Deliveries will be made in hundredths (0.00) of an acre-foot increment. The Lessor will provide the Lessee with

monthly accounting for the reuse water delivered to the system on behalf of the Lessee. Lessee is solely responsible for meeting the terms, conditions, and reporting requirements of Lessee's Decree.

7. Lessee is responsible for calculating transit losses, including transit losses in the replacement schedule.

8. Lessee shall be responsible for the maintenance and repair costs of any structures from which water is diverted for Lessee's benefit, in addition to the operation and maintenance charges described herein, including paragraph 12.

9. Augmentation Credits and Diversions.

9.1. The Lessee has determined the current time and amount of water sought from Lessor, which is attached as Exhibit B. Lessee shall notify the Lessor, in writing, if the time and amount of water sought from Lessor under this Lease changes. If the Lessor is able to provide the water, Lessor shall release the water, and notify Lessee of the amount, location and time of the release. Lessor shall account for any provision of augmentation water in Lessor's accounting. Lessor shall notify Lessee, in writing, at any time Lessor is unable to provide augmentation water.

10. Volumetric Limits.

10.1. Lessor has agreed, subject to its discretion to determine whether water is available, to provide five (5) acre-feet per year. The parties acknowledge that Lessee's Decree includes up to ten (10) acre-feet per year of augmentation and exchange water available from Lessor. Lessee may request additional amounts up to ten acre-feet per year; however, Lessor is under no obligation to provide additional amounts.

11. Operational Requirements.

11.1. The Lessee shall keep detailed records and evidence of its use of the Lessor's Water Rights as required under the Lessee Decree, including daily measurements of amounts requested using measuring devices approved by the Water Commissioner.

11.2. The Lessee shall provide Lessor with copies of its required reports to the Division Engineer regarding water use by the 15th following each proceeding month.

12. Maintenance and Operation. The Lessee shall be responsible for all expenses relating to the Lessee's use of the Lessor's Water Right. The Lessee shall install, operate, maintain, and repair all ditches and structures required for it to use the Lessor's Water Rights in good and safe condition at its own cost and expense. The Lessor may inspect all ditches and structures required for the Lessee's use of the Lessor's Water.

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Cory Peterson
Deputy Director of Utilities
City of Louisville
749 Main Street
Louisville, Colorado 80027
cpeterson@louisvilleco.gov

or at such other address as the Lessor may direct in accordance with this paragraph.

All notices required to be given to the Lessee hereunder shall be delivered to:

Jay and Kristen Schultz
355 Orion Circle
Erie, CO 80516

Telephone: (805) 870-5719
Email: jaytaylorschultz@gmail.com; kmw.schultz@gmail.com

Copy to:
Gunnar Paulsen
Bushong & Holleman P.C.
1525 Spruce Street, Suite 200
Boulder, CO 80302
Telephone: (303) 431-9141
Email: gpaulsen@bh-lawyers.com

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[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease as of the Effective Date.

LESSOR:

THE CITY OF LOUISVILLE, a Colorado municipal corporation

By: _____

_____

STATE OF COLORADO

COUNTY OF BOULDER

Acknowledged, subscribed and sworn to before me this _____ day of _____, 2027, by _____.

Witness my hand and official seal.

My commission expires:
_____

_____
Notary Public

LESSEE:

_____

By: _____
Jay Schultz

JAHIRABBAS K MANSURI
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20234039368
MY COMMISSION EXPIRES OCT 17, 2027

STATE OF COLORADO

COUNTY OF BOULDER

Acknowledged, subscribed and sworn to before me this 22 day of April, 2024, by Jay Schultz.

Witness my hand and official seal.

My commission expires:
Oct 17, 2027

Jahirabbas Mansuri
Notary Public

EXHIBIT A

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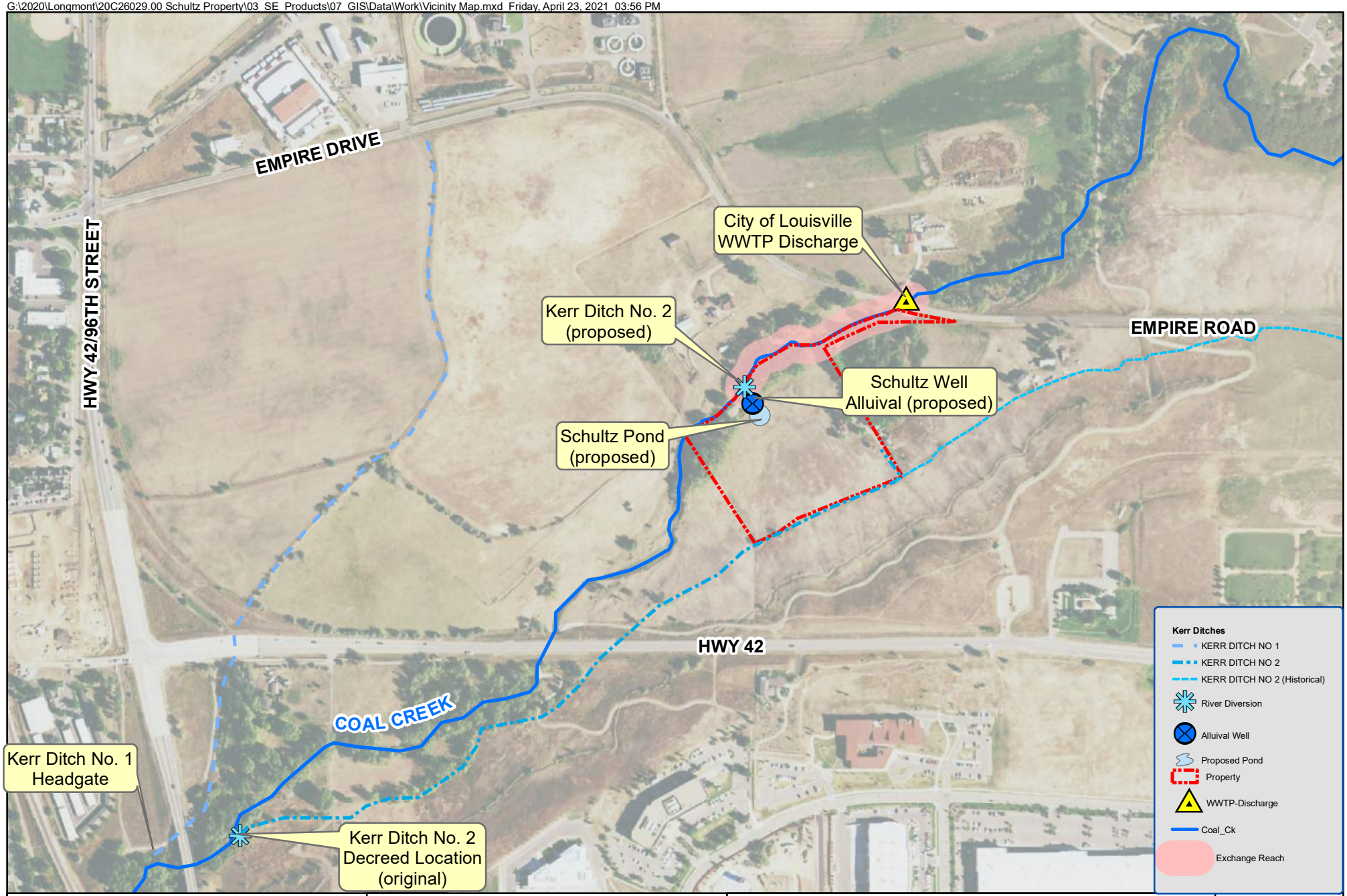

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2019 NAIP

DEERE & AULT
A SCHNABEL ENGINEERING COMPANY

SCHULTZ PROPERTY - 20CW3207
10064 Empire Road, Lafayette, CO

JOB NO: 20C26029.00

SCALE: 1 inch = 500 feet

EXHIBIT: A

Jay and Kristen Schultz

REPLACEMENT SCHEDULE

10064 Empire Road, Located in Boulder County, Colorado

Month	Required Deliveries (including Transit Loss) [acre-ft]	Price per acre-foot [acre-ft]	Total Price [$]	
Janruary-24	0.00	$	$	Non-
February	0.00	$	$	Irrigation
March	0.00	$500	$0.00	
April	0.00	$500	$0.00	
May	1.00	$500	$500.00	
June	0.00	$500	$0.00	Irrigation
July	1.70	$500	$850.00	Season
August	1.70	$500	$850.00	
September	0.5	$500	$250.00	
October	0.1	$500	$50.00	
November	0.00	$	$	
December-24	0.00	$	$	
TOTAL (AF)	**5.0**		**$2,500.00**	

NOTES:

(1) Replacement Schedule provided by Jay and Kristen Schultz
(2) Amounts returned are in hundredth of a unit (0.00) acre-foot (AF).
(3) Required Deliveries is the total amount to be returned, including transit losses and all other required amounts
(4) Amounts delivered will equal monthly total divided by the number of days deliveries and rounded up to the nearest hundredth (0.00) acre-foot (AF).

SUBJECT: **APPROVAL OF EXTENSION OF CUSTODIAL SERVICE CONTRACT**

DATE: **APRIL 8, 2024**

PRESENTED BY: **KURT KOWAR, PUBLIC WORKS DIRECTOR**
KEVIN FREY, FACILITIES MANAGER

SUMMARY:
Staff is recommending a contract extension for approval with Mojo's Cleaning Services in the amount of $221,000. The current contract with Mojo's Cleaning Services is in it's final year.

The contract has contractually terminated on March 31, 2024 however staff is unofficially extending services while a new Request for Proposal process is completed. Delays have been experienced with this work plan item due to workload and staffing levels.

Mojos has delivered service that meets or exceeds contract and customer expectations. Contract pricing for 2023-2024 was $442,000. Contract extension is based on contract pricing for a period of 6 months, extending to September 30, 2024.

The custodial service contract is vital to the appearance, cleanliness, and maintainability of City facilities. Custodial Services for the City of Louisville covers 14 buildings with approximately 156,000 square feet of cleaning area. Several of the buildings require coverage seven days a week and high service levels are necessary to meet customer expectations.

FISCAL IMPACT:
The 2024 approved budget provides for janitorial services at the rates considered in this contract and recommended extension.

RECOMMENDATION:
Staff recommends the City Council award the Custodial Service contract extension to Mojo's Cleaning Services for 6 months, with the condition that the annual renewal is subject to satisfactory performance and Council's budget appropriation and that the City Council authorize the Mayor and City Clerk to execute documents on behalf of the City.

ATTACHMENT(S):
1. Change Order # 4

CHANGE ORDER NO. 04

DATED: May 7th, 2024

PROJECT: City Facility Janitorial Contract

AGREEMENT DATE: March 15, 2022

PROJECT NUMBER: N/A

OWNER: CITY OF LOUISVILLE, COLORADO

The following changes are hereby made to the Contract Documents:

Description: 6-month extension to the Janitorial Contract to extend to September 30th, 2024

Purpose: Extension to contract so staff can prepare new RFP for Public bid.

Attachments: Janitorial Contract
Change Order # 3 – 6-month Extension
Mojos Pricing for additional 6 months

ADJUSTMENT TO CONTRACT PRICE:

Original contract price	$ 438,820.92 / yr
Net change previous Change Orders No. 1 to 3	$ 3180
Contract price prior to this Change Order	$ 442,000.92 / yr
Net adjustment resulting from this Change Order (+/-)	$ 221,000.46
Current contract price including this Change Order	$ 663,001.38

ADJUSTMENT TO CONTRACT TIME:

Original contract time (days or date)	2 years
Net change previous Change Orders No. 1 to 2 (days)	0 Days
Contract time prior to this Change Order (days or date)	March 31 2024
Net Adjustment Resulting from this Change Order (days)	183 Days
Current contract time including this Change Order (days or date)	September 30 2024

Recommended:	Approved:	Accepted:
Facility Superintendent	OWNER	CONTRACTOR
By: Kevin Frey	By:	By:
Date: 3/1/2024	Date:	Date: 04/26/24

SUBJECT: AWARD CONTRACT FOR THE 2024 SLURRY SEAL PROJECT

DATE: MAY 7, 2024

PRESENTED BY: KURT KOWAR, PUBLIC WORKS DEPARTMENT

SUMMARY:
Staff recommends approval of the 2024 Slurry Seal contract with Vance Brothers, Inc. for the base bid amount of $221,068 plus a 10% contingency in the amount of $22,100.

2024 SLURRY SEAL PROJECT
Staff advertised the 2024 Slurry Seal Project on March 27 and April 3, 2024. One bid was received on April 18, 2024 from Vance Brothers, Inc. in the amount of $221,067.65 (staff corrected minor errors in the bid form).

Staff recommends Vance Brothers, Inc. as the lowest responsive bidder based upon staff review of bid line items, adherence to bid requirements, and contractor reference checks.

Base Bid slurry seal work being approved supports the 2024 Pavement Management Program by completing slurry seal, crack seal, and pavement markings within the Heritage 2 subdivision, the Golf Course Club House parking lot, and Recreation and Senior Center parking lot.

FISCAL IMPACT
The costs of the 2024 Slurry Seal Project are divided between the Pavement Management, Golf Course, and Rec Center funds based on the locations and quantity of work at each location.

Projected Funding

Description	Account	Budget Amount
2024 Pavement Management	301312-660012	$6,536,000
2024 Golf Course Parking Lot Improvements	520799-630173	$50,000
2024 Rec Center Parking Lot Improvements	208539-630173	$50,000

Projected Expenses (Pavement Management) 301312-660012

Description	Amount
2024 Street Resurfacing Base Bid and 10% Contingency (Previous Award)	($2,450,453)
2024 Concrete Base Bid and 15% Contingency (Previous Award)	($1,390,051)
2024 & 2025 Geotechnical Testing Services and 10% Contingency (Previous Award)	($152,900)
Pavement and Curb Ramp Condition Survey*	($120,000)
2024 Alleys*	($150,000)
2024 Raised Crosswalks*	($100,000)
2024 Patching*	($250,000)
Heritage 2 Slurry (This Communication)	**($157,468)**
Slurry 10% Contingency (This Communication)	**($22,100)**
On-Call Field Inspection Services (Previous Award)	($30,000)
Total Expenses:	**($4,822,972)**
Remaining Funds	**$1,713,028**

*Estimated costs (Future Award)

Projected Expenses (Golf Course) 520799-630173

Description	Amount
Club House Parking Lot	($46,500)
Remaining Funds	**$3,500**

Projected Expenses (Rec Center) 208539-630173

Description	Amount
Rec Center Parking Lot	($17,100)
Remaining Funds	**$32,900**

Total Contract Summary

Description	Account	Amount
Pavement Management (Heritage 2 Slurry)	301312-660012	$157,468
2024 Golf Course Parking Lot Improvements	520799-630173	$46,500
2024 Rec Center Parking Lot Improvements	208539-630173	$17,100
Pavement Management (Contingency)	301312-660012	$22,100
	Total Contract:	**$243,168**

PROGRAM/SUB-PROGRAM:
The recommended contracts support the Transportation-Infrastructure Maintenance goal of providing a safe, well-maintained effective and efficient multimodal transportation system at a reasonable cost.

RECOMMENDATION:
Staff recommends approval and award of the 2024 Slurry Seal Project contract with Vance Brothers, Inc. for $221,068 plus a 10% contingency in the amount of $22,100 for a total authorized amount of $243,168 and authorize the Mayor, City Manager, Public Works Director, and City Clerk to sign and execute contract documents on behalf of the City.

ATTACHMENT(S):
1. Vance Brothers, Inc. Contract

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☒	**Vibrant Economic Climate**	☒	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

Agreement

THIS AGREEMENT is made and entered into this __ day of _____ in the year 2024 by and between:

CITY OF LOUISVILLE, COLORADO
(hereinafter called OWNER)

and

Vance Brothers, Inc.
(hereinafter called CONTRACTOR)

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows.

Article 1. Work

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

PROJECT: **2024 SLURRY SEAL PROJECT**
PROJECT NUMBER: **301312-660012**

Article 2. Contract Times

2.1. The CONTRACTOR shall substantially complete all work within **15 Contract Days** from the date when the Contract Time commences to run as identified in the Notice to Proceed. The Work shall be completed and ready for final payment in accordance with paragraph 14.13 of the General Conditions.

2.2. LIQUIDATED DAMAGES. The OWNER and the CONTRACTOR agree and recognize that time is of the essence in this contract and that the OWNER will suffer financial loss if the Work is not substantially complete by the date specified in paragraph 2.1 above, plus any extensions thereof allowed in accordance with the Article 12 of the General Conditions. OWNER and CONTRACTOR also agree that such damages are uncertain in amount and difficult to measure accurately. Accordingly, the OWNER and CONTRACTOR agree that as liquidated damages, and not as a penalty, for delay in performance the CONTRACTOR shall pay the OWNER **ONE THOUSAND DOLLARS ($1,000)** for each and every **Contract Day** and portion thereof that expires after the time specified above for substantial completion of the Work until the same is finally complete and ready for final payment. The liquidated damages herein specified shall only apply to the CONTRACTOR's delay in performance and shall not include litigation or attorneys' fees incurred by the OWNER, or other incidental or consequential damages suffered by the OWNER due to the CONTRACTOR's performance. If the OWNER charges liquidated damages to the CONTRACTOR, this shall not preclude the OWNER from commencing an action against the CONTRACTOR for other actual harm resulting from the CONTRACTOR's performance, which is not due to the CONTRACTOR's delay in performance.

Article 3. Contract Price

3.1. The OWNER shall pay in current funds, and the CONTRACTOR agrees to accept in full payment for performance of the Work, subject to additions and deductions from extra and/or omitted work and determinations of actual quantities as provided in the Contract Documents, the Contract Price of two hundred twenty one thousand sixty seven dollars and sixty five cents ($221,067.65) set forth in the Bid Form of the CONTRACTOR dated April 18, 2024.

As provided in paragraph 11.9 of the General Conditions estimated quantities are not guaranteed, and determinations of actual quantities and classification are to be made by ENGINEER as provided in paragraph 9.10 of the General Conditions. Unit prices have been computed as provided in paragraph 11.9 of the General Conditions.

Article 4. Payment Procedures

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by OWNER as provided in the General Conditions.

4.1 PROGRESS PAYMENTS. OWNER shall make progress payments on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the third Wednesday of each month during construction as provided below. All progress payments will be on the basis of the progress of the Unit Price Work based on the number of units completed as provided in the General Conditions.

4.1.1.1 Prior to final completion and acceptance, progress payments will be made in the amount equal to 95 percent of the calculated value of completed Work, and/or 95 percent of materials and equipment not incorporated in the Work (but delivered, suitably stored and accompanied by documentation satisfactory to OWNER as provided in 14.2 of the General Conditions), but in each case, less the aggregate of payments previously made and such less amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.7 of the General Conditions.
If OWNER finds that satisfactory progress is being made in any phase of the Work, it may, in its discretion and upon written request by the CONTRACTOR, authorize final payment from the withheld percentage to the CONTRACTOR or subcontractors who have completed their work in a manner finally acceptable to the OWNER. Before any such payment may be made, the OWNER must, in an exercise of its discretion, determine that satisfactory and substantial reasons exist for the payment and there must be provided to the OWNER written approval from any surety furnishing bonds for the Work.

Nothing contained in this provision shall preclude the OWNER and CONTRACTOR from making other arrangements consistent with C.R.S. 24-91-105 prior to contract award.

4.2 FINAL PAYMENT. Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as provided in said paragraph 14.13 of the General Conditions.

Article 5. CONTRACTOR's Representations

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

5.1. CONTRACTOR has examined and carefully studied the Contract Documents, (including the Addenda listed in paragraph 6.10) and the other related data identified in the Bidding Documents including "technical".

5.2. CONTRACTOR has inspected the site and become familiar with and is satisfied as to the general, local

and site conditions that may affect cost, progress, performance or furnishing of the Work.

5.3. CONTRACTOR is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress and furnishing of the Work.

5.4. CONTRACTOR has carefully studied all reports of exploration and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions relating to surface or subsurface structures at or contiguous to the site (Except Underground facilities) which have been identified in the General Conditions as provided in paragraph 4.2.1 of the General Conditions. CONTRACTOR accepts the determination set forth in paragraph 4.2 of the General Conditions. CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR's purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to such reports, drawings or to Underground Facilities at or contiguous to the site. CONTRACTOR has conducted, obtained and carefully studied (or assume responsibility for having done so) all necessary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by CONTRACTOR and safety precautions and programs incident thereto. CONTRACTOR does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

5.5. CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or will be required by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.3 of the General Conditions.

5.6. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the site that relates to the Work as indicated in the Contract Documents.

5.7. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests studies and data with the Contract Documents.

5.8. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing the Work.

Article 6. Contract Documents

The Contract Documents, which constitute the entire agreement between OWNER and CONTRACTOR concerning the Work, are all written documents, which define the Work and the obligations of the Contractor in performing the Work and the OWNER in providing compensation for the Work. The Contract Documents include the following:

6.1. Invitation to Bid.

6.2. Instruction to Bidders.
6.3. Bid Form.
6.4. This Agreement.
6.5. General Conditions.
6.6. Supplementary Conditions.
6.7. General Requirements.
6.8. Technical Specifications.
6.9. Drawings with each sheet bearing the title: **2024 Slurry Seal Project.**
6.10. Change Orders, Addenda and other documents which may be required or specified including:
- 6.10.1. Addenda No. __ to ___ exclusive
- 6.10.2. Documentation submitted by CONTRACTOR prior to Notice of Award
- 6.10.3. Schedule of Subcontractors
- 6.10.4. Anti-Collusion Affidavit
- 6.10.5. Certification of EEO Compliance
- 6.10.6. Notice of Award
- 6.10.7. Performance Bond
- 6.10.8. Labor and Material Payment Bond
- 6.10.9. Certificates of Insurance
- 6.10.10. Notice to Proceed
- 6.10.11. Contractor's Proposal Request
- 6.10.12. Contractor's Overtime Request
- 6.10.13. Field Order
- 6.10.14. Work Change Directive
- 6.10.15. Change Order
- 6.10.16. Application for Payment
- 6.10.17. Certificate of Substantial Completion
- 6.10.18. Claim Release
- 6.10.19. Final Inspection Report
- 6.10.20. Certificate of Final Completion
- 6.10.21. Guarantee Period Inspection Report

6.11. The following which may be delivered or issued after the Effective Date of the Agreement and are attached hereto: All Written Amendments and other documents amending, modifying, or supplementing the Contract Documents pursuant to paragraphs 3.5 and 3.6 of the General Conditions.

6.12. In the event of conflict between the above documents, the prevailing document shall be as follows:
1. Permits from other agencies as may be required.
2. Special Provisions and Detail Drawings.
3. Technical Specifications and Drawings. Drawings and Technical Specifications are intended to be complementary. Anything shown or called for in one and omitted in another is binding as if called for or shown by both.
4. Supplementary Conditions.
5. General Conditions.
6. City of Louisville Design and Construction Standards.
7. Reference Specifications.

In case of conflict between prevailing references above, the one having the more stringent requirements shall govern.

There are no Contract Documents other than those listed above in this Article 6. The Contract Documents may only be amended, modified, or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

Article 7. Miscellaneous

7.1. Terms used in this Agreement, which are defined in Article 1 of the General Conditions, shall have the meanings indicated in the General Conditions.

7.2. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge that assignor from any duty or responsibility under the Contract Documents.

7.3. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

7.4. OWNER AND CONTRACTOR consent to the use of electronic signatures on the Contract Documents. This Agreement, and any other Contract Documents requiring a signature hereunder, may be signed electronically by the Parties in the manner specified under the Uniform Electronic Transactions Act, Title 24, Article 71.3, Part 1, C.R.S.; provided that, electronic records of, and electronic signatures on, any required bonds, including required Performance, Labor and Material Payment, and Warranty Bonds, must be acceptable to the Contractor's selected surety. The Parties agree not to deny the legal effect or enforceability of a Contract Document solely because the document is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of a Contract Document in the form of an electronic record, or a paper copy of an electronic document, or a paper copy or electronic record of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Article 8. Other Provisions

IN WITNESS WHEREOF, OWNER, and CONTRACTOR have signed this Agreement in duplicate. One counterpart each has been delivered to OWNER and CONTRACTOR. All portions of the Contract Documents have been signed, initialed, or identified by OWNER and CONTRACTOR.

This Agreement will be effective on _____, 2024.

OWNER: CITY OF LOUISVILLE, COLORADO

By: _____
Christopher M. Leh, Mayor

(CORPORATE SEAL)

Attest: _____
Meredyth Muth, City Clerk

Address for giving notices:

749 Main Street
Louisville, Colorado
80027

Attention: City Engineer

CONTRACTOR: _____

By: _____

(CORPORATE SEAL)

Attest: _____

Address for giving notices:

_____

_____

_____

SUBJECT: **APPROVAL OF CONTRACT WITH TERPSTRA ROOFING FOR CITY SERVICES ROOF REPAIRS**

DATE: **MAY 7, 2024**

PRESENTED BY: **KURT KOWAR, DIRECTOR OF PUBLIC WORKS**
KEVIN FREY, FACILITY SUPERINTENDENT

SUMMARY:
Staff is recommending approval of a contract with Terpstra Roofing for a contract cost up to $166,786 for maintenance and repairs of the City Services building roof.

The 2023 budget included a capital improvement project for estimated repairs to the metal roof at City Services. The proposed scope at the time of CIP request included a proposal to repair the roof with no warranty. After further project development it was determined the original roof warranty had expired and staff revised the scope to include a 20 yr warranty for the proposed roof repairs.

There are currently over 30 areas of water infiltration when it snows or rains, and leaks are intermittent, depending on the severity of the weather.

Staff is requesting a budget amendment in the amount of $131,786 to address the increased cost of the project so the project may still be completed in its entirety by end of Q2, 2024 .

FISCAL IMPACT:

Description	Account #	Amount
Budget		
Approved 2023 CIP Budget	301191-620144	**$ 35,000**
Total Budget		**$ 35,000**
Expenses		
Terpstra Roofing Proposal		**($140,807)**
3% Bond and Procurement		**($4,224)**
Overall Contingency (15%)		**($21,755)**
Total Expenses		**($166,786)**
Net Project Total		**($131,786)**
Proposed Budget Amendment		**$131,786**

RECOMMENDATION:
Staff is recommending approval of Construction Services with Terpstra Roofing for a contract cost up to **$166,786** and authorize the City Manager, Public Works Director, and City Clerk to sign and execute contract documents on behalf of the City.

ATTACHMENT(S):

1. Contract Documents
2. Bid Tabulation
3. Leak History Exhibit

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☒	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

INDEPENDENT CONTRACTOR AGREEMENT
BY AND BETWEEN THE CITY OF LOUISVILLE
AND TERPSTRA ROOFING
FOR ROOFING SERVICES

1.0 PARTIES

This INDEPENDENT CONTRACTOR AGREEMENT (this "Agreement") is made and entered into this _____ day of _____, 20__ (the "Effective Date"), by and between the **City of Louisville**, a Colorado home rule municipal corporation, hereinafter referred to as the "City", and Terpstra Roofing, [Name of Contractor] a corporation [State of Formation and Type of Entity], hereinafter referred to as the "Contractor".

2.0 RECITALS AND PURPOSE

2.1 The City desires to engage the Contractor for the purpose of providing Roof Repair services as further set forth in the Contractor's Scope of Services (which services are hereinafter referred to as the "Services").

2.2 The Contractor represents that it has the special expertise, qualifications and background necessary to complete the Services.

3.0 SCOPE OF SERVICES

The Contractor agrees to provide the City with the specific Services and to perform the specific tasks, duties and responsibilities set forth in Scope of Services attached hereto as Exhibit "A" and incorporated herein by reference. Contractor shall furnish all tools, labor and supplies in such quantities and of the proper quality as are necessary to professionally and timely perform the Services. Contractor acknowledges that this Agreement does not grant any exclusive privilege or right to supply Services to the City.

4.0 COMPENSATION

4.1 The City shall pay the Contractor for Services under this Agreement a total not to exceed the amounts set forth in Exhibit "A" attached hereto and incorporated herein by this reference. For Services compensated at hourly or per unit rates, or on a per-task basis, such rates or costs per task shall not exceed the amounts set forth in Exhibit A. The City shall not pay mileage and other reimbursable expenses (such as meals, parking, travel expenses, necessary memberships, etc.), unless such expenses are (1) clearly set forth in the Scope of Services, and (2) necessary for performance of the Services ("Pre-Approved Expenses"). The foregoing amounts of compensation shall be inclusive of all costs of whatsoever nature associated with the Contractor's efforts, including but not limited to salaries, benefits, overhead, administration, profits, expenses, and outside Contractor fees. The Scope of Services and payment therefor shall only be changed by a properly authorized amendment to this Agreement. No City employee has the authority to bind the City with regard to any payment for any Services which exceeds the amount payable under the terms of this Agreement.

4.2 The Contractor shall submit monthly an invoice to the City for Services rendered and a detailed expense report for Pre-Approved Expenses incurred during the previous month. The invoice shall document the Services provided during the preceding month, identifying

by work category and subcategory the work and tasks performed and such other information as may be required by the City. The Contractor shall provide such additional backup documentation as may be required by the City. The City shall pay the invoice within thirty (30) days of receipt unless the Services or the documentation therefor are unsatisfactory. Payments made after thirty (30) days may be assessed an interest charge of one percent (1%) per month unless the delay in payment resulted from unsatisfactory work or documentation therefor.

5.0 PROJECT REPRESENTATION

5.1 The City designates Kevin Frey as the responsible City staff to provide direction to the Contractor during the conduct of the Services. The Contractor shall comply with the directions given by Mr. Frey and such person's designees.

5.2 The Contractor designates Erik Terpstra as its project manager and as the principal in charge who shall be providing the Services under this Agreement. Should any of the representatives be replaced, particularly Mr. Terpstra, and such replacement require the City or the Contractor to undertake additional reevaluations, coordination, orientations, etc., the Contractor shall be fully responsible for all such additional costs and services.

6.0 TERM

6.1 The term of this Agreement shall be from the Effective Date to May 15, 2024, unless sooner terminated pursuant to Section 13, below. The Contractor's Services under this Agreement shall commence on [(the Effective Date) or (on another date desired by the City, after the Effective Date)] and Contractor shall proceed with diligence and promptness so that the Services are completed in a timely fashion consistent with the City's requirements.

6.2 Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of the City within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the City under this Agreement are subject to annual budgeting and appropriation by the Louisville City Council, in its sole discretion. Notwithstanding anything in this Agreement to the contrary, in the event of non-appropriation, this Agreement shall terminate effective December 31 of the then-current fiscal year.

7.0 INSURANCE

7.1 The Contractor agrees to procure and maintain, at its own cost, the policies of insurance set forth in Subsections 7.1.1 through 7.1.4. The Contractor shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. The coverages required below shall be procured and maintained with forms and insurers acceptable to the City. All coverages shall be continuously maintained from the date of commencement of Services hereunder. The required coverages are:

7.1.1 Workers' Compensation insurance as required by the Labor Code of the State of Colorado and Employers Liability Insurance. Evidence of qualified self-insured status may be substituted.

7.1.2 General Liability insurance with minimum combined single limits of $1,000,000 each occurrence and $2,000,000 aggregate. The policy shall include the City of Louisville, its officers and its employees, as additional insureds, with primary coverage as respects the City of Louisville, its officers and its employees, and shall contain a severability of interests provision.

7.1.3 Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than $400,000 per person in any one occurrence and $1,000,000 for two or more persons in any one occurrence, and auto property damage insurance of at least $50,000 per occurrence, with respect to each of Contractor's owned, hired or non-owned vehicles assigned to or used in performance of the Services. If the Contractor has no owned automobiles, the requirements of this paragraph shall be met by each officer or employee of the Contractor providing services to the City of Louisville under this contract.

7.2 The Contractor's general liability insurance and automobile liability and physical damage insurance shall be endorsed to include the City, and its elected and appointed officers and employees, as additional insureds, unless the City in its sole discretion waives such requirement. Every policy required above shall be primary insurance, and any insurance carried by the City, its officers, or its employees, shall be excess and not contributory insurance to that provided by the Contractor. Such policies shall contain a severability of interests provision. The Contractor shall be solely responsible for any deductible losses under each of the policies required above.

7.3 Certificates of insurance shall be provided by the Contractor as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be subject to review and approval by the City. No required coverage shall be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the City. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

7.4 Failure on the part of the Contractor to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the City may immediately terminate this Agreement, or at its discretion may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by Contractor to the City upon demand, or the City may offset the cost of the premiums against any monies due to Contractor from the City.

7.5 The parties understand and agree that the City is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to the City, its officers, or its employees.

8.0 INDEMNIFICATION

To the fullest extent permitted by law, the Contractor agrees to indemnify and hold harmless the City, and its elected and appointed officers and its employees, from and against all liability, claims, and demands, on account of any injury, loss, or damage, which arise out of or are connected with the Services hereunder, if such injury, loss, or damage is caused by the negligent act, omission, or other fault of the Contractor or any subcontractor of the Contractor, or any officer, employee, or agent of the Contractor or any subcontractor, or any other person for whom Contractor is responsible. The Contractor shall investigate, handle, respond to, and provide defense for and defend against any such liability, claims, and demands. The Contractor shall further bear all other costs and expenses incurred by the City or Contractor and related to any such liability, claims and demands, including but not limited to court costs, expert witness fees and attorneys' fees if the court determines that these incurred costs and expenses are related to such negligent acts, errors, and omissions or other fault of the Contractor. The City shall be entitled to its costs and attorneys' fees incurred in any action to enforce the provisions of this Section 8.0. The Contractor's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the City.

9.0 QUALITY OF WORK

Contractor's Services shall be performed in accordance with the highest professional workmanship and service standards in the field to the satisfaction of the City.

10.0 INDEPENDENT CONTRACTOR

It is the expressed intent of the parties that the Contractor is an independent contractor and not the agent, employee or servant of the City, and that:

10.1. **CONTRACTOR SHALL SATISFY ALL TAX AND OTHER GOVERNMENTALLY IMPOSED RESPONSIBILITIES INCLUDING, BUT NOT LIMITED TO, PAYMENT OF STATE, FEDERAL AND SOCIAL SECURITY TAXES, UNEMPLOYMENT TAXES, WORKERS' COMPENSATION AND SELF-EMPLOYMENT TAXES. NO STATE, FEDERAL OR LOCAL TAXES OF ANY KIND SHALL BE WITHHELD OR PAID BY THE CITY.**

10.2. **CONTRACTOR IS NOT ENTITLED TO WORKERS' COMPENSATION BENEFITS EXCEPT AS MAY BE PROVIDED BY THE INDEPENDENT CONTRACTOR NOR TO UNEMPLOYMENT INSURANCE BENEFITS UNLESS UNEMPLOYMENT COMPENSATION COVERAGE IS PROVIDED BY THE INDEPENDENT CONTRACTOR OR SOME ENTITY OTHER THAN THE CITY.**

10.3. Contractor does not have the authority to act for the City, or to bind the City in any respect whatsoever, or to incur any debts or liabilities in the name of or on behalf of the City.

10.4. Contractor has and retains control of and supervision over the performance of Contractor's obligations hereunder and control over any persons employed by Contractor for performing the Services hereunder.

10.5. The City will not provide training or instruction to Contractor or any of its employees regarding the performance of the Services hereunder.

10.6. Neither the Contractor nor any of its officers or employees will receive benefits of any type from the City.

10.7. Contractor represents that it is engaged in providing similar services to other clients and/or the general public and is not required to work exclusively for the City.

10.8. All Services are to be performed solely at the risk of Contractor and Contractor shall take all precautions necessary for the proper and sole performance thereof.

10.9. Contractor will not combine its business operations in any way with the City's business operations and each party shall maintain their operations as separate and distinct.

11.0 ASSIGNMENT

Contractor shall not assign or delegate this Agreement or any portion thereof, or any monies due to or become due hereunder without the City's prior written consent.

12.0 DEFAULT

Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default.

13.0 TERMINATION

13.1 This Agreement may be terminated by either party for material breach or default of this Agreement by the other party not caused by any action or omission of the other party by giving the other party written notice at least thirty (30) days in advance of the termination date. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

13.2 In addition to the foregoing, this Agreement may be terminated by the City for its convenience and without cause of any nature by giving written notice at least fifteen (15) days in advance of the termination date. In the event of such termination, the Contractor will be paid for the reasonable value of the Services rendered to the date of termination, not to exceed a pro-rated daily rate, for the Services rendered to the date of termination, and upon such payment, all obligations of the City to the Contractor under this Agreement will cease. Termination pursuant to this Subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

14.0 INSPECTION AND AUDIT

The City and its duly authorized representatives shall have access to any books, documents, papers, and records of the Contractor that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

15.0 DOCUMENTS

All computer input and output, analyses, plans, documents photographic images, tests, maps, surveys, electronic files and written material of any kind generated in the performance of this Agreement or developed for the City in performance of the Services are and shall remain the sole

and exclusive property of the City. All such materials shall be promptly provided to the City upon request therefor and at the time of termination of this Agreement, without further charge or expense to the City and in hardcopy or an electronic format acceptable to the City, or both, as the City shall determine. Contractor shall not provide copies of any such material to any other party without the prior written consent of the City. Contractor shall not use or disclose confidential information of the City for purposes unrelated to performance of this Agreement without the City's written consent.

16.0 ENFORCEMENT

16.1 In the event that suit is brought upon this Agreement to enforce its terms, the parties shall each bear and be responsible for their own attorneys' fees and court costs.

16.2 This Agreement shall be deemed entered into in Boulder County, Colorado, and shall be governed by and interpreted under the laws of the State of Colorado. Any action arising out of, in connection with, or relating to this Agreement shall be filed in the courts of Boulder County or the federal district court for the District of Colorado, and in no other court. Colorado law shall apply to the construction and enforcement of this Agreement.

17.0 COMPLIANCE WITH LAWS

Contractor shall be solely responsible for compliance with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the City; for payment of all applicable taxes; and obtaining and keeping in force all applicable permits and approvals.

18.0 INTEGRATION AND AMENDMENT

This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

19.0 NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be given by hand delivery, by United States first class mail, postage prepaid, registered or certified, return receipt requested, by national overnight carrier, or by email transmission, addressed to the party for whom it is intended at the following address:

If to the City:

City of Louisville
Attn: Kevin Frey -Facilities
749 Main Street
Louisville, CO 80027
e-mail: KFrey@louisvilleco.gov

If to the Contractor:

Terpstra Roofing
Attn: Erik Terpstra
5671 Emporia St.
Denver CO 80238
E-Mail : Erik@terpstraroofing.com

Except for notices by email transmission, any notice required or permitted under this Agreement shall be effective when received as indicated on the delivery receipt, if by hand delivery or overnight carrier; on the United States mail return receipt, if by United States mail. Notices by email transmission shall be effective on transmission, so long as no message of error or non-receipt is received by the party giving notice. Either party may by similar notice given, change the address to which future notices or other communications shall be sent.

20.0 EQUAL OPPORTUNITY EMPLOYER

a) Contractor will not discriminate against any employee or applicant for employment because of age 40 and over, race, sex, color, religion, national origin, disability, genetic information, sexual orientation, veteran status, or any other applicable status protected by state or local law. Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to any status set forth in the preceding sentence. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by an agency of the federal government, setting forth the provisions of the Equal Opportunity Laws.

b) Contractor shall be in compliance with the applicable provisions of the American with Disabilities Act as enacted and from time to time amended and any other applicable federal, state, or local laws and regulations. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the life of this Agreement or any renewal thereof.

21.0 NO THIRD PARTY BENEFICIARIES

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to City and Contractor, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than City or Contractor receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

22.0 SUBCONTRACTORS

Contractor may utilize subcontractors identified in its qualifications submittal to assist with non-specialized works as necessary to complete projects. Contractor will submit any proposed

subcontractor and the description of its services to the City for approval. The City will not work directly with subcontractors.

23.0 AUTHORITY TO BIND

Each of the persons signing below on behalf of any party hereby represents and warrants that such person is signing with full and complete authority to bind the party on whose behalf of whom such person is signing, to each and every term of this Agreement.

In witness whereof, the parties have executed this Agreement to be effective as of the day and year first above written.

CITY OF LOUISVILLE

By:_____
Mayor

Attest:_____
City Clerk

CONTRACTOR:
Terpstra Roofing

By: Erik Terpstra
Title: President & Owner

Exhibit A – Scope of Services

[See Following Page(s)]

Roofing & Waterproofing Contract

5671 Emporia Street
Denver, CO 80238
Phone: (303) 921-1800

Owner/Customer: City of Louisville

Date: 1/25/24
Job Name: Admin Building & Service Bays/Shop Coating
Job Address: 739 S 104th Street, Louisville

Terpstra Roofing ("Contractor") proposes to perform and furnish the following labor, materials, insurance, supervision, equipment and warranty (the "Work").

Description of Work:

SCOPE OF WORK:

1. Prepare roof substrate for new roof coating: Remove loose gravel, rocks and heavy deposits of dirt, leaves and other debris.
2. There are currently 6 hot pipes on the roof that have an improper pipe boot on them which has caused the pipe boot to melt. We will remove the old pipe boots and install a metal cone jack around each pipe to ensure no more melting occurs.
3. Power wash the entire roof with Gaco-Wash concentrated, non-hazardous cleaner.
4. Prepare seams, fasteners and flashings for new roof coating: All seams, fasteners and appropriate flashings will be treated using Gaco SF4200 SeamSeal, a silicone based component. SeamSeal is required on metal roofing substrates as a joint and fastener treatment and is required to achieve the warranty.
5. Apply Gray Gaco S42 silicon roof coating to achieve a seamless, weather-tight seal that protects the roofing substrate from degradation caused by ultraviolet light, water and other weather related hazards.
6. The coating will not be thinned. We will install the coating by brush or ¾" nap roller as recommended by the manufacturer.
7. We will install the coating at 1.25 gallons per 100 square feet (20 wet mills, 18 dry mills) for a 10-year warranty, or 2.25 gallons per 100 square feet (36 wet mills, 34 dry mills) for a 20-year warranty.
8. The final coat will be allowed to cure for 48-72 hours, depending on the temperature and humidity.
9. The final coating includes all surfaces including expansion joint covers, fasteners, flashings, parapet walls and penetrations.

MISCELLANEOUS:

1. Remove and dispose of all roofing-related debris.
2. No permit required for coatings.
3. Includes all city, state, and RTD taxes.
4. This roof system comes with a 10 or 20-year manufacturer's warranty and is included in the price.

Admin Building: 10-Year Warranty. $37,917

Admin Building: 20-Year Warranty. $47,577

5671 Emporia Street
Denver, CO 80238
Phone: (303) 921-1800

Shop Building: 10-Year Warranty. $74,297

Shop Building: 20-Year Warranty. $93,230

Total Price: 10-Year Warranty: $112,214

Total Price: 20-Year Warranty: $140,807

Notes:

- We walked the roof with the manufacturer and got confirmation that this roof will qualify for a 10 or 20-year warranty when we are finished.
- **Due to increased market instability, prices are good for 30 days only.**

Payment:

- PAYMENT TERMS: 50% payment of total contracted price due upon material delivery. Progressive payments will be invoiced. Net 10 terms on all invoices. 10% retention will be held for final city and warranty inspections. Non-payment in accordance with the above shall be cause for terminating performance. If payments are not made when due, the Customer agrees to pay the interest, costs, and attorney fees incurred in the collection of the outstanding balance. Interest shall accrue at the rate of 1-1/2 percent per month on the unpaid balance.

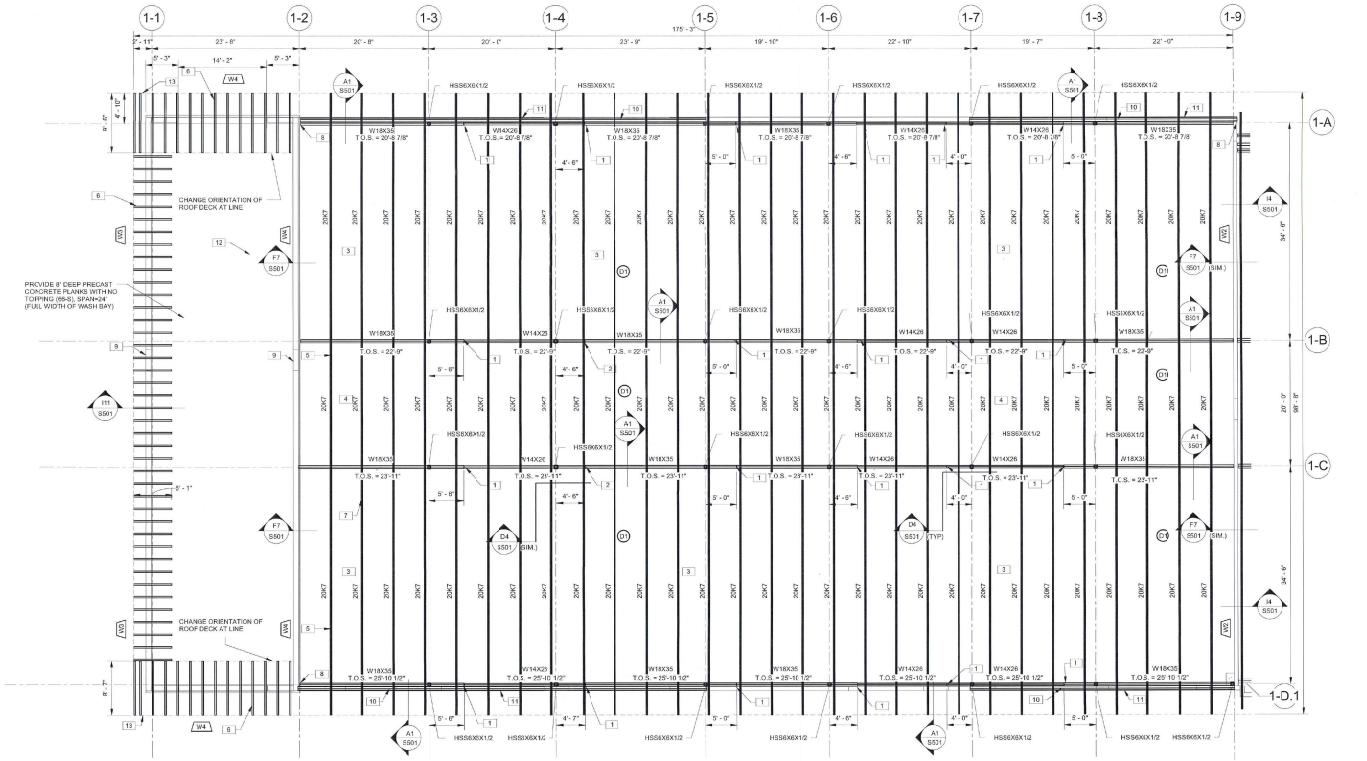
5671 Emporia Street
Denver, CO 80238
Phone: (303) 921-1800

Acceptance of Contract:

- This Proposal is subject to revision or withdrawal by Contractor for any reason until written communication of acceptance, and may be revised after communication of acceptance where an inadvertent error by Contractor has occurred. This Proposal expires thirty (30) days after the date stated above if not earlier accepted, revised or withdrawn.
- The attached Terms and Conditions are a part of this proposal.

By signing below, Customer acknowledges that Customer has read, understood, and agreed to all conditions on the front and back of this agreement.

Terpstra Roofing	**Owner/Customer**
Printed Name/Title: _____	Printed Name/Title: _____
Signature: _____	Signature: _____
Date: _____	Date: _____



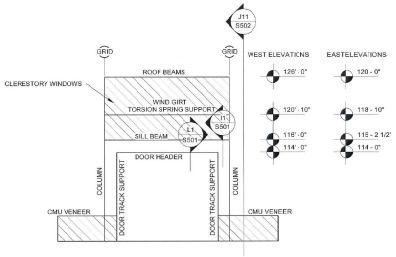
ADMINSTRATION BUILDING ROOF FRAMING PLAN
F6 1/8" = 1'-0"

KEYNOTES

1. REFER TO DETAIL A15/S502 FOR SPLICE PLATE AND COLUMN CAP PLATE INFORMATION.
2. REFER TO DETAIL D4/S501 (SIM) FOR SPLICE PLATE INFORMATION.
3. PROVIDE 3 ROWS OF BRIDGING FOR JOISTS IN THIS AREA.
4. PROVIDE 2 ROWS OF BRIDGING FOR JOISTS IN THIS AREA.
5. START JOIST SPACING FROM GRID 1-2.
6. PROVIDE HSS1-1/2x3x1/4 MEMBERS AT 24" O.C. ATTACHED TO TOP OF CONCRETE PLANKS WITHIN ROOF DECK FLUTES. RE:I11/S501.
7. REFER TO DETAIL D11/S501 FOR BEAM BEARING IN CMU WALL, REFER TO DETAIL F15/S501 (SIM) FOR REINFORCEMENT BELOW BEAM BEARING.
8. REFER TO DETAIL D11/S501 (SIM) FOR BEAM BEARING IN CMU WALL.
9. REFER TO DETAIL D15/S501 (SIM) FOR CMU LINTEL OVER THIS OPENING.
10. HSS5x5x1/2" T.O.S.=121'-0" REFER TO DETAIL I1/S501 FOR CONNECTION DETAILS (T.O.S. = 118'-0" @ GRID 1-A).
11. HSS8x8x1/2" T.O.S.=116'-0" REFER TO DETAIL I1/S501 FOR CONNECTION DETAILS.
12. PRE-CAST PLANK MANUFACTURER TO DESIGN CONCRETE PLANKS TO SUPPORT HUNG LOAD OF 50 POUNDS FOR WASHER BOOM IN THIS AREA.
13. PROVIDE AN HSS 1-1/2x3x1/4 MEMBER CANTILEVERED TO SUPPORT PERPENDICULAR MEMBER, MINIMUM 6'-0" BACKSPAN.

ROOF FRAMING NOTES

1. TYPICAL ROOF DECK: 1 ½" TYPE 'B', 20 GAGE STEEL ROOF DECK AS MANUFACTURED BY VULCRAFT OR APPROVED EQUAL. MAXIMUM SPAN IS 5'-0". REFER TO DIAPHRAGM CONNECTION SCHEDULE SHEET S600 FOR ATTACMENT DETAILS.
2. REFER TO B2/S501 FOR TYPICAL SPLICE PLATE CONNECTIONS. REFER TO B1/S501 FOR TYPICAL BEAM TO BEAM CONNECTIONS.
3. (XX) INDICATES ROOF DIAPHRAGHM. RE: SCHEDULE ON SHEET S600 FOR CONNECTION INFO.
4. MASONRY WALLS DENOTED THUS: WW ON PLAN. REFER TO MASONRY WALL SCHEDULE FOR WALL REINFORCEMENT, SHEET S300.
5. NOT USED.
6. STEEL ROOF JOISTS SHALL BE AS NOTED ON PLANS, MANUFACTURED BY VULCRAFT OR APPROVED EQUAL. MAINTAIN AN L/360 DEFLECTNG FOR TOTAL LOAD. SUBMIT THE LIST OF ALTERNATIVE STEEL ROOF JOIS" MANUFACTURERES TO STRUCTURAL ENGINEER FOR APPROVAL. STEEL ROOF JOISTS SHALL BE SPACED AT 5'-0" O.C. MAXIMUM (UNLESS NOTED OTHERWISE ON PLANS), SEE PLAN FOR SIZES AND LOCATICNS. SUBMIT SHOP DRWINGS AND CALCULATIONS TO ENGINEER FOR REVIEW. JOIST MANUFACTURERE TO PROVIDE EXTENDED TO TOP CHORDS AT OVERHANGS AS REQUIRED.
7. NOT USED.
8. REFER TO ARCHITECTURAL FOR ALL ROOF OVERHANGS
9. TYPICAL WALL STUDS TO BE 6" CSW 14 GA. @ 16" O.C. (BY DIETRICH OR EQUAL) UNLESS NOTED OTHERWISE ON PLANS. PROVDE DOUBLE STUDS (FACE TO FACE) AT EACH SIDE OF EACH OPENING.
10. REFER TO DETAIL D15/S501 FOR MASONRY LINTEL INFORMATION.
11. REFER TO DETAIL F15/S501 FOR MASONRY PILASTER REINFORCEMENT REQUIRED AT EACH BEAM BEARING.



B1 TYPICAL OVER-HEAD DOOR ELEVATION
1/8" = 1'-0"

RNL
1660 17th STREET
SUITE 200
DENVER, CO 80265
303 295 1717 t
303 292 0845 f

CITY OF LOUISVILLE
LOUISVILLE CITY SERVICES FACILITY
739 S. 104TH ST.
LOUISVILLE, CO 80027

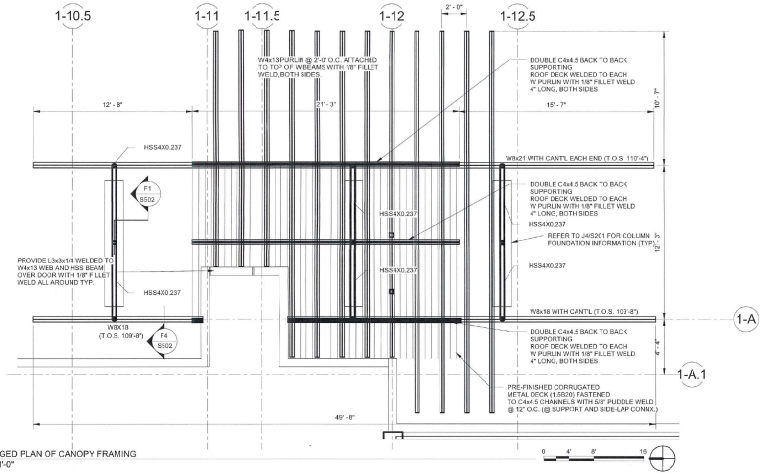
No	REVISION/SUBMISSION	DATE
1	ASI #1	11/12/2014
	CONSTRUCTION DOCUMENTS	09/11/2014

PROJECT No: R16032.01

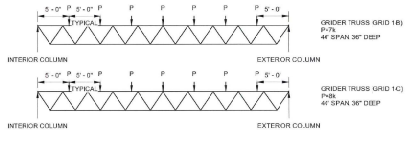
ROOF FRAMING PLAN FOR MAIN BLDG-NORTH END

S411A

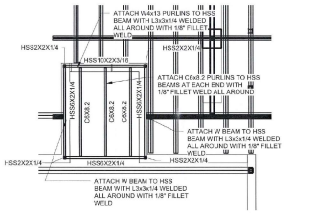
222



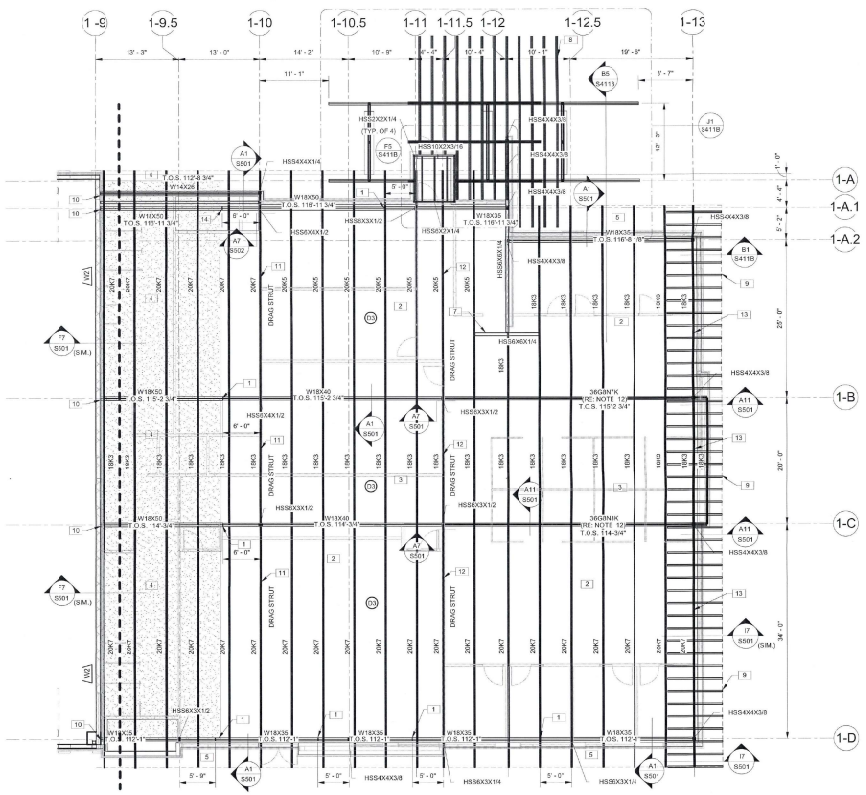
J1 ENLARGED PLAN OF CANOPY FRAMING
1/4" = 1'-0"



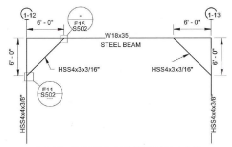
F1 GIRDER TRUSS LOADING DIAGRAM
1/8" = 1'-0"



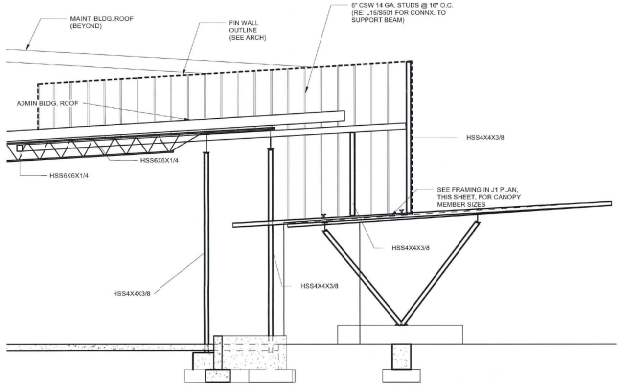
F5 ENLARGED VESTIBULE FRAMING
1/4" = 1'-0"



F1 ROOF FRAMING PLAN SOUTH END
1/8" = 1'-0"



B1 BRACED FRAME ELEVATION (GRID 1-A.2)
1/8" = 1'-0"



B5 FIN WALL ELEVATION
1/4" = 1'-0"

KEYNOTES

1. REFER TO DETAIL A15/S502 FOR SPLICE PLATE AND COLUMN CAP PLATE INFORMATION.
2. PROVIDE 3 ROWS OF BRIDGING FOR JOISTS IN THIS AREA.
3. PROVIDE 2 ROWS OF BRIDGING FOR JOISTS IN THIS AREA.
4. SHADED AREA INDICATES EXTENT OF POTENTIAL SNOW DRIFT. JOIST MANUFACTURER TO DESIGN JOISTS FOR ADDITIONAL 72 P.S.F. LL FOR TOTAL LIVE LOAD OF 102 P.S.F.
5. PROVIDE TYPE R10 TOP CHORD EXTENSIONS FOR JOISTS BEARING ON GRILD LINE 1-A AND 1-D.
6. PROVIDE R11 TOP CHORD EXTENSIONS FOR JOISTS BETWEEN GRID 1-9 AND 1-12 ON GRID 1-A.1.
7. PROVIDE HSS6X6X1/4 WELDED TO TOP CHORD OF ROOF JOIST EACH SIDE TO SUPPORT CANTILEVER REINFORCEMENT BEAM. REFER TO B4/S501 FOR ATTACHMENT DETAILS.
8. PROVIDE W4X13 PURLINS @ 2'-0" O.C.
9. PROVIDE HSS 1 1/2X3X1/4 MEMBERS AT 24" O.C. ATTACHED TO TOP OF ROOF JOIST WITHIN ROOF DECK FLUTES. RE:17/S501.
10. REFER TO DETAIL D11/S501 FOR BEAM BEARING IN CMU WALL, REFER TO DETAIL F15/S501 (SIM) FOR REINFORCEMENT BELOW BEAM BEARING.
11. JOIST MANUFACTURER TO DESIGN JOISTS ALONG GRID 10 TO WITHSTAND 4592 POUNDS AXIAL FORCE.
12. JOIST MANUFACTURER TO DESIGN JOISTS ALONG GRID 11.5 TO WITHSTAND 6160 POUNDS AXIAL FORCE.
13. JOIST MANUFACTURER TO DESIGN JOISTS ALONG GRID 13 TO WITHSTAND 4480 POUNDS AXIAL FORCE.
14. REFER TO DETAIL A15/S502 (SIM) FOR SPLICE PLATE CONNECTION AND DETAIL A7/S502 FOR COLUMN CAP INFORMATION AT THIS LOCATION.

ROOF FRAMING NOTES

1. TYPICAL ROOF DECK: 1 ½"-TYPE "B", 20 GAGE STEEL ROOF DECK AS MANUFACTURED BY VULCRAFT OR APPROVED EQUAL. MAXIMUM SPAN IS 5'-0". REFER TO DIAPHRAGM CONNECTION SCHEDULE SHEET S600 FOR ATTACMENT DETAILS.
2. REFER TO D1/S501 FOR TYPICAL BEAM TO BEAM CONNECTIONS.
3. (DX) INDICATES ROOF DIAPHRAGM, RE: SCHEDULE ON SHEET S600 FOR CONNECTION.
4. MASONRY WALLS DENOTED THUS ⟨MW⟩ ON PLAN. REFER TO MASONRY WALL SCHEDULE FOR WALL REINFORCEMENT, SHEET S600.
5. NOT USED
6. STEEL ROOF JOISTS SHALL BE AS NOTED ON PLANS, MANUFACTURED BY VULCRAFT OR APPROVED EQUAL. MAINTAIN AN L/360 DEFLECTING FOR TOTAL LOAD. SUBMIT THE LIST OF ALTERNATIVE STEEL ROOF JOIST MANUFACTURERES TO STRUCTURAL ENGINEER FOR APPROVAL. STEEL ROOF JOISTS SHALL BE SPACED AT 5'-0" O.C. MAXIMUM UNLESS NOTED OTHERWISE ON PLANS), SEE PLAN FOR SIZES AND LOCATIONS. SUBMIT SHOP DRWINGS AND CALCULATIONS TO ENGINEER FOR REVIEW. JOIST MANUFACTURERE TO PROVIDE EXTENDED TO TOP CHORDS AT OVERHANGS AS REQUIRED.
7. NOT USED.
8. REFER TO ARCHITECTURAL FOR ALL ROOF OVERHANGS.
9. TYPICAL WALL STUDS TO BE 6" CSW 14 GA. @ 16" O.C. (1.625" FLANGE) BY DIETRICH OR APPROVED EQUAL) UNLESS NOTED OTHERWISE ON PLANS. PROVIDE DOUBLE STUDS (FACE TO FACE) AT EACH SIDE OF OPENINGS. PROVIDE DOUBLE STUDS (BACK TO BACK) ALONG WEST SIDE OF MAINTENANCE AREA (GRIDS 1-2 TO 1-9).
10. REFER TO DETAIL D15/S501 FOR MASONRY LINTEL INFORMATION.
11. REFER TO DETAIL F15/S501 FOR MASONRY PILASTER REINFORCEMENT REQUIRED AT EACH BEAM BEARING.
12. JOIST MANUFACTURER TO DESIGN JOIST GIRDERS FOR AXIAL FORCE OF 6650 POUNDS. REFER TO DETAL XX/S502 FOR LOADING DIAGRAM.

RNL
1660 17th STREET
SUITE 450
DENVER, CO 80265
303 295 1717 t
303 292 0845 f

CITY OF LOUISVILLE
LOUISVILLE CITY SERVICES FACILITY
739 S. 104TH ST.
LOUISVILLE, CO 80027

No	REVISION/SUBMISSION	DATE
1	ASI #1	11/12/2014
	CONSTRUCTION DOCUMENTS	09/11/2014

PROJECT No: R18022.01

ROOF FRAMING PLAN FOR MAIN BLDG-SOUTH END

S411B

223

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/19/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER U.S. National Insurance, LLC 8201 N Hayden Rd. Scottsdale AZ 85258	**CONTACT NAME:** Parker Cagle **PHONE (A/C, No, Ext):** 602-362-3130 **FAX (A/C, No):** 602-362-3195 **E-MAIL ADDRESS:** pcagle@usnational.com
INSURED Terpstra Roofing, LLC 5671 Emporia St. Denver CO 80238	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Accredited Specialty Insurance Company 16835 **INSURER B :** **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y	Y	2ACPCO17S011473800	4/19/2023	4/19/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ $ $ $ $
	[ ] **UMBRELLA LIAB** [ ] OCCUR [ ] **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE 	$ $ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					[ ] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Waiver of Subrogation applies when required by written contract.

Additional Insured applies when required by written contract.

CERTIFICATE HOLDER

City of Louisville, CO

749 Main Street
Louisville CO 80027

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Parker Cagle

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/19/2024

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PRODUCER	CONTACT NAME:	
Pinnacol Assurance 7501 E. Lowry Blvd Denver, CO 80230	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS: support@pinnacol.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Pinnacol Assurance	41190
INSURED Terpstra Roofing LLC 5671 Emporia Street Denver, Colorado 80238	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	☐ OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	N	4236605	04/19/2023	04/19/2024	X PER STATUTE ☐ OTH-ER	
							E.L. EACH ACCIDENT	$ 1000000
							E.L. DISEASE - EA EMPLOYEE	$ 1000000
							E.L. DISEASE - POLICY LIMIT	$ 1000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Unless otherwise stated in the policy provisions, coverage in Colorado only.

CERTIFICATE HOLDER

City of Louisville, CO
749 Main Street
Louisville, CO 80027

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Pinnacol Assurance

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CERTIFICATE HOLDER COPY

City of Louisville, CO
749 Main Street
Louisville, CO 80027

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend, or alter the coverage afforded by the policies listed thereon.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT (CONT)

City of Louisville

2023 City Services Roof Roof Covering w/ 20yr Warranty

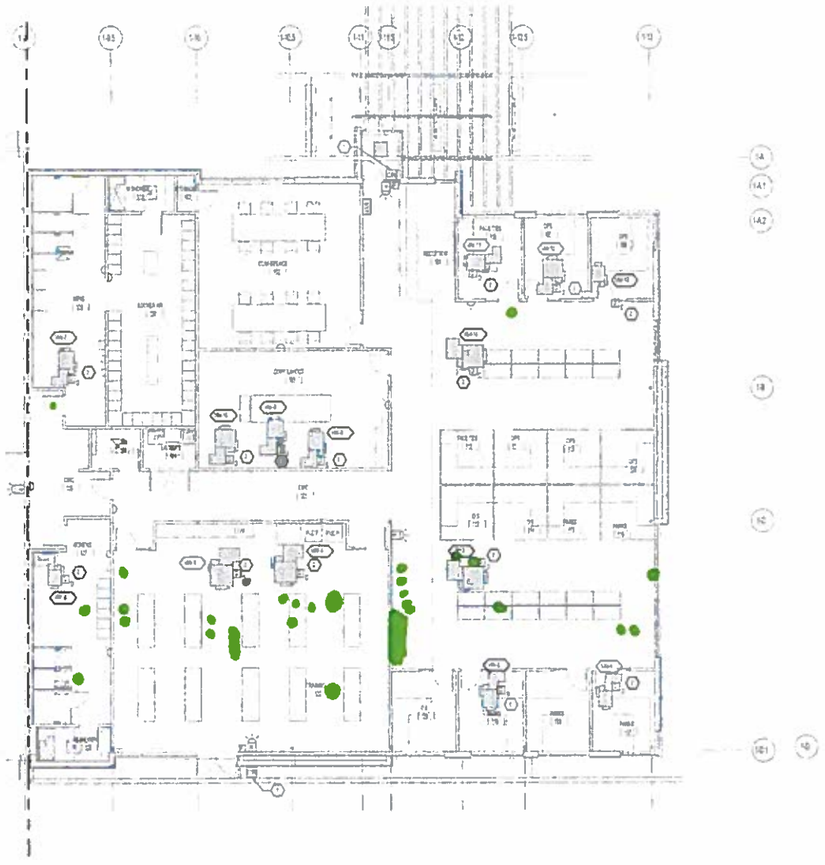
Date: 1-Mar-24

Only East/Admin Building of City Services

		10 Yr warranty		20 Yr Warranty			
Contractor	**Bid In Order**	**Base Lump Sum**	**Pre-Qualify**	**Alternate # 1**	**Alternate #2**		**Total w/ Alternates**
Northwest Roofing		$ 115,990.00		$ 54,000.00			$ 169,990.00
Modern Roofing Co		$ 127,500.00		$ 49,038.46			$ 176,538.46
Axe Roofing		$ 117,852.46		$ 42,073.85			$ 159,926.31
Terpstra Roofing		$ 112,214.00		$ 28,593.00			$ 140,807.00

SHEET NOTES

KEY NOTES



1 ADMIN/OPS LEVEL 1 - SOUTH SPECIAL SYSTEMS PLAN

RNL
1050 17TH STREET
SUITE 2400
DENVER, CO 80265
303 295 1717 t
303 292 0845 f

RMH GROUP

CIVIL MARTIN MARTIN
LANDSCAPE RNL
STRUCTURAL HOLT ZOLLARS
ARCHITECTURAL RNL
EQUIPMENT MAINTENANCE DESIGN GROUP
PLUMBING RMH GROUP
MECHANICAL RMH GROUP
ELECTRICAL RMH GROUP
ENERGY MODELING AMBIENT ENERGY

CITY OF LOUISVILLE
LOUISVILLE CITY SERVICES FACILITY

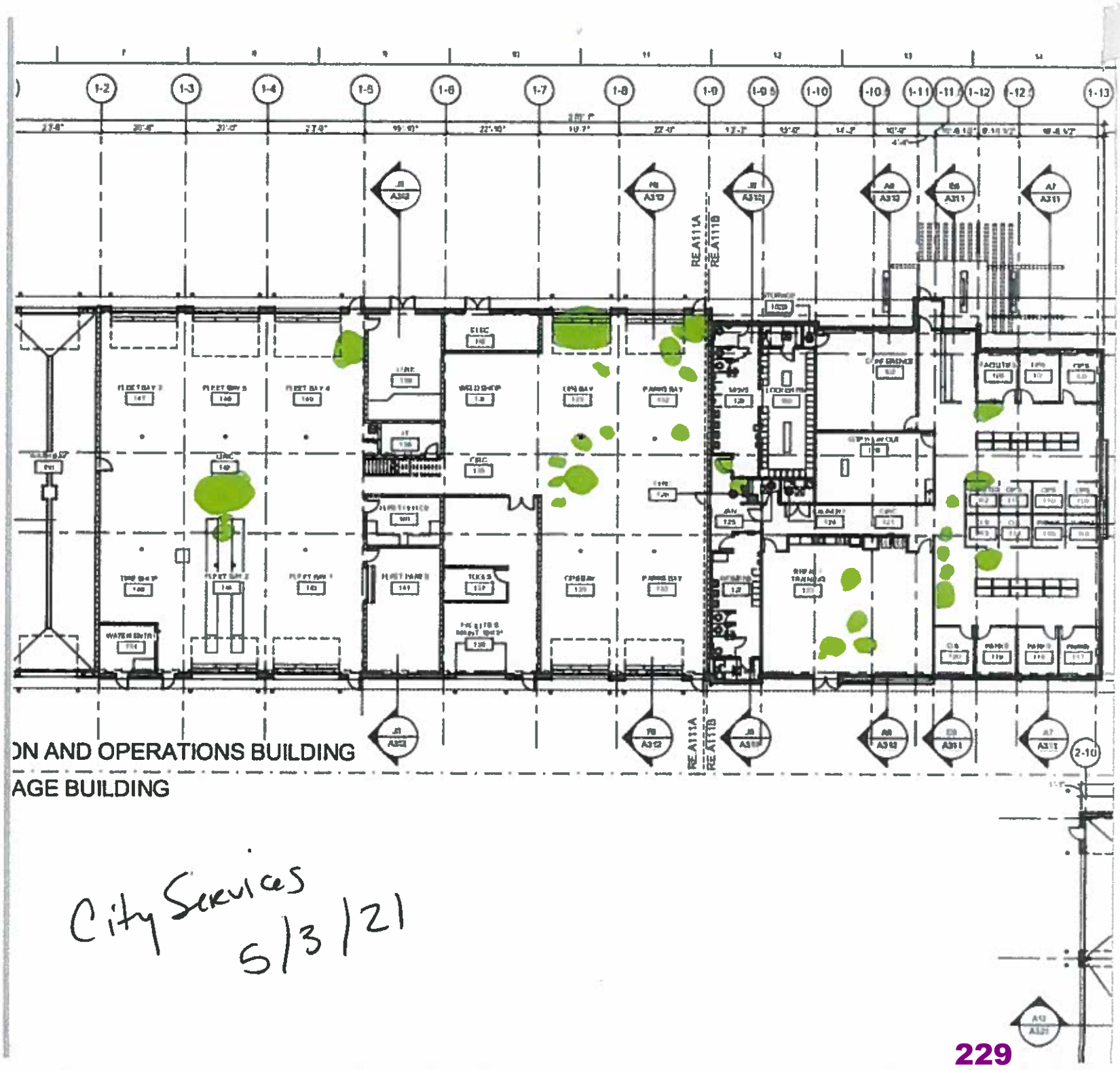
739 SOUTH 104TH STREET
LOUISVILLE, CO 80027

A B
E
C D

(ADMIN/OPS) LEVEL 1 SPECIAL SYSTEMS PLAN - AREA B

E311B

Rain on 4/25-26/2023



Northwest

City Services
5/3/21

E

X = on mezzanine level

8/16/22

SHEET NOTES

1. IF DISCREPANCIES EXIST BETWEEN THE DRAWINGS AND THE FIELD CONDITIONS, NOTIFY THE ARCHITECT IMMEDIATELY FOR CLARIFICATION BEFORE PROCEEDING WITH THE WORK.
2. COORDINATE ALL EQUIPMENT LOCATIONS WITH THE OTHER TRADES PRIOR TO CONSTRUCTION.

KEY NOTES

1. PROVIDE JUNCTION BOX MOUNTED 48" AFF FOR OWNER PROVIDED CARD READER SYSTEM. PLUG INTO 1" EMPTY CONDUIT TO BE ABOVE ACCESSIBLE CEILING NON-FIRE RATED WALL PLATE. REFER TO SHEET E311A FOR SECURITY CABLING AND DEVICES TO BE PROVIDED BY OWNER'S SECURITY SYSTEM VENDOR. VERIFY EXACT LOCATION WITH OWNER'S REPRESENTATIVE. COORDINATE INSTALLATION AND MOUNTING WITH ARCHITECTURAL PLANS. REFER TO KEY NOTE #10.
2. PROVIDE FLEX AND JUNCTION BOX AS PER THE FIRE CRITERIA SECTION 3.09.020 OF THE FIRE ALARM CRITERIA MANUAL.
3. ALL DEVICES AND EQUIPMENT IN MECH RM SHALL BE WET LOCATION RATED.

RNL
1660 17th STREET
SUITE 1200
DENVER, CO 80202
303 295 1717 t
303 292 0845 f

RMH GROUP

CIVIL MARTIN/MARTIN
LANDSCAPE RNL
STRUCTURAL HUNT ZOLLARS
ARCHITECTURAL RNL
EQUIPMENT PLANNING DESIGN GROUP
PLUMBING RMH GROUP
MECHANICAL RMH GROUP
ELECTRICAL RMH GROUP
ENERGY MODELING ABRENERGYFIT

1 (ADMIN/OPS) LEVEL 1 SPECIAL SYSTEMS PLAN - AREA A
SCALE: 1/8" = 1'-0"

CITY OF LOUISVILLE
LOUISVILLE CITY SERVICES FACILITY
739 SOUTH 104TH STREET
LOUISVILLE, CO 80027

(ADMIN/OPS) LEVEL 1 SPECIAL SYSTEMS PLAN - AREA A

E311A

Rain on 4/25-26/2023

SUBJECT: **HOLE 13 CART PATH CONTRACT**

i. **APPROVAL OF ADDITIONAL FUNDING FOR HOLE 13 CART PATH CONSTRUCTION**

II. **AWARD BID FOR HOLE 13 CART PART CONSTRUCTION TO TRIPLE M CONSTRUCTION AND APPROVE CONTRACT**

DATE: **MAY 7, 2024**

PRESENTED BY: **BRYON WEBER, PROJECT MANAGER**
ADAM BLACKMORE, DIRECTOR
PARKS, RECREATION, AND OPEN SPACE DEPARTMENT

SUMMARY:
An approximately 750 linear foot segment of cart path serving Hole 13 on the Coal Creek Course has been missing since the 2013 flood. The missing section of path causes continual problems for golfers and maintenance staff through uncontrolled wearing of the turf surfaces and inability to direct and restrict cart travel on this portion of the course. Reconstruction is complicated by adjacent homes, presence of the Coal Creek floodplain and limited construction access routes which are all cost factors for the project.

In partnership between Public Works and Parks, Recreation and Open Space Departments, staff have obtained engineered drawings for a new path alignment and completed a competitive bidding process for construction. Respondents were asked for a lump-sum price based on a set of drawings and specifications supplied by the City. The bids received are as follows:

Company Name	***Base Bid***
Triple M Construction	$175,603.00
Goodland Construction	$180,571.00
Integrated Site Services	$180,891.12
Metro Pavers Inc.	$231,085.60

Triple M Construction was the lowest bidder with a complete and accurate proposal.

To avoid further delays in replacement, staff requests an additional $57,103 in capital funding to construct the project for the costs shown below. This includes a limited scope of engineering services required for permitting construction within the floodplain and an

approximately 10% project contingency for potential unexpected costs. Staff recommends the work be completed in 2024 while the low-bid contractor is mobilized in the City for other concrete projects, as it will likely be more cost effective to address now rather than delaying to a future year(s).

Should the funding increase not be approved, the Department(s) would need to pursue further funding via Capital Improvement Request. The segment would then need to be completed during a future fiscal year as additional funds are available, prolonging the overall completion date and subjecting the project to anticipated cost escalations in coming years.

FISCAL IMPACT:
The floodplain engineering, Hole 13 Cart Path Construction and 10% requested contingency are above the original budget for this project. Additional capital funding is requested as outlined below.

Note that the Coal Creek Golf Course operates as an Enterprise fund, however the current finances aren't able to support significant construction projects such as this.

Estimated Budget	
Acct. No. 301537-630115	$141,000
Additional Capital Funding Requested	$57,103
Total Budget:	**$198,103.00**

Expenditures	
ICON Engineering (Floodplain Review/Approval)	$5,000.00
Triple M Construction	$175,603.00
Staff Requested Contingency (~10%)	$17,500.00
Total Expenditures:	**$198,103.00**
Budget Remaining	**($0.00)**

SCHEDULE:
To avoid disrupting the golf course during peak season, the contractor is required to complete the work in late-September with substantial completion anticipated in early-October. Staff will work with the Golf Course Maintenance and Operations teams to minimize impacts from closures.

PROGRAM/SUB-PROGRAM IMPACT:
The recommended contract supports Recreation program's goal to provide high-quality recreation and leisure activities and the Golf Course sub-program's goal of attracting and retaining golfers by offerings competitive amenities, continuous maintenance and professional management.

RECOMMENDATION:
Staff recommends City Council increase project funding by $57,103, award the project to Triple M Construction per their bid of $175,603, authorize staff to execute change orders up to $17,500 as a ~10% project contingency and authorize the Mayor, City Manager, Parks, Recreation, and Open Space Director and City Clerk to sign and execute contract documents on behalf of the City. Staff has confirmed with the Finance Department that adequate fund balance is available in the Capital Project Fund. If approved, Fiscal Staff will appropriate the additional funds as part of the 5/7/24 budget amendment.

ATTACHMENT(S):
1. Triple M Construction bid submittal
2. Drawing showing proposed work areas and path alignment
3. Contractor Agreement

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☒	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

Bid Form

PROJECT:	**COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER:	**301537-630115**
OWNER:	**CITY OF LOUISVILLE, COLORADO**

THIS BID IS SUBMITTED TO: CITY OF LOUISVILLE, COLORADO

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Contract Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.

2. BIDDER accepts all of the terms and conditions of the Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid Security. This Bid will remain subject to acceptance for sixty days after the day of Bid opening. BIDDER will sign and submit the Agreement with the Bonds and other documents required by the Bidding Requirements within ten days after the date of OWNER's Notice of Award.

3. In submitting this Bid, BIDDER represents, as more fully set forth in the Agreement, that:

   (a) BIDDER has examined copies of all the Bidding Documents and of the following Addenda receipt of all which is hereby acknowledged: (List Addenda by Addendum Number and Date):

Date	Number
2/22/24	1 MM
3/4/24	2 MM
3/13/24	3 MM
3/13/24	4 MM

   (b) BIDDER has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

   (c) BIDDER has studied carefully all reports and drawings of subsurface conditions and drawings of physical conditions which are identified in the General Conditions as provided in paragraph 4.2, and accepts the determination set forth in paragraph 4.2 of the General Conditions. BIDDER has inspected the site and has obtained conducted and carefully studied (or assumes responsibility for obtaining and carefully studying) all examinations, investigations, explorations, tests and studies which pertain to the subsurface or physical conditions at the site or otherwise may affect the cost, progress, performance or furnishing of the Work as BIDDER considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.2 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, or similar information or data are or will be required by BIDDER for such purpose.(d) BIDDER has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports or similar information or data in respect of said Underground Facilities are or will be required by BIDDER in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and

conditions of Contract Documents, including specifically the provisions of paragraph 4.3 of the General Conditions.

(e) BIDDER has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

(f) BIDDER has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that BIDDER has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to BIDDER, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work for which this Bid is submitted.

(g) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for himself any advantage over any other Bidder or over OWNER.

4. BIDDER will complete the Work in accordance with Contract Documents for the following price(s):

Schedule of Unit Prices

PROJECT: COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT
PROJECT NUMBER: 301537-630115
OWNER: CITY OF LOUISVILLE, COLORADO

BASE BID

ITEM #	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
1	Mobilization	LS	1	7,000 00	7,000 00
2	Erosion Control	LS	1	7,000 00	7,000 00
3	Traffic Control	LS	1	7,000 00	7,000 00
4	Remove Existing Sod and 4" Existing Material Below Sod	SY	336	56 00	18,816 00
5	Landscape Restoration – Regrade and Seed	SY	125	27 00	3,375 00
6	Unclassified Excavation	SY	504	52 00	26,208 00
7	Imported Borrow (Complete in Place)	TON	134	142 00	19,028 00
8	Structural Excavation and Backfill (Complete in Place)	TON	50	152 00	7,600 00
9	Furnish and Install Imported Topsoil (6")	TON	70	100 00	7,000 00
10	Furnish and Install New Sod	SF	3,024	7 00	21,168 00
11	Sawcut Joints	LF	756	2 00	1,512 00
12	New 6" Concrete	SF	4,536	11 00	49,896 00

BID TOTAL: 175,603 00

Prices have been computed in accordance with paragraph 11.9.2 of the General Conditions.

BIDDER acknowledges that quantities are not guaranteed, and final payment will be based on actual quantities determined as provided in the Contract Documents.

5. BIDDER agrees that the Work;

   Will be substantially complete and completed and ready for final payment in accordance with paragraph 14.13 of the General Conditions on or before the dates or within the number of Contract Days indicated in the Agreement.

   BIDDER accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work within the times specified in the Agreement.

6. The following documents are attached to and made a condition of this Bid:

   (a) Required Bid Security;

   (b) A list of Subcontractors and other persons and organizations proposed to perform the Work are required to be identified on the Schedule of Subcontractors and submitted in this Bid;

   (c) Anti-Collusion Affidavit; and

   (d) If BIDDER is a partnership, a list of all partners, their addresses, and their interest and role in the partnership business.

7. Communications concerning this Bid shall be addressed to:
   The address of BIDDER indicated below.

   7200 Quivas St
   Denver Co 80221

8. Terms used in this Bid, which are defined in the General Conditions of the Construction Contract included as part of the Contract Documents, have the meanings assigned to them in the General Conditions.

SUBMITTED on March 20, 2024.

If BIDDER is:

An Individual

By _____
(Individual's Name)

(SEAL)

doing business as _____

Business address: _____

_____

_____

Phone No.: _____

A Partnership

By _____
(Firm Name)

(SEAL)

_____
(General Partner)

Business address: _____

_____

_____

Phone No.: _____

A Corporation

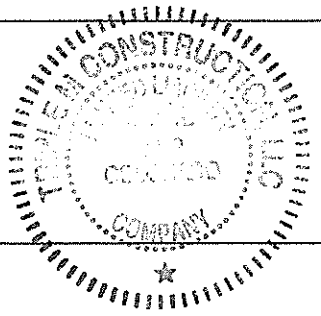
By Triple M Construction, LLC
(Corporation Name)

Colorado
(State of incorporation)

By Mabel Moreno
(Name of person authorized to sign)

President
(Title)

(CORPORATE SEAL)



Attest martin moreno
(Secretary)

Business address: 7200 Quivas St
Denver CO 80221

Phone No.: 720-331-6342

Date of Qualification to do business: September 2012

A Joint Venture

By _____
(Name)

_____
(Address)

By _____
(Name)

_____
(Address)

Phone Number and Address for receipt of official communications

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bid Bond

BIDDER (Name and Address):

Triple M Construction, LLC
7200 Quivas Street
Denver, CO 80221

SURETY (Name and Address of Principal Place of Business):

Philadelphia Indemnity Insurance Company
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004

OWNER (Name and Address):

City of Louisville
749 Main Street
Louisville, CO 80027

BID:

BID DUE DATE: 03-05-2024
PROJECT (Brief Description Including Location):
Coal Creek Golf Course, Hole 13 Cart Path

BOND:

BOND NUMBER: BID
DATE: (Not later than Bid Due Date): March 5th, 2024
PENAL SUM: Five Percent (5%) of the Total Bid Amount

IN WITNESS WHEREOF, Surety and Bidder, intending to be legally bound hereby, subject to the terms printed on the reverse side hereof, do each cause this Bid Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

BIDDER

Triple M Construction, LLC (Seal)
Bidder's Name and Corporate Seal

By: _____
Signature and Title
Mabel Moreno, President

Attest: _____
Signature and Title
Martin Moreno, Memeber

SURETY

Philadelphia Indemnity Insurance Company (Seal)
Surety's Name and Corporate Seal

By: _____
Signature and Title
Tim Mitchell, Attorney-in-Fact

Attest: _____
Signature and Title
William R. Greer, Attorney-in-Fact

Note: (1) Above addresses are to be used for giving requiring notice.
(2) Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents the properly executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents.

3. This obligation shall be null and void if:

   3.1. Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents, or

   3.2. All bids are rejected by Owner, or

   3.3. Owner fails to issue a notice of award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within thirty (30) calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of and any and all defenses based on or arising out of any time extension to issue notice of award agreed to in writing by Owner and Bidder, provided that the time for issuing notice of award including extensions shall not in the aggregate exceed 120 days from Bid Due Date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to thirty (30) calendar days after the notice of default required in paragraph 4 above is received by Bidder and Surety, and in no case later than one year after Bid Due Date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notice required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent or representative who executed this Bond on behalf of Surety to execute, seal and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirements of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of the Bond conflicts with any applicable provision of any applicable statute, then the provision of said statue shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "bid" as used herein includes a bid, offer or proposal as applicable.

PHILADELPHIA INDEMNITY INSURANCE COMPANY
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint **William R. Greer and Tim Mitchell of Trusted Advisors LLC** its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed **$50,000,000.**

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November, 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEALTO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 5TH DAY OF MARCH, 2021.

(Seal)

John Glomb, President & CEO
Philadelphia Indemnity Insurance Company

On this 5th day of March, 2021 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Commonwealth of Pennsylvania - Notary Seal
Vanessa Mckenzie, Notary Public
Montgomery County
My commission expires November 3, 2024
Commission number 1366394
Member, Pennsylvania Association of Notaries

Notary Public: Vanessa McKenzie

residing at: Bala Cynwyd, PA

My commission expires: November 3, 2024

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 5th day March, 2021 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 5th day of March, 2024

Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond.Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents the properly executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents.

3. This obligation shall be null and void if:

   3.1. Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents, or

   3.2. All bids are rejected by Owner, or

   3.3. Owner fails to issue a notice of award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within thirty (30) calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of and any and all defenses based on or arising out of any time extension to issue notice of award agreed to in writing by Owner and Bidder, provided that the time for issuing notice of award including extensions shall not in the aggregate exceed 120 days from Bid Due Date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to thirty (30) calendar days after the notice of default required in paragraph 4 above is received by Bidder and Surety, and in no case later than one year after Bid Due Date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notice required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent or representative who executed this Bond on behalf of Surety to execute, seal and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirements of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of the Bond conflicts with any applicable provision of any applicable statute, then the provision of said statue shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "bid" as used herein includes a bid, offer or proposal as applicable.

Schedule of Subcontractors

PROJECT: **COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER: **301537-630115**
OWNER: **CITY OF LOUISVILLE, COLORADO**

This Bid is based on subcontracting certain portions of the work to subcontractors as listed below.

Name: N/A _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Name: _____ _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Name: _____ _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Name: _____ _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Name: _____ _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Name: _____ _ Telephone No. _____
Address: _____
City: _____ State: _____ Zip Code: _____
Services/equipment to be provided: _____

Anti-Collusion Affidavit

PROJECT: COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT
PROJECT NUMBER: 301537-630115
OWNER: CITY OF LOUISVILLE, COLORADO

I hereby attest that I am the person responsible within my firm for the final decision as to the price(s) and amount of this Bid or, if not, that I have written authorization, enclosed herewith, from that person to make the statements set out below on his or her behalf of my firm.

I further attest that:

1. The price(s) and amount of this bid have been arrived at independently, without consultation, communication, or agreement for the purpose or with the effect of restricting competition with any other firm or person who is a BIDDER or potential prime BIDDER.
2A. Neither the price(s) nor the amount of this Bid have been disclosed to any other firm or person who is a BIDDER or potential prime BIDDER on this project and will not be so disclosed prior to bid opening.
2B. Neither the prices nor the amount of the Bid of any other firm or person who is a BIDDER or potential prime BIDDER on this project have been disclosed to me or my firm.
3A. No attempt has been made to solicit, cause, or induce any firm or person who is BIDDER or potential prime BIDDER to refrain from bidding on this project, or to submit a Bid higher than the Bid of this firm, or any intentionally high or noncompetitive Bid or other form of complementary Bid.
3B. No agreement has been promised or solicited for any other firm or person who is a BIDDER or potential prime BIDDER on this project to submit an intentionally high, noncompetitive, or other form of complementary bid on this project.
4. The Bid of my firm is made in good faith and not pursuant to any consultation, communication, agreement, or discussion with, or inducement or solicitation by or from any firm or person to submit any intentionally high, noncompetitive, or other form of complementary bid.
5. My firm has not offered or entered into a subcontract or agreement regarding the purchase or sale of materials or services from any firm or person, or offered, promised, or paid cash or anything of value to any firm or person, whether in connection with this or any other project, in consideration for an agreement or promise by any firm or person to refrain from bidding or to submit any intentionally high, noncompetitive, or other form of complementary bid or agreeing or promising to do so on this project.
6. My firm has not accepted or been promised any subcontract or agreement regarding the sale of materials or services to any firm or person, and has not been promised or paid cash or anything of value by any firm or person, whether in connection with this or any other project, in consideration for my firm's submitting any intentionally high, noncompetitive or other form of complementary bid, or agreeing or promising to do so, on this project.
7. I have made a diligent inquiry of all members, officers, employees, and agents of my firm with responsibilities relating to the preparation, approval or submission of my firm's bid on this project and have been advised by each of them that he or she has not participated in any communication, consultation, discussion, agreement, collusion, or other conduct inconsistent with any of the statements and representations made in this affidavit.
8. I understand and my firm understands that any misstatement in this affidavit is and shall be treated as a fraudulent concealment from the OWNER of the true facts relating to submission of bids for this contract.

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAWS THAT THE STATEMENTS MADE ON THIS DOCUMENT ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

CONTRACTOR'S FIRM OR COMPANY NAME	SECOND CONTRACTOR'S FIRM OR COMPANY NAME (IF JOINT VENTURE)
BY: [signature]	BY:
TITLE: President	TITLE:
DATE: 3/20/24	DATE:

SWORN BEFORE ME THIS 20 DAY OF, March, 2024

NOTARY PUBLIC: Ashley Rebecca G. Salgado MY COMMISSION EXPIRES: 02/07/2028

ASHLEY REBECCA ENGLE SALGADO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20244005542
MY COMMISSION EXPIRES FEB. 07, 2028

Certification of EEO Compliance

PROJECT:	**COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER:	**301537-630115**
OWNER:	**CITY OF LOUISVILLE, COLORADO**

Instructions: BIDDERs and Subcontractors must complete and submit this form with the Bid Form. This is required by the Equal Employment Opportunity Regulations 41 CFR 1.7 (b) (1).

1. ✓ Yes ___ No	I have developed and have on file at each establishment an affirmative action program as required by 41 CFR Chapter 60, Part 60-2.
2. ✓ Yes ___ No	I have participated in a previous contract/subcontract subject to the equal opportunity clause.
3. ✓ Yes ___ No	I have filed with the Joint Reporting Committee, the Director, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements.

I declare under penalty of perjury in the second degree and any other applicable state or federal laws that the statements made in this document are true and complete to the best of my knowledge.

CONTRACTOR

✓ **BIDDER** ___ **PROPOSED SUBCONTRACTOR**

BY: Mahul Mocenigo

TITLE: President

DATE: 03-20-24

City of Louisville Public Services Contract Addendum

Prohibition Against Employing Workers Without Authorization

PROJECT:	**COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER:	**301537-630115**
OWNER:	**CITY OF LOUISVILLE, COLORADO**

Prohibition Against Employing Workers Without Authorization. Contractor shall not knowingly employ or contract with a worker without authorization to perform work under this contract. Contractor shall not enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with a worker without authorization to perform work under this contract.

Contractor will participate in either the E-verify program or the Department program, as defined in C.R.S. § § 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively, in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services. Contractor is prohibited from using the E-verify program or the Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Contractor obtains actual knowledge that a subcontractor performing work under this contract for services knowingly employs or contracts with a worker without authorization, Contractor shall:

a. Notify the subcontractor and the City within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and

b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this paragraph the subcontractor does not stop employing or contracting with the worker without authorization; except that the Contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. § 8-17.5-102(5).

If Contractor violates a provision of this Contract required pursuant to C.R.S. § 8-17.5-102, City may terminate the contract for breach of contract. If the contract is so terminated, the Contractor shall be liable for actual and consequential damages to the City.

Contractor's Pre-Contract Certification

Regarding Employing Workers Without Authorization

PROJECT:	**COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER:	**301537-630115**
OWNER:	**CITY OF LOUISVILLE, COLORADO**

The proposer of public services to the City of Louisville identified below (hereafter "the Proposer"), hereby certifies as follows:

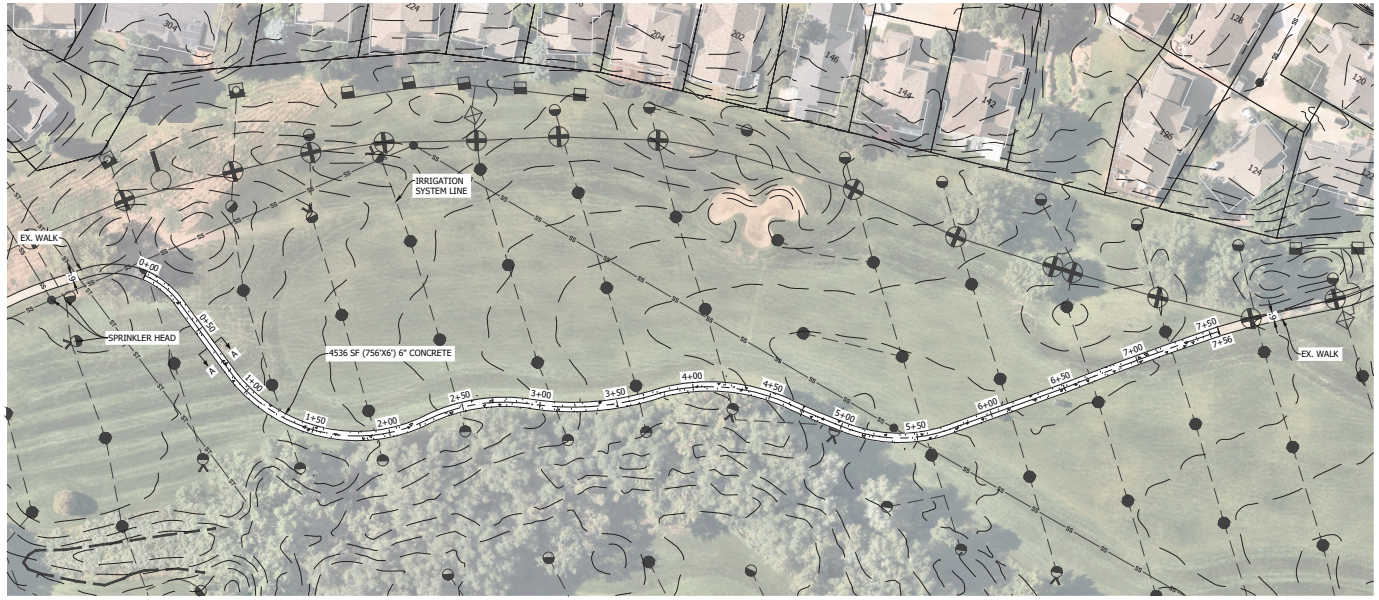
That at the time of providing this certification, Proposer does not knowingly employ or contract with an illegal alien; and that Proposer has participated in or attempted to participate in the Basic Pilot Program administered by the United States Department of Homeland Security in order to verify that it does not employ any illegal aliens.

Dated this 20th day of March, 2024.

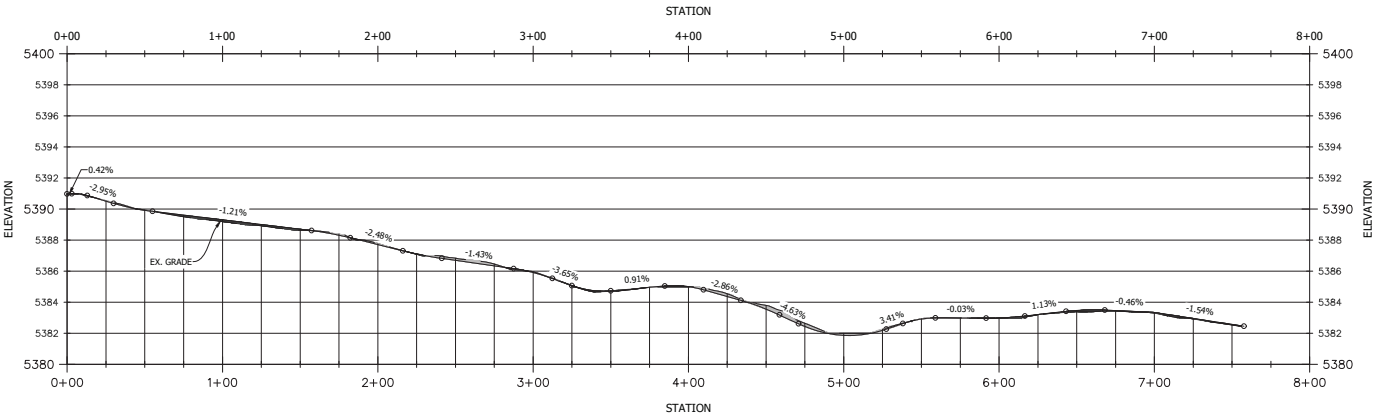
Proposer: Triple M Construction, LLC

By: [signature]

Title: President

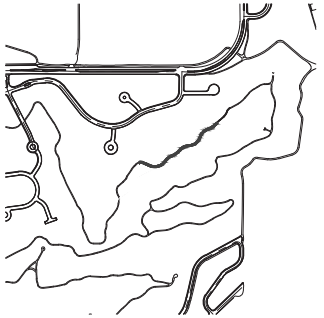


COAL CREEK GOLF COURSE - HOLE 13 PROFILE



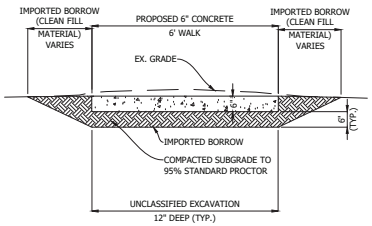
PROFILE

1" = 40' HORIZONTAL
1" = 4' VERTICAL

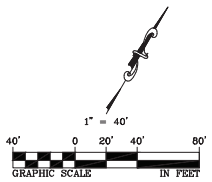


NOTES

1. PROVIDE #4 REBAR, CONTINUOUS, 18" ON CENTER, IN WALK AND CURB ADJACENT TO TREES AT LOCATIONS DIRECTED BY THE ENGINEER. REBAR SHALL EXTEND BEYOND EACH SIDE OF TREE, 10' MINIMUM, UNLESS OTHERWISE APPROVED BY THE ENGINEER. PROVIDE MASONITE OR OTHER APPROVED FORM MATERIAL IN CLOSE PROXIMITY TO TREES.
2. PROVIDE SAW CUT JOINTS AT 8' O.C.
3. PROVIDE ½" EXPANSION JOINT MATERIAL EVERY 96 FT (WITH SEALER).



SECTION A



City of Louisville
COLORADO - SINCE 1878

DESIGN BY: JS
DRAWN BY: MC
CHECKED BY:
APPROVED BY:
ISSUE DATE: 01/04/2024
REVISIONS:

COAL CREEK GOLF COURSE - HOLE 13

2024 CONCRETE REPLACEMENT PROJECT

SHEET 1 OF 1

O:\PROJECT\20100\20108C\04 CAD\ACAD\CITY OF LOUISVILLE_FOLDER STRUCTURE\CAD DRAWING FILES\CIP_2024\2024_CONCRETE\CAD EXHIBITS\GOLF COURSE HOLE 13\GOLF_COURSE_HOLE_13_CR_2024-SHT01.DWG

Agreement

THIS AGREEMENT is made and entered into this 8th day of May in the year 2024 by and between:

CITY OF LOUISVILLE, COLORADO
(hereinafter called OWNER)

and

TRIPLE M CONSTRUCTION
(hereinafter called CONTRACTOR)

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows.

Article 1. Work

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

PROJECT: **COAL CREEK GOLF COURSE HOLE 13 CART PATH PROJECT**
PROJECT NUMBER: **301537-630115**

Article 2. Contract Times

2.1. The CONTRACTOR shall substantially complete all work within **24 Contract Days** from the date when the Contract Time commences to run as identified in the Notice to Proceed. The Work shall be completed and ready for final payment in accordance with paragraph 14.13 of the General Conditions.

2.2. LIQUIDATED DAMAGES. The OWNER and the CONTRACTOR agree and recognize that time is of the essence in this contract and that the OWNER will suffer financial loss if the Work is not substantially complete by the date specified in paragraph 2.1 above, plus any extensions thereof allowed in accordance with the Article 12 of the General Conditions. OWNER and CONTRACTOR also agree that such damages are uncertain in amount and difficult to measure accurately. Accordingly, the OWNER and CONTRACTOR agree that as liquidated damages, and not as a penalty, for delay in performance the CONTRACTOR shall pay the OWNER **ONE THOUSAND DOLLARS ($1,000)** for each and every **Contract Day** and portion thereof that expires after the time specified above for substantial completion of the Work until the same is finally complete and ready for final payment. The liquidated damages herein specified shall only apply to the CONTRACTOR's delay in performance, and shall not include litigation or attorneys' fees incurred by the OWNER, or other incidental or consequential damages suffered by the OWNER due to the CONTRACTOR's performance. If the OWNER charges liquidated damages to the CONTRACTOR, this shall not preclude the OWNER from commencing an action against the CONTRACTOR for other actual harm resulting from the CONTRACTOR's performance, which is not due to the CONTRACTOR's delay in performance.

Article 3. Contract Price

3.1. The OWNER shall pay in current funds, and the CONTRACTOR agrees to accept in full payment for performance of the Work, subject to additions and deductions from extra and/or omitted work and determinations of actual quantities as provided in the Contract Documents, the Contract Price of ONE HUNDRED SEVENTY FIVE THOUSAND SIX HUNDRED THREE dollars ($ 175,603.00) set forth in the Bid Form of the CONTRACTOR dated March 20, 2024.

As provided in paragraph 11.9 of the General Conditions estimated quantities are not guaranteed, and determinations of actual quantities and classification are to be made by ENGINEER as provided in paragraph 9.10 of the General Conditions. Unit prices have been computed as provided in paragraph 11.9 of the General Conditions.

Article 4. Payment Procedures

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by OWNER as provided in the General Conditions.

4.1 PROGRESS PAYMENTS. OWNER shall make progress payments on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the third Wednesday of each month during construction as provided below. All progress payments will be on the basis of the progress of the Unit Price Work based on the number of units completed as provided in the General Conditions.

4.1.1.1 Prior to final completion and acceptance, progress payments will be made in the amount equal to 95 percent of the calculated value of completed Work, and/or 95 percent of materials and equipment not incorporated in the Work (but delivered, suitably stored and accompanied by documentation satisfactory to OWNER as provided in 14.2 of the General Conditions), but in each case, less the aggregate of payments previously made and such less amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.7 of the General Conditions.

If OWNER finds that satisfactory progress is being made in any phase of the Work, it may, in its discretion and upon written request by the CONTRACTOR, authorize final payment from the withheld percentage to the CONTRACTOR or subcontractors who have completed their work in a manner finally acceptable to the OWNER. Before any such payment may be made, the OWNER must, in an exercise of its discretion, determine that satisfactory and substantial reasons exist for the payment and there must be provided to the OWNER written approval from any surety furnishing bonds for the Work.

Nothing contained in this provision shall preclude the OWNER and CONTRACTOR from making other arrangements consistent with C.R.S. 24-91-105 prior to contract award.

4.2 FINAL PAYMENT. Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as provided in said paragraph 14.13 of the General Conditions.

Article 5. Contractor's Representations

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

5.1. CONTRACTOR has examined and carefully studied the Contract Documents, (including the Addenda listed in paragraph 6.10) and the other related data identified in the Bidding Documents including "technical".

5.2. CONTRACTOR has inspected the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work.

5.3. CONTRACTOR is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress and furnishing of the Work.

5.4. CONTRACTOR has carefully studied all reports of exploration and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions relating to surface or subsurface structures at or contiguous to the site (Except Underground facilities) which have been identified in the General Conditions as provided in paragraph 4.2.1 of the General Conditions. CONTRACTOR accepts the determination set forth in paragraph 4.2 of the General Conditions. CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR's purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to such reports, drawings or to Underground Facilities at or contiguous to the site. CONTRACTOR has conducted, obtained and carefully studied (or assume responsibility for having done so) all necessary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by CONTRACTOR and safety precautions and programs incident thereto. CONTRACTOR does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

5.5. CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or will be required by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.3 of the General Conditions.

5.6. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the site that relates to the Work as indicated in the Contract Documents.

5.7. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests studies and data with the Contract Documents.

5.8. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing the Work.

Article 6. Contract Documents

The Contract Documents, which constitute the entire agreement between OWNER and CONTRACTOR concerning the Work, are all written documents, which define the Work and the obligations of the Contractor in performing the Work and the OWNER in providing compensation for the Work. The Contract Documents include the following:

6.1. Invitation to Bid.
6.2. Instruction to Bidders.
6.3. Bid Form.
6.4. This Agreement.
6.5. General Conditions.
6.6. Supplementary Conditions.
6.7. General Requirements.
6.8. Technical Specifications.
6.9. Drawings with each sheet bearing the title: **Coal Creek Golf Course Hole 13 Cart Path Project.**
6.10. Change Orders, Addenda and other documents which may be required or specified including:
- 6.10.1. Addenda No. 1 to 4 exclusive
- 6.10.2. Documentation submitted by CONTRACTOR prior to Notice of Award
- 6.10.3. Schedule of Subcontractors
- 6.10.4. Anti-Collusion Affidavit
- 6.10.5. Certification of EEO Compliance
- 6.10.6. Notice of Award
- 6.10.7. Performance Bond
- 6.10.8. Labor and Material Payment Bond
- 6.10.9. Certificates of Insurance
- 6.10.10. Notice to Proceed
- 6.10.11. Contractor's Proposal Request
- 6.10.12. Contractor's Overtime Request
- 6.10.13. Field Order
- 6.10.14. Work Change Directive
- 6.10.15. Change Order
- 6.10.16. Application for Payment
- 6.10.17. Certificate of Substantial Completion
- 6.10.18. Claim Release
- 6.10.19. Final Inspection Report
- 6.10.20. Certificate of Final Completion
- 6.10.21. Guarantee Period Inspection Report

6.11. The following which may be delivered or issued after the Effective Date of the Agreement and are attached hereto: All Written Amendments and other documents amending, modifying, or supplementing the Contract Documents pursuant to paragraphs 3.5 and 3.6 of the General Conditions.

6.12. In the event of conflict between the above documents, the prevailing document shall be as follows:
1. Permits from other agencies as may be required.

2. Special Provisions and Detail Drawings.
3. Technical Specifications and Drawings. Drawings and Technical Specifications are intended to be complementary. Anything shown or called for in one and omitted in another is binding as if called for or shown by both.
4. Supplementary Conditions.
5. General Conditions.
6. City of Louisville Design and Construction Standards.
7. Reference Specifications.

In case of conflict between prevailing references above, the one having the more stringent requirements shall govern.

There are no Contract Documents other than those listed above in this Article 6. The Contract Documents may only be amended, modified, or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

Article 7. Miscellaneous

7.1. Terms used in this Agreement, which are defined in Article 1 of the General Conditions, shall have the meanings indicated in the General Conditions.

7.2. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge that assignor from any duty or responsibility under the Contract Documents.

7.3. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

7.4. OWNER AND CONTRACTOR consent to the use of electronic signatures on the Contract Documents. This Agreement, and any other Contract Documents requiring a signature hereunder, may be signed electronically by the Parties in the manner specified under the Uniform Electronic Transactions Act, Title 24, Article 71.3, Part 1, C.R.S.; provided that, electronic records of, and electronic signatures on, any required bonds, including required Performance, Labor and Material Payment, and Warranty Bonds, must be acceptable to the Contractor's selected surety. The Parties agree not to deny the legal effect or enforceability of a Contract Document solely because the document is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of a Contract Document in the form of an electronic record, or a paper copy of an electronic document, or a paper copy or electronic record of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Article 8. Other Provisions

IN WITNESS WHEREOF, OWNER, and CONTRACTOR have signed this Agreement in duplicate. One counterpart each has been delivered to OWNER and CONTRACTOR. All portions of the Contract Documents have been signed, initialed, or identified by OWNER and CONTRACTOR.

This Agreement will be effective on May 8, 2024.

OWNER: CITY OF LOUISVILLE, COLORADO

By: _____
Christopher M. Leh, Mayor

(CORPORATE SEAL)

Attest: _____
Meredyth Muth, City Clerk

Address for giving notices:

749 Main Street
Louisville, Colorado
80027

Attention: City Engineer

CONTRACTOR: _____

By: _____

(CORPORATE SEAL)

Attest: _____

Address for giving notices:

_____

_____

_____

SUBJECT: **RESOLUTION NO. 21, SERIES OF 2024 – A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH BOULDER COUNTY PARTNERS FOR A CLEAN ENVIRONMENT FOR ENHANCED 1:1 COMMERCIAL ADVISING SUPPORT AND TO ESTABLISH ADD-ON REBATES FOR COMMERCIAL DECARBONIZATION**

DATE: **MAY 7, 2024**

PRESENTED BY: **HANNAH MILLER, SUSTAINABILITY SPECIALIST**

SUMMARY:

The proposed intergovernmental agreement (IGA) would expand current Boulder County Partners for a Clean Environment (PACE) services and create new commercial rebates, for one year, supporting implementation of the Community Decarbonization Plan (CDP), the Cities Climate Action Goals, and Louisville businesses.

In the 2021 Boulder County Greenhouse Gas (GHG) Inventory, which generated an assessment of Louisville's greenhouse gas emissions, showed the commercial sector accounted for 63% of the emissions in the building energy sector, resulting in commercial buildings as the largest emission source in the City of Louisville.

In 2024, the City adopted the CDP. Barriers to decarbonization were assessed as part of the CDP process and it was found that the primary obstacle to decarbonization in both the residential and commercial sectors is cost. The CDP emphasizes the need for rebates and incentives that promote commercial energy efficiency and decarbonization efforts to increase participation in energy-related building upgrades. The CDP is also the basis of the newly adopted climate action goals, or Resolution 18-2024, that aim to reduce greenhouse gas emissions by 60% from the 2016 baseline by 2030 and be carbon-neutral by 2050.

Currently, staff collaborates with Boulder County EnergySmart to administer residential decarbonization rebates and the addition of commercial rebates would enable the City to adopt a holistic and equitable approach to decarbonization. The City currently partners with PACE, the commercial sector equivalent to EnergySmart, to administer commercial rebate programs and provide advising services to businesses interested in energy efficiency upgrades. Current PACE programming includes the following areas and in 2023 provided over $240,000 in monetary support.

- Building Energy Planning
- Energy Efficiency Rebates
- Heating and Cooling Rebates
- Electric Infrastructure Rebates

- Hot Water Rebates
- Commercial Kitchen Rebates

Upon approval of the IGA, the City will support a part-time PACE advisor in 2024. This advisor will work with Louisville businesses interested in Building Energy Planning, other PACE programs, and directly apply the findings from current research, identified as Business Strategy 1 in the CDP, analyzing the remaining useful life of carbon production equipment in commercial buildings (project in collaboration with Dr. Dickenson's CU-Anschutz graduate students). Additionally, the advisor will assist staff with commercial outreach and engagement efforts and provide information about other business-related city program offerings. The scope of work for the PACE Advisor was created and reviewed by Community Development, with particular emphasis on Economic Vitality, ensuring interdepartmental collaboration, and continuing to showcase environmental stewardship paired with economic vitality.

In addition, current bag tax-funded programs focus on waste diversion. The bag tax ballot language explains that revenue collected shall be used for administrative costs or "other sustainability-related initiatives and programs." Based on the CDP, the newly adopted climate action goals, and survey results indicating that the largest inhibitor to decarbonization is cost, staff encourage the reallocation of additional bag tax funds to support commercial decarbonization add-on rebates. By establishing Louisville-specific add-on rebates, the City would prioritize the business community and commercial sustainability. These add-on rebates would result in more greenhouse gas emissions reduced per dollar spent.

Staff presented the aforementioned rebates and PACE advisor to the Finance Committee on March 21, 2024, and sent a memo regarding the program expansion and PACE advisor to Council on April 19, 2024.

FISCAL IMPACT:
The IGA includes $10,000 for expanding PACE advising and $50,000 for commercial rebates. This not currently budgeted, however, staff recommends using available bag tax revenue and supplementing with current Sustainability Division operating budget.

In 2022 and 2023, the disposable bag tax has resulted in $394,870 of revenue in the City's general fund. After 2024 current and anticipated expenses, including the bag tax programs, net general fund revenue is $266,572. Staff believes this use is in line with the purpose of the tax.

PROGRAM/SUB-PROGRAM IMPACT:
The Administrative and Support Services program includes Sustainability with the direction to use environmental, economic, and human resources to meet present and future needs and to actively pursue energy efficient upgrades to reduce environmental

impacts. By collaborating with Boulder County PACE, this is accomplished and the programmatic administrative burden is reduced on City staff.

RECOMMENDATION:
Staff recommends approval of the IGA to support the implementation of decarbonization efforts. In addition, approval of the Louisville add-on rebates for commercial decarbonization and the PACE advisor will reduce administrative burden on staff while providing needed decarbonization support to the business community. The rebates and advisor will support the newly adopted climate action goals, the CDP, Sustainability Division goals to support the business community, all while providing higher greenhouse gas emission reduction per dollar spent.

ATTACHMENT(S):
1. Resolution
2. Intergovernmental Agreement
3. Exhibit A- Louisville PACE Contract Scope of Work
4. Exhibit B- Louisville PACE Contract Fee Schedule
5. Sustainability Advisory Board Letter of Support

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☒	**Vibrant Economic Climate**	☒	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☒	**Collaborative Regional Partner**

RESOLUTION NO. 21
SERIES 2024

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH BOULDER COUNTY PARTNERS FOR A CLEAN ENVIRONMENT FOR ENHANCED 1:1 COMMERCIAL ADVISING SUPPORT AND TO ESTABLISH ADD-ON REBATES FOR COMMERCIAL DECARBONIZATION

WHEREAS, an Intergovernmental Agreement has been proposed between the City and Boulder County authorizing Boulder County Partners for a Clean Environment (PACE) to allocate additional staff time in Louisville and establish and administer Louisville-specific add-on rebates for commercial decarbonization; and

WHEREAS, the proposed Intergovernmental Agreement supports the newly adopted, science-based climate action and clean energy goals as follows:

- Meet all of Louisville's municipal electric needs with 100% carbon-free sources by 2025.
- Reduce core municipal GHG emissions 60% below the 2016 baseline by 2030.
- Generate 75% of Louisville's residential and commercial/industrial electric needs from carbon-free sources by 2030.
- Reduce core community GHG emissions 60% below the 2016 baseline by 2030.; and

WHEREAS, the proposed Intergovernmental Agreement supports the Community Decarbonization Plan (CDP) implementation; and

WHEREAS, the transition to a low-carbon community reliant on the efficient use of clean energy resources will provide a range of benefits, including improved air quality, enhanced public health, increased national and energy security, local green jobs, and reduced reliance on finite resources; and

WHEREAS, the City of Louisville is committed to helping facilitate this transition alongside other national and international communities that have prioritized addressing climate change by investing in clean energy to enhance the well-being of current and future generations; and

WHEREAS, establishing add-on commercial decarbonization rebates supports the business community through the partnership of economic vitality and environmental stewardship; and

WHEREAS, the proposed rebates and advisor provide the largest greenhouse gas reduction per dollar spent; and

WHEREAS, City Council, by this Resolution, desires to approve said Intergovernmental Agreement and authorize its execution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The Intergovernmental Agreement (IGA) between the City of Louisville and the County of Boulder authorizing Boulder County PACE to allocate additional staff time in Louisville and establish and administer Louisville-specific add-on rebates for commercial decarbonization is hereby approved in essentially the same form as the copy of such IGA accompanying this Resolution.

Section 2. The Mayor is authorized to execute the IGA on behalf of the City, except that the Mayor is hereby further granted authority to negotiate and approve such revisions to said IGA as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the IGA are not altered.

PASSED AND ADOPTED this 7th day of May, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

BOCC
INTERGOVERNMENTAL AGREEMENT
(Revenue)

DETAILS SUMMARY	
Document Type	New Contract
OFS Number	
County Contact Information	
Department	Office of Sustainability, Climate Action, and Resilience
Division/Program	OSCAR/PACE
Mailing Address	P.O. Box 471, Boulder, CO 80306
Contact 1 – *Name, email*	Elizabeth French, efrench@bouldercounty.gov
Contact 2 – *Name, email*	Kari Goodnight, kgoodnight@bouldercounty.gov
Municipality Contact Information	
Name	City of Louisville
Mailing Address	749 Main St. Louisville, CO 80027
Contact 1- *Name, title, email*	Jeff Durbin, City Manager, jdurbin@louisvilleco.gov
Contact 2- *Name, title, email*	Hannah Miller, Sustainability Specialist, hmiller@louisvilleco.gov
IGA Term	
Start Date	5/15/2024
Expiration Date	5/14/2025
IGA Amount	
IGA Amount	$60,000
Brief Description of Services	
Boulder County will provide additional staff time to support Louisville businesses with sustainability efforts. Additionally, Boulder County will administer rebate dollars provided by the City of Louisville that will be additive to existing commercial incentives provided by Boulder County.	
IGA Documents	
☑ Exhibit A – Scope of Work ☑ Exhibit B - Fee Schedule ☐ Exhibit C - _____ ☐ Exhibit D - _____	

THIS INTERGOVERNMENTAL AGREEMENT ("IGA") is entered into by and between the Board of County Commissioners on behalf of the County of Boulder, State of Colorado, a body corporate and politic, for the benefit of Office of Sustainability, Climate Action, and Resilience ("County"), and City of Louisville ("Municipality"). Municipality and County are each a "Party," and collectively the "Parties."

In consideration of the mutual covenants contained in this IGA, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Incorporation into IGA: The **IGA document(s)** is(are) incorporated into this IGA by reference.

2. Services to be Performed: County will perform the services described in **Exhibit A – Scope of Work** (the "Services").

3. Term of IGA: The **IGA Term** begins on the **Start Date** and expires on the **Expiration Date**, unless terminated sooner. All the Services must be performed during the **IGA Term**.

4. Liability: Each Party agrees to be responsible for its own actions or omissions, and those of its officers, agents and employees in the performance or failure to perform work under this IGA. By agreeing to this provision, neither Party waives or intends to waive, as to any person not a party to the IGA, the limitations on liability that are provided to the Parties under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq.

5. **Independent Entities: Each Party is an independent legal entity from the other for all purposes. Neither Party, its agents, personnel or subcontractors are employees of the other Party for any purpose, including the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the Colorado Workers' Compensation Act, the Colorado Unemployment Insurance Act, and the Public Employees Retirement Association.**

6. Termination

a. Breach: Either Party's failure to perform any of its material obligations under this IGA, in whole or in part or in a timely or satisfactory manner, will be a breach. In the event of a breach, the non-breaching Party may provide written notice of the breach to the other Party. If the breaching Party does not cure the breach, at its sole expense, as reasonably determined by the non-breaching Party in its sole discretion, within thirty (30) days after delivery of notice, the non-breaching Party may exercise any of its remedies provided under this IGA or at law, including immediate termination of this IGA.

b. Non-Appropriation: The other provisions of this IGA notwithstanding, Municipality is prohibited by law from making commitments beyond the current fiscal year. Payments of any nature beyond the current fiscal year are contingent on the appropriation and continuing availability of funding in any subsequent year. Any payment obligation of the Parties is expressly dependent and conditioned upon appropriation, budgeting, and availability of specific funds to discharge such obligations. Municipality may terminate this IGA without penalty by providing seven (7) days' written notice to County, provided that Municipality is not relieved of any payments obligations incurred prior to the effective date of termination.

7. Notices: All notices provided under this IGA must be in writing and sent by Certified U.S. Mail (Return Receipt Requested), electronic mail, or hand-delivery to the other Party's **Contact** at the address specified in the **Details Summary**. For certified mailings, notice periods will begin to run on the day after the postmarked date of mailing. For electronic mail or hand-delivery, notice periods will begin to run on the date of delivery.

8. Entire Agreement/Binding Effect/Amendments: This IGA represents the complete agreement between the Parties and is fully binding upon them and their successors, heirs, and assigns, if any. This IGA terminates any prior agreements, whether written or oral in whole or in part, between the Parties relating to the Services. This IGA may be amended only by a written agreement signed by both Parties.

9. Assignment/Subcontractors: This IGA may not be assigned or subcontracted by either

Party.

10. Governing Law/Venue: The laws of the State of Colorado govern the construction, interpretation, performance, and enforcement of this IGA. Any claim relating to this IGA or breach thereof may only be brought exclusively in the Courts of the 20th Judicial District of the State of Colorado and the applicable Colorado Appellate Courts.

11. No Waiver: The failure of either Party to exercise any of its rights under this IGA will not be deemed to be a waiver of such rights or a waiver of any breach of the IGA. All remedies available to a Party in this IGA are cumulative and in addition to every other remedy provided by law.

12. Severability: If any provision of this IGA becomes inoperable for any reason but the fundamental terms and conditions continue to be legal and enforceable, then the remainder of the IGA will continue to be operative and binding on the Parties.

13. Colorado Open Records Act: Both Parties are required to disclose any records that are subject to public release under the Colorado Open Records Act, C.R.S. § 24-72-200.1, et seq.

14. Conflict of Provisions: If there is any conflict between the terms of the main body of this IGA and the terms of any of the **IGA Documents**, the terms of the main body of the IGA will control.

15. Governmental Immunity: Nothing in this IGA shall be construed in any way to be a waiver of either party's immunity protection under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as amended.

16. Delegation of Authority: The Parties acknowledge that the Board of County Commissioners has delegated authority to the Department Head or Elected Official that leads the beneficiary **Department** and their designees to act on behalf of the County under the terms of this IGA, including but not limited to the authority to terminate this IGA.

17. Execution by Counterparts; Electronic Signatures: This IGA may be executed in multiple counterparts, each of which will be deemed an original, but all of which will constitute one agreement. The Parties approve the use of electronic signatures, governed by the Uniform Electronic Transactions Act, C.R.S. §§ 24 71.3 101 to 121. The Parties will not deny the legal effect or enforceability of this IGA solely because it is in electronic form or because an electronic record was used in its creation. The Parties will not object to the admissibility of this IGA in the form of electronic record, or paper copy of an electronic document, or paper copy of a document bearing an electronic signature, because it is not in its original form or is not an original.

18. Limitation of Liability: NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES ARISING FROM OR RELATING TO THIS IGA, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

19. Insurance: Each Party is a "public entity" under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as amended, and shall always during the terms of this IGA maintain such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Act. This insurance shall have minimum limits, which shall match or exceed the maximum governmental liability limits set forth in C.R.S. § 24-10-114, as amended.

20. Provisions construed as to fair meaning: The provisions of this IGA shall be construed as to their fair meaning, not for or against any party based upon any attributes to such party of the source of the language in question.

21. Third party beneficiaries: None of the terms or conditions in this IGA shall give or allow any claim, benefit, or right of action by any third person not a party hereto. Any person other than the Parties receiving services or benefits under this IGA shall be only an incidental beneficiary.

IN WITNESS WHEREOF, the Parties have executed and entered into this IGA as of the latter day and year indicated below.

SIGNED for and on behalf of Boulder County		**SIGNED for and on behalf of Municipality**
Signature:		Signature:
Name:		Name:
Title:		Title:
Date:		Date:
↓↓*For Board-signed documents only*↓↓		
Attest Signature:	*Initial*	
Attestor Name:		
Attestor Title:		

City of Louisville

Exhibit A

Scope of Work

Background

The City of Louisville (the "City") is committed to supporting businesses with transitioning from fossil fuel-powered equipment to heat commercial buildings to electric alternatives while ensuring buildings are operating as efficiently as possible. Additionally, the City is committed to supporting businesses in navigating rebates, incentives, and additional financial resources available to assist with costs associated with energy efficiency, electrification and sustainability-related building upgrades and accessing City programs.

The purpose of this contract is to provide additional staff support from Partner's for a Clean Environment (PACE) to assist businesses with this effort in the City. In addition to staff support, Boulder County will administer rebate dollars provided by the City of Louisville that will be additive to the existing incentives provided by Boulder County. Exhibit B – Fee Schedule contains details on what will be rebated and the amounts. The funds will be administered as part of the PACE program, requiring businesses to work with a PACE advisor to qualify. Boulder County will promote the additional funding through the PACE program website, newsletters, and advisors.

Partnership Objectives:

- Provide in-person and digital outreach to commercial buildings throughout the City
- Target the City's list of priority buildings, which includes but is not limited to areas/buildings who are identified as likely having equipment that is nearing or has reached its end of life
- Offer PACE rebates/incentives for electrification and efficiency upgrades as well as electrification feasibility studies
- Offer and administer City of Louisville rebates/incentives for electrification upgrades and electrification feasibility studies
- Utilize and offer Xcel Energy rebates for eligible upgrades as well as the direct install program to upgrade fluorescent tube lighting at no cost to qualifying businesses; support businesses in applying for applicable rebates/incentives
- In-kind direct mail outreach promoting electrification feasibility study incentives will be sent to all commercial buildings 5,000 square feet and larger in the City
- Business site visits will be sent to City staff as directed, including, but not limited to, Sustainability and Economic Vitality.
- Provide businesses with information about the available bag tax-funded commercial programs, including but not limited to, sharing general information regarding program options, encouraging waitlist registration and collecting feedback to inform program innovations
- Supply businesses with additional information provided by the City about additional programs and resources, including but not limited to, the Green Business Program, Property Improvement Program, Business Assistance Program and Economic Vitality contact information

- Attend Colorado Green Business Network technical trainings to understand state assessment requirements and, if necessary, adapt PACE assessments to meet minimum requirements
- Support the City with site assessments and technical assistance for Colorado Green Business Network participants within the City
- Attend City of Louisville and partner events, including but not limited to Business Forums, Economic Vitality Committee pop ups and Chamber of Commerce events to provide businesses with information about PACE programs and encourage business registration

Reporting:

- During monthly meetings and as requested, PACE will provide written updates on outreach efforts and participation in electrification feasibility studies/upgrades as well as efficiency upgrades

- Boulder County will provide data reports of how the funds from the City of Louisville have been spent monthly and after the funding is exhausted or after the term of the agreement is complete, whichever comes first

City of Louisville

Exhibit B

Fee Schedule

Staff time:

Costs:

$30.52 per hour

Invoices will be sent:

The amount will be billed once per year in quarter 2.

Total annual costs will not exceed:

$10,000

Rebates:

Costs:

$50,000

Invoices will be sent:

The amount will be billed in advance of program expenditures once per year in quarter 2.

The budget will be applied as rebates for Louisville businesses according to the table below.

Upgrade	**Equity Priority Rebate**	**Standard Rebate**
Building Electrification Feasibility Study	100% of costs covered capped at $2,500 when/if the total project costs exceeds PACE's cap of $20,000	20% of costs capped at $2,500
Cold Climate Air Source Heat Pumps (split, mini-split, or multi-split)	$3,000/ton	$1,500/ton
Ground Source Heat Pumps	$4,000/ton	$2,000/ton
Non-Cold Climate Air Source Heat Pumps (split, mini-split, or multi-split)	$1,500/ton	$750/ton

Variable Refrigerant Flow (VRF) Heat Pump	$3,000/ton	$1,500/ton
All-Electric Heat Pump Rooftop Unit	$3,000/ton	$1,500/ton
TABLE CTND.		
Upgrade	**Equity Priority Rebate**	**Standard Rebate**
Electric Infrastructure Upgrade	100% of costs capped at $4,000.	
EnergyStar Certified Heat Pump Water Heater	$3,000/unit	$1,500/unit
Replacing Gas Water Heater with ENERGY STAR Certified Electric Water Heater	$2,000/unit	$1,000/unit
Window Film with SHGC ≤ 0.35	$3.00/SF	$1.50/SF
Roof insulation* standard	$0.62/SF	$0.32/SF
Roof insulation* for businesses <2,500 square feet and nonprofits that serve low-income populations	$1.28/SF	$0.64/SF
Attic insulation R-49 standard	$0.32/SF	$0.16/SF
Attic insulation R-49 for businesses under 2,500 square feet and nonprofits that serve low-income populations.	$0.64/SF	$0.32/SF
Wall insulation** standard	$0.12/SF	$0.06/SF
Wall insulation** for businesses under 2,500 square feet and nonprofits that serve low-income populations.	$0.24/SF	$0.12/SF

*All City of Louisville rebates are capped at $5,000 per business participant

Fees	Amount per check
Third party check processing fee	$10.10

City of Louisville
COLORADO • SINCE 1878

Letter of Support

To: **City Council Members**

From: **Sustainability Advisory Board**

Date: **April 26, 2024**

Re: **Boulder County PACE IGA**

Dear Louisville City Councilors,

The Louisville Sustainability Advisory Board understands that City staff have proposed to offer efficiency and electrification rebates for Louisville businesses funded by the City's bag tax revenue and administered by the County's Partners for a Clean Environment (PACE). These rebates would stack with certain rebates currently offered by PACE. The Board enthusiastically supports City staff's proposal.

While revenue from Louisville's bag tax has primarily funded waste diversion and reduction programs for participating businesses, the language of the City's bag tax allows for revenue to fund other sustainability initiatives. At the present moment the most important sustainability initiatives are those that effect deep and rapid decarbonization. Efficiency and electrification rebates represent one of the best means to accelerate decarbonization of Louisville's businesses. Moreover, incentivizing efficiency and electrification upgrades at Louisville businesses will further achievement of goals and objectives from the City's Sustainability Action Plan and Community Decarbonization Plan.

Louisville businesses generally reflect our community's commitment to sustainability; in particular, our businesses would like to contribute to the community's efforts to reduce our greenhouse gas emissions. (For instance, a few members of Louisville's business community contributed to development of the Community Decarbonization Plan.) Just as residents enjoy support from the City for decarbonization (through rebates administered by the County's EnergySmart), businesses should also enjoy support from the City for decarbonization, especially since our business sector generates more greenhouse gas emissions, and these greenhouse gas emissions are typically more difficult to reduce. Moreover, supporting our businesses' decarbonization will generate good will between the City and its businesses as we work to tackle the climate crisis.

Relatedly, the Board recently recommended to City staff that City Council establish efficiency and electrification rebates for Louisville businesses as part of its 2025-2026 budget. City staff's

current proposal would serve as a pilot. If City Council decides to include such rebates in the City's 2025-2026 budget, then the City could fund these rebates in part through the City's bag tax revenue.

Thank you for considering our recommendation.

Sincerely,
The Louisville Sustainability Advisory Board

CITY COUNCIL COMMUNICATION AGENDA ITEM 7K

SUBJECT: **APPROVAL OF AMENDMENTS TO CITY FINANCIAL POLICIES**

DATE: **MAY 7, 2024**

PRESENTED BY: **RYDER BAILEY, CPA, FINANCE DIRECTOR**

SUMMARY:
The City of Louisville desires to maintain an appropriate level of financial resources to guard its citizens against service disruption in the event of unexpected revenue shortfalls or unanticipated one-time expenditures.

Reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Found under our City Financial Policies under Section 2, our Reserve Policy establishes reserve amounts the City will strive to maintain in its General Fund and its other major operating funds.

With the recent adoption and establishment of two new funds, Open Space Fund (210) and Parks Fund (211), staff is proposing the modification of Financial Policy Section 2 – Reserve Policies to strike reference to the former fund (Open Space and Parks - Fund 201) and create a new section for each fund.

While the primary purpose of this item is to update Financial Policy Section 2 – Reserve Policies, it was noted during the March 21st Finance Committee Meeting a discrepancy under Financial Policy Section 6.7 – Performance Standards and Reporting, the frequency of investment reports to Finance Committee was recommended to be updated from Monthly to Quarterly, to align with existing practices.

Attached to this memo are red-lined version and clean versions of Financial Policy Section 2 – Reserve Policies and Section 6 – Investment Policies.

This item was presented to Finance Committee of April 18th, feedback from that meeting has been included in today's item. Of note, their recommendation to reduce the designated amount of annual incremental sales and use tax revenue codified within Municipal Section 3.20.200(A)(3) be encumbered for acquisition to 30%.

Proposed modifications are outlined below.

SUMMARY OF PROPOSED AMENDMENTS:
Staff recommends the following;

For the newly established Open Space and Park Funds;

- Maintaining a minimum operational reserve of 15% for each newly created fund; and
- Establishing an acquisition reserve to fund future Open Space Acquisitions within the Open Space Fund; and
    - Designating that 30% of the annual incremental Open Space Sales and Use Tax revenue, codified within Municipal Section 3.20.200(A)(3) be encumbered for Acquisition until a target amount is achieved; and
- Re-Codifying the annual General Fund Transfer for Park Operations

For Golf Course Fund Reserves;

- Removing reference that capital expenditures will be funded by the Capital Fund

For the Investment Policy;

- Modifying the frequency in which the Finance Director provides investment reports to Finance Committee shall be updated from Monthly to Quarterly, to align with existing practices.

SUMMARY OF ADJUSTMENTS SINCE THE APRIL 18th, FINANCE COMMITTEE MEETING:

This item was presented to Finance Committee of April 18th, feedback from that meeting has been included in today's item. Of note, their recommendation to reduce the designated amount of annual incremental sales and use tax revenue codified within Municipal Section 3.20.200(A)(3) be encumbered for acquisition to 30%.

BACKGROUND:

Financial policies are central to a strategic, long-term approach to financial management and are intended to serve as a blueprint to achieve the financial stability required to accomplish the City's goals and objectives. More specifically, the intent of adopting a written set of financial policies is to institutionalize good financial management, clarify strategic intent for financial management, define certain boundaries and limits on actions that staff may take, support good bond ratings, promote long-term and strategic thinking, manage risks to financial condition, and comply with established best practices in public management.

The City's Financial Policies have been written in relatively broad terms as guidelines for financial management decisions. These policies should not be confused with administrative statements of operating procedure, which cover the detailed steps needed to accomplish business processes.

The City of Louisville's initial Fiscal Policies were adopted in 1984 and were updated intermittently until 1997. In December 15, 2015, the City Council formally approved the

Financial Policies by Resolution 92, Series 2015. They were last amended on December 21, 2021.

The current set of financial policies include an Introduction Section and the following eight Policy Sections:

1. General Policies
2. Reserve Policies*
3. Debt Policies
4. Revenue Policies
5. Operating Budget Policies
6. Investment Policies*
7. Capital Asset Management Policies
8. Accounting, Auditing, and Financial Reporting Policies

**** This item proposes adjustments to these Sections.***

The primary purpose of this item is to amend Section 2 of the City Financial Policies, Reserve Policies to align with the recently ordinance directed bifurcation of the Open Space and Parks Fund into separate Open Space Fund and Parks Fund, thus requiring an update.

Secondly, other minor edits are being proposed at this time. Specifically, to Section 2.7 of Financial Policy, Golf Course Fund Reserve and Section 6.7 Investment Policy, modifying the frequency of Investment reporting from Monthly to Quarterly to align with actual practice.

The Government Finance Officers Association (GFOA) describes a Reserve Policy as a “cornerstone of financial flexibility” to buffer shocks and to manage risk. Reserve policies are essential to a) Define the amount held in reserve and b) Describe its purpose and uses.

Attachments:

1. Updated Financial Policy 2 – Reserve Policies – Redlined
2. Updated Financial Policy 2 – Reserve Policies – Clean
3. Updated Financial Policy 6 – Investment Policies – Redlined
4. Updated Financial Policy 6 – Investment Policies – Clean

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

City of Louisville
COLORADO • SINCE 1878

FINANCIAL POLICIES

Reserve Policies

Policy Section: 2
Adopted by: Council Action
Effective Date: ~~December 21, 2021~~May 7, 2024

Purpose and Scope

The City of Louisville desires to maintain an appropriate level of financial resources to guard its citizens against service disruption in the event of unexpected revenue shortfalls or unanticipated one-time expenditures. This policy is also intended to document the appropriate reserve levels to protect the City's credit worthiness and maintain its good standing with bond rating agencies.

Reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities. This policy establishes the reserve amounts the City will strive to maintain in its General Fund and its other major operating funds. This policy also stipulates the conditions under which those reserves may be used and how the reserves will be replenished if they fall below established reserve amounts.

The City will measure its compliance with this policy as of December 31st of each year, as soon as practical after final year-end information is audited and becomes available.

Policies

2.1 **General Fund Reserves.** The minimum unrestricted fund balance of the General Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures less any one-time, non-recurring transfers to other funds. Annual, recurring support transfers to other funds will be included in the definition of current operating expenditures.

While the minimum unrestricted fund balance is set at 15% of current operating expenditures, the targeted unrestricted fund balance will be at or above 25% of current operating expenditures. This higher target is in recognition of:

- the General Fund's reliance on revenue sources that are subject to fluctuations (sales and use taxes);
- the General Fund's exposure to unexpected and significant one-time expenditure outlays (transfers to the Capital Projects Fund, mid-year changes to operations, disasters, etc.); and
- the potential drain on General Fund resources from other funds (recurring support transfers to the ~~Open Space &~~ Parks Fund, the Cemetery Fund, and the Recreation Fund).

The use of General Fund reserves will be limited to addressing unanticipated, non-recurring needs. Reserves shall not normally be used for recurring annual operating expenditures. However, reserves may be used to provide the City time to restructure operations (as might be required in an economic downturn), but such use will only take place in the context of a long-term financial plan.

The City Council will annually consider one-time transfers of excess reserves to other funds for one-time uses. Examples include transfers to the Capital Projects Fund to help fund specific capital projects or transfers to the Open Space Fund or~~&~~ Parks Fund for property acquisition reserves.

Use of reserves below the 25% target requires authorization from City Council.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

2.2 **Open Space ~~& Parks~~ Fund Reserves.** The entire fund balance for the Open Space ~~and Parks~~ Fund is restricted by ~~voters~~ ordinance as set forth in section 3.20.600 of the Louisville Municipal Code, including for acquisition of land in and around the city for open space buffer zones, trails, wildlife habitats, wetlands preservation, and for the development, construction, operation and maintenance of such open space zones, trails, wildlife habitats, wetlands and mitigation of wildfires in open space areas.

The minimum fund balance of the Open Space ~~and Parks~~ Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures include only open space ~~and parks~~ operations and exclude all interfund transfers and capital outlay. Use of reserves below the 15% minimum requires authorization from City Council.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

Within the Open Space Fund, separate and apart from the minimum fund balance, an acquisition reserve is established to fund future open space acquisitions. A minimum of 30% of the annual budgeted sales and use tax revenue proceeds from the tax established in Section 3.20.200(A)(3) of the Louisville Municipal Code shall be encumbered for acquisition of open space land in and around the city, until a target reserve is achieved. Any remaining unencumbered funds available in the Open Space Fund above the minimum fund balance once the calendar year is closed, shall also be directed into the acquisition reserve until a target reserve is achieved. The target acquisition reserve amount shall be set by City Council from time to time through the budget process. Use of acquisition reserves for purposes other than open space acquisition requires authorization from City Council.

In the event acquisition reserves are used for purposes other than open space acquisition, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

~~The Open Space & Parks Fund requires a recurring annual transfer from the General Fund to fund its operating deficit. This annual transfer will be calculated by taking the amount of funding provided by the General Fund for Parks in 2007 ($626,900) and inflating that amount on an annual basis by the regional Consumer Price Index for All Urban Consumers. The 2007~~

~~funding level for Parks is the starting point for the calculation, since that was the last year that Parks was funded within the General Fund.~~

Transfers from the General Fund or Capital Projects Fund into the Open Space Fund for property acquisition shall be deemed committed for that purpose.

~~In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include transfers from other funds, securing loans from other agencies to jointly purchase property, seeking approval of bonds to finance property acquisition, and/or delaying/reducing expenditures for development, construction, operation, and maintenance of open space zones, trails, wildlife habitats, wetlands, and parks.~~

2.3 **Park Fund Reserves.** The entire fund balance for the Parks Fund is restricted by ~~voters~~ordinance for acquisition of land in and around the city for parks; and for the development, construction, operation and maintenance of parks.

The minimum fund balance of the Parks Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures include only parks operations and exclude all interfund transfers and capital outlay. Use of reserves below the 15% minimum requires authorization from City Council.

The Parks Fund requires a recurring annual transfer from the General Fund to fund its operating deficit. This annual transfer will be calculated by taking the amount of funding provided by the General Fund for Parks in 2007 ($626,900) and inflating that amount on an annual basis by the regional Consumer Price Index for All Urban Consumers. The 2007 funding level for Parks is the starting point for the calculation. In 2024, the budgeted annual transfer from the General Fund amount was $1,017,900.

Transfers from the General Fund or Capital Projects Fund for property acquisition shall be deemed committed for that purpose.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. ~~Methods of replenishing fund balance may include transfers from other funds, securing loans from other agencies to jointly purchase property, seeking approval of bonds to finance property acquisition, and/or delaying/reducing expenditures for development, construction, operation, and maintenance of parks.~~

~~2.3~~2.4 **Cemetery Fund Reserves.** The minimum unrestricted fund balance of the Cemetery Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

The Cemetery Fund requires a recurring annual transfer from the General Fund to fund its operational deficit. This transfer will be adjusted on an annual basis to ensure that the unrestricted fund balance of the Cemetery Fund is maintained at or above 15% of current operating expenditures.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end

surpluses, and, if legally permissible, excess resources from other funds.

~~2.4~~2.5 **Combined Utility Fund Reserves.** The Water, Wastewater, and Storm Water Utility Funds are enterprise funds and, therefore, the measure of reserves is based on levels of working capital rather than on levels of fund balance. It is important to maintain adequate levels of working capital in these funds to mitigate risks and to ensure a stable fee structure and service level.

The minimum working capital for the Water, Wastewater, and Storm Water Utility Funds shall be maintained at or above 25% of current operating expenses, as measured on the City's budgetary basis. For purpose of this policy, operating expenses are defined as all budgetary-basis expenses, excluding interfund transfers and capital outlay.

In the event reserves are used resulting in a working capital balance below the 25% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing working capital may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

~~2.5~~2.6 **Recreation Fund Reserves.** The minimum fund balance of the Recreation Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

In addition to maintaining an operating reserve, the Recreation Fund will also maintain a capital asset renewal and replacement reserve. The purpose of this reserve is to accumulate funds for the timely renewal and replacement of Recreation Center and Memory Square Pool assets. The methodology for calculating this reserve will be approved by the Finance Committee.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum and capital asset renewal and replacement reserves, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

The City Council recognizes that the dedicated sales tax and user fee revenues may not be sufficient and the Recreation Fund may also need to rely on annual General Fund transfers. The annual General Fund transfer will be calculated by taking the General Fund subsidy for the Recreation Center/Memory Square Pool in 2017 ($986,300) and inflating that amount on an annual basis by the regional Consumer Price Index for All Urban Consumers. The 2017 General Fund subsidy level is the starting point for the calculation, since that is the last year that the Recreation Center and Memory Square Pool were funded within the General Fund.

In addition to the annual General Fund transfer towards the annual operating costs, minimum fund balance requirements, and capital asset renewal and replacement reserves, this policy also authorizes an annual transfer from the Capital Projects Fund to the Recreation Fund in the amount of $125,000 for 2019 and each year thereafter inflated on an annual basis by the regional Consumer Price Index for All Urban Consumers. This transfer is restricted for capital outlay.

~~2.6~~2.7 **Golf Course Fund Reserves.** The minimum working capital balance of the Golf Course Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers

and capital outlay.

~~To assist the Golf Course Fund in meeting this reserve minimum, beginning with the 2021 fiscal year, all Golf Course capital outlay will be funded through the Capital Projects Fund.~~

In the event reserves are used resulting in working capital balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. ~~Methods of replenishing working capital may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.~~

City of Louisville
COLORADO • SINCE 1878

FINANCIAL POLICIES

Reserve Policies

Policy Section: 2
Adopted by: Council Action
Effective Date: May 7, 2024

Purpose and Scope

The City of Louisville desires to maintain an appropriate level of financial resources to guard its citizens against service disruption in the event of unexpected revenue shortfalls or unanticipated one-time expenditures. This policy is also intended to document the appropriate reserve levels to protect the City's credit worthiness and maintain its good standing with bond rating agencies.

Reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities. This policy establishes the reserve amounts the City will strive to maintain in its General Fund and its other major operating funds. This policy also stipulates the conditions under which those reserves may be used and how the reserves will be replenished if they fall below established reserve amounts.

The City will measure its compliance with this policy as of December 31st of each year, as soon as practical after final year-end information is audited and becomes available.

Policies

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While the minimum unrestricted fund balance is set at 15% of current operating expenditures, the targeted unrestricted fund balance will be at or above 25% of current operating expenditures. This higher target is in recognition of:

- the General Fund's reliance on revenue sources that are subject to fluctuations (sales and use taxes);
- the General Fund's exposure to unexpected and significant one-time expenditure outlays (transfers to the Capital Projects Fund, mid-year changes to operations, disasters, etc.); and
- the potential drain on General Fund resources from other funds (recurring support transfers to the Parks Fund, the Cemetery Fund, and the Recreation Fund).

The use of General Fund reserves will be limited to addressing unanticipated, non-recurring needs. Reserves shall not normally be used for recurring annual operating expenditures. However, reserves may be used to provide the City time to restructure operations (as might be required in an economic downturn), but such use will only take place in the context of a long-term financial plan.

The City Council will annually consider one-time transfers of excess reserves to other funds for one-time uses. Examples include transfers to the Capital Projects Fund to help fund specific capital projects or transfers to the Open Space Fund or Parks Fund for property acquisition reserves.

Use of reserves below the 25% target requires authorization from City Council.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

2.2 **Open Space Fund Reserves.** The entire fund balance for the Open Space Fund is restricted by ordinance as set forth in section 3.20.600 of the Louisville Municipal Code, including for acquisition of land in and around the city for open space buffer zones, trails, wildlife habitats, wetlands preservation, and for the development, construction, operation and maintenance of such open space zones, trails, wildlife habitats, wetlands and mitigation of wildfires in open space areas.

The minimum fund balance of the Open Space Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures include only open space operations and exclude all interfund transfers and capital outlay. Use of reserves below the 15% minimum requires authorization from City Council.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

Within the Open Space Fund, separate and apart from the minimum fund balance, an acquisition reserve is established to fund future open space acquisitions. A minimum of 30% of the annual budgeted sales and use tax revenue proceeds from the tax established in Section 3.20.200(A)(3) of the Louisville Municipal Code shall be encumbered for acquisition of open space land in and around the city, until a target reserve is achieved. Any remaining unencumbered funds available in the Open Space Fund above the minimum fund balance once the calendar year is closed, shall also be directed into the acquisition reserve until a target reserve is achieved. The target acquisition reserve amount shall be set by City Council from time to time through the budget process. Use of acquisition reserves for purposes other than open space acquisition requires authorization from City Council.

In the event acquisition reserves are used for purposes other than open space acquisition, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

Transfers from the General Fund or Capital Projects Fund into the Open Space Fund for property acquisition shall be deemed committed for that purpose.

2.3 **Park Fund Reserves.** The entire fund balance for the Parks Fund is restricted by ordinance for acquisition of land in and around the city for parks; and for the development, construction, operation and maintenance of parks.

The minimum fund balance of the Parks Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures include only parks operations and exclude all interfund transfers and capital outlay. Use of reserves below the 15% minimum requires authorization from City Council.

The Parks Fund requires a recurring annual transfer from the General Fund to fund its operating deficit. This annual transfer will be calculated by taking the amount of funding provided by the General Fund for Parks in 2007 ($626,900) and inflating that amount on an annual basis by the regional Consumer Price Index for All Urban Consumers. The 2007 funding level for Parks is the starting point for the calculation. In 2024, the budgeted annual transfer from the General Fund amount was $1,017,900.

Transfers from the General Fund or Capital Projects Fund for property acquisition shall be deemed committed for that purpose.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

2.4 **Cemetery Fund Reserves.** The minimum unrestricted fund balance of the Cemetery Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.
The Cemetery Fund requires a recurring annual transfer from the General Fund to fund its operational deficit. This transfer will be adjusted on an annual basis to ensure that the unrestricted fund balance of the Cemetery Fund is maintained at or above 15% of current operating expenditures.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

2.5 **Combined Utility Fund Reserves.** The Water, Wastewater, and Storm Water Utility Funds are enterprise funds and, therefore, the measure of reserves is based on levels of working capital rather than on levels of fund balance. It is important to maintain adequate levels of working capital in these funds to mitigate risks and to ensure a stable fee structure and service level.

The minimum working capital for the Water, Wastewater, and Storm Water Utility Funds shall be maintained at or above 25% of current operating expenses, as measured on the City's budgetary basis. For purpose of this policy, operating expenses are defined as all budgetary-basis expenses, excluding interfund transfers and capital outlay.

In the event reserves are used resulting in a working capital balance below the 25% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing working capital may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

2.6 **Recreation Fund Reserves.** The minimum fund balance of the Recreation Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy,

operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

In addition to maintaining an operating reserve, the Recreation Fund will also maintain a capital asset renewal and replacement reserve. The purpose of this reserve is to accumulate funds for the timely renewal and replacement of Recreation Center and Memory Square Pool assets. The methodology for calculating this reserve will be approved by the Finance Committee.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum and capital asset renewal and replacement reserves, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

The City Council recognizes that the dedicated sales tax and user fee revenues may not be sufficient and the Recreation Fund may also need to rely on annual General Fund transfers. The annual General Fund transfer will be calculated by taking the General Fund subsidy for the Recreation Center/Memory Square Pool in 2017 ($986,300) and inflating that amount on an annual basis by the regional Consumer Price Index for All Urban Consumers. The 2017 General Fund subsidy level is the starting point for the calculation, since that is the last year that the Recreation Center and Memory Square Pool were funded within the General Fund.

In addition to the annual General Fund transfer towards the annual operating costs, minimum fund balance requirements, and capital asset renewal and replacement reserves, this policy also authorizes an annual transfer from the Capital Projects Fund to the Recreation Fund in the amount of $125,000 for 2019 and each year thereafter inflated on an annual basis by the regional Consumer Price Index for All Urban Consumers. This transfer is restricted for capital outlay.

2.7 **Golf Course Fund Reserves.** The minimum working capital balance of the Golf Course Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

In the event reserves are used resulting in working capital balance below the 15% minimum, a plan will be developed by the City Manager to replenish the reserves as quickly as reasonably possible and will be presented as part of a long-term financial plan.

City of Louisville
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FINANCIAL POLICIES

Investment Policies

Policy Section: 6
Adopted by Resolution No. 92, Series 2015
Effective Date: ~~December 15, 2015~~May 7, 2024

Purpose and Scope

It is the policy of the City of Louisville to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all Colorado Revised Statutes, the City of Louisville Charter, and the City of Louisville Municipal Code.

The provisions of this investment policy shall apply to all funds held in the custody of the City and all of its offices. Except for cash in certain restricted and special funds, the City shall consolidate, or "pool", cash and investment balances from all funds to maximize investment earnings and to increase efficiencies with regards to investment pricing, safekeeping, and administration. The investment income derived from the pooled cash and investment accounts shall be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Policies

6.1 **Objectives.** In order of priority, the primary objectives of investment activities shall be safety, liquidity, and yield:

- *Safety.* Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio through the mitigation of credit risk and interest rate risk.

- *Liquidity.* The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. In addition, a portion of the portfolio may be placed in local government investment pools (LGIPs) which offer same-day, constant dollar liquidity for short-term funds.

- *Yield.* The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary

importance compared to the safety and liquidity objectives described above. Securities generally shall be held to maturity with the following exceptions:

- A security with a declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration of the portfolio.
- Liquidity needs of the portfolio require the security to be sold.

6.2 **Delegation of Authority.** The Finance Director shall be the designated investment officer of the City and shall be responsible for all investment decisions and activities, under the direction of the City Manager. The Finance Director shall establish investment policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director.

The Finance Director may delegate the authority to conduct investment transactions and manage the operation of the investment portfolio to one or more subordinates and/or an external registered investment advisor who shall act in accordance with established procedures on internal controls and in compliance with this investment policy.

6.4 **Legal Investments.** All investments shall be made in accordance with Colorado Revised Statutes (CRS) as follows: CRS 11-10.5-101, et seq., Public Deposit Protection Act; CRS 24-75-601, et seq., Funds - Legal Investments for Government Units; CRS 24-75-603, et seq., Depositories; CRS 24-75-701 and 702, et seq., Local Governments - Local Government Pooling and that the investment or deposit meets the standard established in section CRS 15-1-304. Any revisions or extensions of these sections of the CRS will be assumed to be part of this Investment Policy immediately upon enactment.

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the settlement date or in accordance with state and local statutes and ordinance. Pursuant to CRS Section 24-75-601.1(1), as amended from time to time, and subject to the limitations set forth therein, the securities listed herein shall be eligible for investment of public funds by the City. In the event of a conflict between CRS 24-75-601.1(1) and this policy, other than this policy being more restrictive that CRS 24-75-601(1), CRS 24-75-601.1(1) shall control. Nothing herein shall preclude the City from adopting a policy to permit securities other than those listed in CRS 24-75-601.1(1) for investment of public funds.

CRS 24-75-601(1) and this policy authorize the following investments:

- Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment; allowing for inflation indexed securities. The period from the date of settlement of this type of security to the maturity date shall be no more than five years, unless the City Council authorizes investment for a period in excess of five years.

- Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, A Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, The Federal National Mortgage Association, the Government National Mortgage Association, or an entity or organization that is not

listed in this paragraph but that is created by, or the creation of which is authorized by, legislation enacted by the United States Congress and that is subject to control by the federal government that is at least as extensive as that which governs an entity or organization listed in this paragraph. The period from the date of settlement of this type of security to its maturity date shall be no more than three years. Any entity or organization listed in this paragraph may represent up to but not more than 35% of the investment portfolio. The total of the above mentioned entities or organizations and inclusive of corporate or bank securities cannot represent more than 95% of the investment portfolio.

- Any security that is a general or revenue obligation of any state of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any of such governmental entities. The period from the date of settlement of this type of security to the maturity date shall be no more than three years.

- Any interest in a local government investment pool pursuant to CRS 24-75-701, et seq.

- Any guaranteed investment contract (GIC) if at the time the contract or agreement is entered into, the long-term credit rating, financial obligations rating, claims paying ability rating, or financial strength rating of the party, or of the guarantor of the party, with whom the public entity enters the contract or agreement is, at the time of issuance, rated in one of the two highest rating categories by two or more nationally recognized securities rating agencies that regularly issue such ratings. Contracts or agreements purchased under this paragraph shall not have a maturity period greater than three years.

- Any dollar-denominated corporate or bank security issued by a corporation or bank that has a maturity of less than three years from the date of settlement and, at the time of purchase, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below “AA– or Aa3” by any credit rating agency. The aggregate value of all securities referred to in this paragraph shall equal no more than 25% of the total portfolio.

- Money market instruments, such as commercial paper or bankers' acceptance, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below "A1, P1, or F1" by any credit rating agency.

- Any money market fund that is registered as an investment company under the federal “Investment Company Act of 1940”, as amended, at the time the investing public entity invests in such fund. The money market fund must: 1) have no commission fee on the charged on purchases or sales of shares; 2) have a constant daily net asset value per share of $1.00; 3) limit assets of the fund to U.S. Treasury Securities; 4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 270-2A-7; and 5) have a rating at the time of purchase of at least AAAm by Standard & Poor’s or Aaa/MRI+ Moody’s

- The purchase of any repurchase agreement of marketable securities referred to in the preceding paragraphs. A Master Repurchase Agreement must be executed with the bank or dealer. The securities must be delivered to the City’s custodian or to a third-party custodian or third-party trustee for safekeeping on behalf of the City. The title to or

a perfected security interest in such securities along with any necessary transfer documents must be transferred to the City or the City's custodian. The collateral securities of the repurchase agreement must be collateralized at no less than one hundred two percent and marked to market no less frequently than weekly. Collateralization is required per the Public Deposit Protection Act, CRS 11-10.5-101 et seq. The securities subject to the repurchase agreement may have a maturity in excess of five years. The repurchase agreement itself may not have a maturity of more than five years from the date of settlement unless the City Council authorizes investment for a period in excess of five years.

- Certificates of deposit in state or national banks or in state or federally chartered savings banks, which are state-approved depositories per CRS Section 24-75-603, et seq. (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of deposit, which exceed the FDIC insured amount, shall be collateralized in accordance with the Colorado Public Deposit Protection Act. Certificates of deposit must comply with CRS Section 30-10-708 (1). The aggregate value of all certificates of deposit shall equal no more than 25% of the total portfolio.

6.4 **Standards of Care and Performance.** The "reasonable prudence" standard shall be used by investment officials in the context of managing an overall portfolio. The "reasonable prudence" standard provides that investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of the capital.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In addition, officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

6.5 **Authorized Financial Institutions, Depositories, and Broker-Dealers.** Unless utilizing the services of an external registered investment advisor, the Finance Department shall maintain a list of financial institutions and depositories authorized to provide investment services to the City. In addition, the Finance Department shall maintain a list of approved security broker/dealers that may include "primary" dealers or regional dealers qualifying under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). To qualify for consideration for investment transactions with the City, all financial institutions and broker-dealers must supply the following, as appropriate:

- Proof of state registration (except for those firms providing safekeeping and custodial services only).
- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.
- Proof of Financial Industry Regulatory Authority (FINRA) certification.
- Evidence of adequate insurance coverage.
- Certification of having read and understood and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Finance Director.

6.6 **Safekeeping and Custody.** All trades of marketable securities will be executed "delivery versus payment" (where applicable) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities will be held by an independent third-party custodian selected by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall provide on an annual basis a copy of its most recent report on internal controls (Statement of Standards 70).

Moreover, management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. The internal controls structure should address the following points:

- Control of collusion.
- Separation of transaction authority from accounting and recordkeeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Written confirmation of transactions for investments and wire transfers.
- Dual authorization of wire transfers.

Compliance with these controls shall be reviewed and confirmed through the City's annual independent audit.

6.7 **Performance Standards & Reporting**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the ColoTrust local government investment pool, the one-year US Treasury Bill, and the two-year Agency Benchmark.

The Finance Director shall provide the Finance Committee ~~monthly~~ quarterly investment reports that provide the status and characteristics of the current investment portfolio. The investment report should include schedules on:

- Portfolio diversification.
- Maturity distribution.
- A listing of all securities held by authorized investment category.
- Par value, amortized book value, and market value for all securities held.
- Monthly activity – purchases, sales, calls, and interest received.

City of Louisville
COLORADO • SINCE 1878

FINANCIAL POLICIES

Investment Policies

Policy Section: 6
Adopted by Resolution No. 92, Series 2015
Effective Date: May 7, 2024

Purpose and Scope

It is the policy of the City of Louisville to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all Colorado Revised Statutes, the City of Louisville Charter, and the City of Louisville Municipal Code.

The provisions of this investment policy shall apply to all funds held in the custody of the City and all of its offices. Except for cash in certain restricted and special funds, the City shall consolidate, or "pool", cash and investment balances from all funds to maximize investment earnings and to increase efficiencies with regards to investment pricing, safekeeping, and administration. The investment income derived from the pooled cash and investment accounts shall be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Policies

6.1 **Objectives.** In order of priority, the primary objectives of investment activities shall be safety, liquidity, and yield:

- *Safety.* Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio through the mitigation of credit risk and interest rate risk.

- *Liquidity.* The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. In addition, a portion of the portfolio may be placed in local government investment pools (LGIPs) which offer same-day, constant dollar liquidity for short-term funds.

- *Yield.* The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary

importance compared to the safety and liquidity objectives described above. Securities generally shall be held to maturity with the following exceptions:

- A security with a declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration of the portfolio.
- Liquidity needs of the portfolio require the security to be sold.

6.2 **Delegation of Authority.** The Finance Director shall be the designated investment officer of the City and shall be responsible for all investment decisions and activities, under the direction of the City Manager. The Finance Director shall establish investment policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director.

The Finance Director may delegate the authority to conduct investment transactions and manage the operation of the investment portfolio to one or more subordinates and/or an external registered investment advisor who shall act in accordance with established procedures on internal controls and in compliance with this investment policy.

6.4 **Legal Investments.** All investments shall be made in accordance with Colorado Revised Statutes (CRS) as follows: CRS 11-10.5-101, et seq., Public Deposit Protection Act; CRS 24-75-601, et seq., Funds - Legal Investments for Government Units; CRS 24-75-603, et seq., Depositories; CRS 24-75-701 and 702, et seq., Local Governments - Local Government Pooling and that the investment or deposit meets the standard established in section CRS 15-1-304. Any revisions or extensions of these sections of the CRS will be assumed to be part of this Investment Policy immediately upon enactment.

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the settlement date or in accordance with state and local statutes and ordinance. Pursuant to CRS Section 24-75-601.1(1), as amended from time to time, and subject to the limitations set forth therein, the securities listed herein shall be eligible for investment of public funds by the City. In the event of a conflict between CRS 24-75-601.1(1) and this policy, other than this policy being more restrictive that CRS 24-75-601(1), CRS 24-75-601.1(1) shall control. Nothing herein shall preclude the City from adopting a policy to permit securities other than those listed in CRS 24-75-601.1(1) for investment of public funds.

CRS 24-75-601(1) and this policy authorize the following investments:

- Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment; allowing for inflation indexed securities. The period from the date of settlement of this type of security to the maturity date shall be no more than five years, unless the City Council authorizes investment for a period in excess of five years.

- Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, A Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, The Federal National Mortgage Association, the Government National Mortgage Association, or an entity or organization that is not

listed in this paragraph but that is created by, or the creation of which is authorized by, legislation enacted by the United States Congress and that is subject to control by the federal government that is at least as extensive as that which governs an entity or organization listed in this paragraph. The period from the date of settlement of this type of security to its maturity date shall be no more than three years. Any entity or organization listed in this paragraph may represent up to but not more than 35% of the investment portfolio. The total of the above mentioned entities or organizations and inclusive of corporate or bank securities cannot represent more than 95% of the investment portfolio.

- Any security that is a general or revenue obligation of any state of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any of such governmental entities. The period from the date of settlement of this type of security to the maturity date shall be no more than three years.

- Any interest in a local government investment pool pursuant to CRS 24-75-701, et seq.

- Any guaranteed investment contract (GIC) if at the time the contract or agreement is entered into, the long-term credit rating, financial obligations rating, claims paying ability rating, or financial strength rating of the party, or of the guarantor of the party, with whom the public entity enters the contract or agreement is, at the time of issuance, rated in one of the two highest rating categories by two or more nationally recognized securities rating agencies that regularly issue such ratings. Contracts or agreements purchased under this paragraph shall not have a maturity period greater than three years.

- Any dollar-denominated corporate or bank security issued by a corporation or bank that has a maturity of less than three years from the date of settlement and, at the time of purchase, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below “AA– or Aa3” by any credit rating agency. The aggregate value of all securities referred to in this paragraph shall equal no more than 25% of the total portfolio.

- Money market instruments, such as commercial paper or bankers' acceptance, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below "A1, P1, or F1" by any credit rating agency.

- Any money market fund that is registered as an investment company under the federal “Investment Company Act of 1940”, as amended, at the time the investing public entity invests in such fund. The money market fund must: 1) have no commission fee on the charged on purchases or sales of shares; 2) have a constant daily net asset value per share of $1.00; 3) limit assets of the fund to U.S. Treasury Securities; 4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 270-2A-7; and 5) have a rating at the time of purchase of at least AAAm by Standard & Poor’s or Aaa/MRI+ Moody’s

- The purchase of any repurchase agreement of marketable securities referred to in the preceding paragraphs. A Master Repurchase Agreement must be executed with the bank or dealer. The securities must be delivered to the City’s custodian or to a third-party custodian or third-party trustee for safekeeping on behalf of the City. The title to or

a perfected security interest in such securities along with any necessary transfer documents must be transferred to the City or the City's custodian. The collateral securities of the repurchase agreement must be collateralized at no less than one hundred two percent and marked to market no less frequently than weekly. Collateralization is required per the Public Deposit Protection Act, CRS 11-10.5-101 et seq. The securities subject to the repurchase agreement may have a maturity in excess of five years. The repurchase agreement itself may not have a maturity of more than five years from the date of settlement unless the City Council authorizes investment for a period in excess of five years.

- Certificates of deposit in state or national banks or in state or federally chartered savings banks, which are state-approved depositories per CRS Section 24-75-603, et seq. (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of deposit, which exceed the FDIC insured amount, shall be collateralized in accordance with the Colorado Public Deposit Protection Act. Certificates of deposit must comply with CRS Section 30-10-708 (1). The aggregate value of all certificates of deposit shall equal no more than 25% of the total portfolio.

6.4 **Standards of Care and Performance.** The "reasonable prudence" standard shall be used by investment officials in the context of managing an overall portfolio. The "reasonable prudence" standard provides that investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of the capital.

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In addition, officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

6.5 **Authorized Financial Institutions, Depositories, and Broker-Dealers.** Unless utilizing the services of an external registered investment advisor, the Finance Department shall maintain a list of financial institutions and depositories authorized to provide investment services to the City. In addition, the Finance Department shall maintain a list of approved security broker/dealers that may include "primary" dealers or regional dealers qualifying under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). To qualify for consideration for investment transactions with the City, all financial institutions and broker-dealers must supply the following, as appropriate:

- Proof of state registration (except for those firms providing safekeeping and custodial services only).
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- Proof of Financial Industry Regulatory Authority (FINRA) certification.
- Evidence of adequate insurance coverage.
- Certification of having read and understood and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Finance Director.

6.6 **Safekeeping and Custody.** All trades of marketable securities will be executed "delivery versus payment" (where applicable) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities will be held by an independent third-party custodian selected by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall provide on an annual basis a copy of its most recent report on internal controls (Statement of Standards 70).

Moreover, management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. The internal controls structure should address the following points:

- Control of collusion.
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Compliance with these controls shall be reviewed and confirmed through the City's annual independent audit.

6.7 **Performance Standards & Reporting**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the ColoTrust local government investment pool, the one-year US Treasury Bill, and the two-year Agency Benchmark.

The Finance Director shall provide the Finance Committee quarterly investment reports that provide the status and characteristics of the current investment portfolio. The investment report should include schedules on:

- Portfolio diversification.
- Maturity distribution.
- A listing of all securities held by authorized investment category.
- Par value, amortized book value, and market value for all securities held.
- Monthly activity – purchases, sales, calls, and interest received

SUBJECT: **PROCLAMATION – OLDER AMERICANS MONTH**

DATE: **MAY 7, 2024**

PRESENTED BY: **ADAM BLACKMORE, DIRECTOR OF PARKS, RECREATION, OPEN SPACE & GOLF**

SUMMARY:
Each May, the Administration for Community Living celebrates Older Americans Month to recognize older Americans for their contributions to the nation. The theme for Older Americans Month 2024: ***Powered by Connection.***

FISCAL IMPACT:
None

RECOMMENDATION:
Proclaim May 2024 as Older Americans Month in the City of Louisville.

ATTACHMENT(S):
1. Older Americans Month Proclamation, May 2024

OLDER AMERICANS MONTH PROCLAMATION
MAY 2024

Whereas, May is Older Americans Month, a time to recognize and honor Louisville older adults and their immense influence on every facet of American society; and

Whereas, through their wealth of life experience and wisdom, older adults guide out younger generations and carry forward abundant cultural and historical knowledge; and

Whereas, older Americans improve our communities through intergenerational relationships, community service, civic engagement, and many other activities; and

Whereas, communities benefit when people of all ages, abilities, and backgrounds have the opportunity to participate and live independently; and

Whereas, Louisville must ensure that older Americans have the resources and support needed to stay involved in their communities — reflecting our commitment to inclusivity and connectedness; and

Now, therefore, the City Council of Louisville, Colorado does hereby proclaim May 2024 to be Older Americans Month. This year's theme, "Powered by Connection," emphasizes the profound impact of meaningful interactions and social connection on the well-being and health of older adults in our community. I urge every resident to celebrate our older citizens, help to create an inclusive society, and accept the challenge of flexible thinking around aging.

DATED this 7th day May 2024

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

City of Louisville
COLORADO • SINCE 1878

CITY COUNCIL COMMUNICATION
AGENDA ITEM 10B

SUBJECT: **PROCLAMATION – ECONOMIC DEVELOPMENT WEEK**

DATE: **MAY 7, 2024**

PRESENTED BY: **VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER**
AUSTIN BROWN, ECONOMIC VITALITY SPECIALIST

SUMMARY:
The International Economic Development Council (IEDC) is a non-profit, non-partisan membership organization serving economic developers worldwide. IEDC serves over 4,500 member organizations worldwide and provides training courses, webinars, white-papers, conferences, resource guides and administers and upholds the Certified Economic Developer credential. IEDC works to support economic developers at all levels, promote the field and support efforts to create, retain and expand jobs while positively impacting economies and quality of life.

The IEDC has declared May 6-10th, 2024 as this year's Economic Development Week. Economic Development Week was created by IEDC in 2016 to highlight the programs, best practices and individuals that positively impact life in their communities. IEDC created economic development week to recognize the work that economic development organizations and professionals do that contribute to the growth and vibrancy of local and regional economies. This year's theme is Economic Development Heroes.

The Economic Development Council of Colorado (EDCC) is the professional economic development arm for practitioners in the state of Colorado. They have partnered with IEDC and economic development partners across the state to amplify Economic Development Week, showcase wins and celebrate economic development projects across the state. Governor Polis has proclaimed the week as Economic Development Week.

Economic Vitality Staff will be participating in Economic Development Week this year, leveraging the effort to highlight Louisville businesses, best practices and wins. This year's proposed promotions include a proclamation, economic development background information, success stories, business anniversaries and openings, staff spotlights, partner organization promotions, "did-ya-knows" and more.

Stay tuned throughout the week to learn more about the economic development profession and Louisville highlights.
#CoEconDevWeek24 #EconDevWeek #EconomicDevelopmentHeroes

ATTACHMENT(S):
1. 2024 Economic Development Week Proclamation

ECONOMIC DEVELOPMENT WEEK PROCLAMATION
MAY 6-10, 2024

Whereas, economic development professionals are committed to creating, retaining, and expanding top-tier opportunities that facilitate long-term, equitable community growth; and

Whereas, the economic development profession cultivates thriving neighborhoods, champions sustainability and resiliency, boosts economic prosperity, enhances the quality of life, and builds robust tax bases; and

Whereas, economic development professionals operate throughout diverse economic environments, including rural, suburban, and urban settings; local, state, provincial, and national governments; public-private partnerships; chambers of commerce; institutions of higher education; among many similar organizations and associations; and

Whereas, economic development professionals serve as stewards, bridging connections between community stakeholders such as residents, business leaders, elected officials, industry executives, and educational administrations, to collaborate in promoting job creation, community success, infrastructure advancements, and an optimistic future; and

Whereas, economic developers contribute to the betterment and progress of Louisville, Boulder County and Colorado; and

Whereas, Louisville has over 16,000 employees and 1,200 businesses; and

Now, therefore, the City Council of Louisville, Colorado does hereby proclaim May 6-10, 2024 to be Economic Development Week.

DATED this 7th day May 2024

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

SUBJECT: **ORDINANCE NO. 1873, SERIES 2024 – AN ORDINANCE AMENDING TITLE 16 AND TITLE 17 OF THE LOUISVILLE MUNICIPAL CODE TO REVISE THE EXPEDITED PUD PROCESS, MINOR SUBDIVISION PROCEDURES, AND SUBDIVISION DEFINITIONS – 1st READING – SET PUBLIC HEARING 6/4/24**

DATE: **MAY 7, 2024**

PRESENTED BY: **MATT POST, SENIOR PLANNER**

SUMMARY:
Staff is presenting the first reading of an ordinance that would update which planned unit development (PUD) applications are eligible to go straight to final PUD ("expedited PUD") and which subdivision plat applications are eligible to go straight to final subdivision plat.

BACKGROUND:
All development in Louisville, except for residential development up to 6 units and less than an acre, requires approval of a PUD. A PUD establishes the site plan, landscaping plan, drainage, grading, utilities, lighting, and architecture, with development subject to the City's applicable development and design guidelines.

Pursuant to Louisville Municipal Code (LMC) Sec. 17.28.150, when subdivision review is required for the proposed development, it must be evaluated concurrently with the PUD. The subdivision establishes the final development pattern and condition for the subject property, including lot layout, site design, and the location of public and private streets

Most new PUDs need an approved preliminary PUD and subdivision plat with Planning Commission and City Council public hearings before requesting final PUD and plat approval per LMC Sec. 17.28.170. The preliminary PUD and subdivision plat establish major features like street connections, lot layout, easement locations, and proposed land uses. The final PUD and plat are more granular with a detailed site plan and plat. Under the current process, a typical PUD and subdivision plat application will include four public hearings to reach a final decision – two for preliminary, two for final.

LMC Section 17.28.250 (Expedited PUD) sets forth a procedure where an applicant for a new PUD can request to go straight to final PUD. To be eligible for expedited PUD the subject property and proposal must be:

- Less than seven acres;
- Previously subdivided;

- No more than one building and principal use;
- Governed by a general development plan in the planned community district; and
- Subject to "covenants of record addressing the use and development of the property."

The purpose of expedited review is not clearly stated or documented in City archives. The current process only applies to specific areas of Louisville and for specific types of projects that tend to have comparably minor impacts.

PROPOSAL:
The proposed changes update the types of projects eligible for expedited PUD review and that can go straight to final subdivision plat review. The proposed changes to Title 16 and 17 address the expedited PUD process, subdivision process, and subdivision definitions as follows:

Regarding the Expedited PUD Process:

- Remove the size requirement of less than seven acres.
- Maintain the requirement that the property has been previously subdivided but add a requirement that any new platting must be within the minor subdivision thresholds, coupled with targeted changes to the minor subdivision section (see subdivision plat bullet points below).
- Eliminate the following eligibility requirements:
  - That PUDs must be in an approved general development plan in the planned community district.
  - That they must be limited to one land use and one building.
  - That they must be subject to covenants of record addressing the use and development of the property.
- Add the requirement that the project will not have "material" changes in the type of public improvements, easements, arrangement of streets, open space, or utilities. This is parallel to the proposed language in LMC Sec. 16.12.110 (subdivisions) to address those PUD applications and new subdivisions that may have impactful changes but are previously platted and are under seven acres.

Regarding Subdivision Plats:

- Amend LMC Sec.16.12.110.C.1 (Minor Subdivision Procedure). A subdivision plat must meet one of four criteria. One of the criteria will be amended to read as follows: *The subdivision is a replat of an approved final subdivision plat which does ~~not increase the number of lots or increase density, and which does~~ not*

result in a material change in the ~~extent, location, or~~ type of public improvements, easements, arrangement of streets, open space, or utilities.

The amended provision would read as follows: *The subdivision is a replat of an approved final subdivision plat which does not result in a material change in the type of public improvements, easements, arrangement of streets, open space, or utilities.*

- Amend the definition of "Planned Unit Development" in LMC Sec. 16.080.020 to allow for the submittal and review of a final PUD without prior preliminary plat review when a project is eligible for expedited PUD review.

Regarding Removal of the Seven Acre Threshold

Properties that are greater than seven acres in size are not currently eligible for the expedited PUD process. This was maintained in the draft ordinance presented to the Planning Commission.

Deliberation by the Planning Commission included inquiries into the origin of the seven acre threshold as a criterion for considering whether a project is eligible for expedited PUD review. Staff reviewed the history of the seven acre threshold and were unable to find a clear reason or intent as to why the standard exists and was initially adopted.

Removal of the seven acre threshold from the expedited PUD process was not proposed to the Planning Commission; however, based on the discussion at the Planning Commission public hearing, the lack of rationale for this size threshold, and that the proposed language would still provide discretion for the city to require a preliminary PUD for major applications, staff are recommending that the City Council remove the seven acre threshold from this draft ordinance.

ANALYSIS:

Staff find that there are three main limitations of the current code. One, some PUD applications that do not meet all four of the expedited PUD criteria in LMC Sec. 17.28.250 may not need both the preliminary and final PUD processes to adequately evaluate the proposal. Two, limiting the expedited PUD process to properties governed by a general development plan and in the planned community zone district excludes, for example, properties near Old Town, much of the Colorado Technology Center (CTC), and most of the South Boulder Road corridor. Three, portions of the expedited PUD review process have confusing language (e.g., "covenant of record addressing the use and development of the property").

Overall, the goal of the proposed changes is to allow broader access to the expedited PUD process for appropriate projects. This ordinance does not change anything about the final PUD or final subdivision plat process, including the requirement for Planning Commission and City Council public hearings for both and the applicable review criteria.

The proposed changes to LMC Title 17 (Zoning) provide clearer language and would enable more PUDs to be eligible to apply for a final PUD and bypass the preliminary PUD than what is currently permitted (e.g., < 7 acres, only replats that are minor, etc.).

The proposed changes to LMC Title 16 (Subdivisions) are necessary to comprehensively address the current limitations of the expedited PUD process given that subdivision review must be carried out simultaneously with PUDs pursuant to LMC Sec. 17.28.150 (Coordination with subdivision regulations).

The proposed revision to LMC Sec.16.12.110 (Minor Subdivision procedure) will allow expanded access to the expedited PUD process and ensure that appropriate projects may be eligible for final subdivision plat review and will not need to undergo preliminary plat review. Staff anticipate that the proposed revision will reduce redundancies in the review process while supporting the administration of applicable engineering and zoning regulations and policies. The proposed revision will not remove the requirement that all requests for subdivision, regardless of scope or scale, be approved by the Planning Commission and City Council at a public hearing.

The proposed changes to LMC Title 16 (Subdivisions) would parallel the expedited PUD approach while acknowledging that the subdivision plat process is not intended to evaluate density, location and extent of easements, or number of lots on a discretionary level. The review of a subdivision plat determines whether it meets the objective standards or not (e.g., minimum lot sizes, sizes of easements to meet engineering standards, etc.). A subdivision plat will still need to satisfy the review criteria of LMC Title 16 for staff to recommend approval.

Removing the seven acre threshold would further reduce redundancies in the review process and lessen staff caseloads by allowing most developments to move directly to final PUD and plat, which would still require Planning Commission and City Council public hearings. Staff would retain the opportunity to require a preliminary PUD and plat if a material change as defined by this ordinance update is identified in the proposal. The applicant may choose to undergo preliminary review for their own benefit or engage in the recently adopted Concept Plan process for nonbinding City Council and public feedback.

Retaining the seven acre threshold and requiring those projects to undertake the preliminary PUD and plat process may benefit the applicant by allowing them to undergo review and receive preliminary approvals from the city prior to investing in a final document package.

Removing the seven acre threshold and allowing larger projects to move directly to final PUD and plat will require the applicant to make a significant investment into developing the required final plan set. Once an applicant makes those investments and generates a

detailed final document package, it may prove difficult for staff to impose non policy-related changes to the development plans in the latter stages of review.

Properties in the city that are currently greater than seven acres in size are generally located along the McCaslin Blvd and Centennial Pkwy corridors (Centennial Valley), and within the Conoco Phillips Campus GDP (Redtail Ridge), among others.

The table below summarizes three scenarios where an applicant could request expedited PUD review under the proposed changes and the likely outcomes.

Scenarios for PUDs with Proposed Expedited PUD Changes	
Project Type	**Eligible for Expedited PUD with Proposed Changes?**
Single use commercial building on one property; < 7 acres; previously subdivided.	Yes, the application would likely be eligible for the expedited PUD process. This type of development would typically not need to replat beyond the minor subdivision thresholds.
Multi-building, mixed use development (e.g., residential and commercial); < 7 acres; previously subdivided.	Yes, the application would likely be eligible for the expedited PUD process. It is previously platted, less than 7 acres, and eligible for the minor subdivision process if it meets one of four criteria in LMC Sec. 16.12.110.
Multi-building, mixed-use, commercial, or industrial; > 7 acres; previously subdivided.	Yes, the application would be eligible for the expedited PUD process. The site is greater than 7 acres and has been previously subdivided.
Development that includes a “material change” or is not previously subdivided.	No, the application would not be eligible for the expedited PUD process. A material change is occurring and/or the property is not previously subdivided. A material change may include major changes street configurations, publicly accessible open space, major changes to shared utilities, etc.

PUBLIC COMMENTS:
No public comments have been received to date.

FISCAL IMPACT:
No fiscal impact is anticipated from the changes to the code.

PLANNING COMMISSION RECOMMENDATION:
The Planning Commission reviewed the draft ordinance at their March 14, 2024, meeting and voted unanimously to recommend approval with the following conditions:

- Remove the language "extent, location, or" from LMC Sec. 17.28.250.B.3 of the draft ordinance to address a staff oversight.

All Commission conditions were incorporated into the 1st reading draft for City Council.

Planning Commission meeting minutes will be provided with the 2nd reading and public hearing.

The recording of the meeting is available here (8:19 – 1:02:00).

STAFF RECOMMENDATION:
Staff recommends that the City Council approve Ordinance No. 1873, Series 2024 on first reading and setting the public hearing for June 4, 2024 with the following condition.

- Remove the language "*the property is less than seven acres in area"* from the draft ordinance.

ATTACHMENTS:
1. Ordinance No. 1873, Series 2024 - Draft Expedited PUD Review, Minor Subdivision Procedure, and Subdivision Definitions Ordinance.
2. Planning Commission Resolution No. 02, Series 2024

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☒	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☒	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

RESOLUTION NO. 2
SERIES 2024

A RESOLUTION RECOMMENDING APPROVAL OF AN ORDINANCE AMENDING TITLE 17 AND TITLE 16 OF THE LOUISVILLE MUNICIPAL CODE TO REVISE THE EXPEDITED PUD REVIEW PROCESS, THE MINOR SUBDIVISION PROCEDURE, AND SUBDIVISION DEFINITIONS

WHEREAS, the City of Louisville (the "City"), is a Colorado home rule municipal corporation duly organized and existing under laws of the State of Colorado and the City of Louisville Home Rule Charter (the "City Charter");

WHEREAS, City of Louisville municipal code Title 17, Zoning, establishes development review application processes for the development of land within the City;

WHEREAS, City of Louisville municipal code Title 16, Subdivisions, establishes development review application processes for the division of land within the City;

WHEREAS, the expedited PUD process is an effective tool for appropriate PUD applications but has a limited scope of eligible applications; and

WHEREAS, the City desires to revise the expedited PUD review process so a broader range of appropriate PUD applications can utilize the process; and

WHEREAS, the City desires to revise the minor subdivision procedure and subdivision definitions to align with the revised expedited PUD process.

NOW THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Louisville, Colorado does hereby recommend approval of an ordinance amending Title 17 and Title 16 of the Louisville Municipal Code to revise the expedited PUD process, the minor subdivision procedure, and subdivision definitions with the following conditions:

- Remove the language "extent, location, or" from LMC Sec. 17.28.250.B.3 of the draft ordinance.

PASSED AND ADOPTED this 14th day of March, 2024.

By: _____
Steve Brauneis, Chair
Planning Commission

Attest: _____
Jeffrey Moline, Secretary
Planning Commission

SUBJECT: **RESOLUTION NO. 22, SERIES 2024 – A RESOLUTION ADOPTING THE LOUISVILLE HOUSING PLAN AS A GUIDING DOCUMENT TO ADDRESS HOUSING AFFORDABILITY IN LOUISVILLE**

DATE: **MAY 7, 2024**

PRESENTED BY: **JEFF HIRT, AICP, PLANNING MANAGER**
ROB ZUCCARO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

SUMMARY

The purpose of this item is to share the draft Louisville Housing Plan ("Plan") with City Council for consideration of adoption. If adopted, the Plan would become the City's guiding document related to housing and would integrate with the Comprehensive Plan update that is currently underway. Attachment 1 includes the draft plan and appendices.

BACKGROUND

In 2021, the City of Louisville was awarded a grant from the Colorado Department of Local Affairs (DOLA) to develop the City's first Housing Plan ("Plan"). The Plan is an important step for the City to address housing affordability and choice in Louisville and aligns with advancing numerous City policies around environmental, social, and economic sustainability. City staff temporally paused the project until mid-2023 to address the urgent needs from the Marshall Fire recovery. The firm EcoNorthwest prepared the Plan with City staff oversight. EcoNorthwest is nationally known for specializing in housing plans and is currently working with the Denver Regional Council of Governments to prepare a Regional Housing Needs Assessment. The core components of the Plan in Attachment 1 include:

1. Housing Goals: The Plan sets forth three housing goals for the City that include increasing residential development opportunities, expanding access to affordable housing, and diversifying the city's housing stock. The goals act as a foundation for the Plan's strategies and actions and can have broad applicability supporting City decision making related to housing in the future.
2. Housing Strategies and Actions: The Plan sets forth three housing strategies for the City with 13 action items tied to the strategies. The action items include several factors to support prioritization including potential impact on housing production, level of investment, and timing by near (1-2 years), mid (2-3 years), and long term (3-5+ years) items.
3. Housing Needs Assessment (HNA) – Attachment 1 includes the full HNA as an appendix. The findings are summarized in the main body of the Plan – first at a very high level in Part 1: Introduction and subsequently in Part 2: Housing Needs and Market Assessment. The findings act as the foundation for the Plan's goals,

strategies, and actions and quantify the growing housing affordability challenges in Louisville.

The Plan provides snapshots of the major components on individual pages for easier digestion with more detail in subsequent pages or appendices. The goals and strategies are summarized on page 4 of the Executive Summary. The 13 action items are summarized on page 29.

Housing Plan Community Engagement
The Plan was informed by community and stakeholder input over the course of 2023. This included numerous focused interviews with community members and affordable housing providers, a well-attended public open house, and multiple City Council and Planning Commission meetings to iterate on the Plan's development. The Plan summarizes this community engagement on pages 8-9 and in more detail in the Plan's community engagement appendix.

Comprehensive Plan Integration
The Housing Plan ("Plan") acts as an important foundation for the City's Comprehensive Plan update and frequently references the desired integration with the update. The Comprehensive Plan update is at an opportune time to integrate some of the Plan's recommendations. The Comprehensive Plan update project team plans to develop future land use and development scenarios for City Council, Planning Commission, and community input over the course of the Summer and Fall of 2024.

The Plan includes action items to evaluate where residential development may be appropriate where it is currently restricted and to evaluate zoning code barriers to the Plan's housing goals and strategies. City staff expects that these and other action items will be further refined or potentially implemented as part of the Comprehensive Plan update that is scheduled for adoption by late 2025 and includes extensive community engagement.

The Plan does not set population or housing unit target numbers or recommend specific locations for any zoning and land use changes. It does, however, objectively state what the future housing need would be based on a continuation of Louisville's current share of Boulder County housing units (see Plan page 24). The Plan also acknowledges the City's goal that 12% of Louisville's housing be permanently affordable by 2035 as part of the Boulder County Regional Housing Partnership (City Council Resolution 58, Series 2017).

City Council Input (September 2023)
City Council last discussed the Housing Plan on September 26, 2023, when the project team presented the draft Plan framework that included about 30 potential action items. City Council's input on those action items acted as the foundation for the draft in Attachment 1. Select comments from City Council at that meeting included:

- A preference for a more concise list of action items with prioritization;
- General support for the Plan to recommend evaluating land use changes for housing in areas where residential uses are currently restricted (e.g., McCaslin corridor);
- The need to provide options in the Plan for types of regulatory and funding incentives to promote housing affordability; and
- General support for the Plan to recommend zoning code changes to reduce barriers to affordable housing.

Planning Commission Recommendation
Planning Commission evaluated the draft Housing Plan on April 11, 2024, and unanimously recommended that City Council adopt the Plan as presented. Staff made some targeted edits to the Plan presented to Planning Commission to address their comments that are reflected in Attachment 1. The major edit from the Planning Commission Draft included clarification that the Plan's goals to increase housing supply and choices should be addressed on balance with other established community values, notably those articulated in the Comprehensive Plan (see Plan page 26 for summary of goals). Planning Commission also accompanied their vote on the Plan with a recommendation that the Comprehensive Plan incorporate Housing Plan recommendations where possible.

Housing Plan Next Steps
If adopted, the Housing Plan will act as the City's guiding document for housing-related decisions around City policies, regulations, and funding opportunities in the future. Specific near-term next steps will follow the guidance from the Plan's strategies and actions sections. This will include integration with the Comprehensive Plan policies currently being developed. Staff also plan to bring forward a package of potential housing-related regulatory changes to City Council later in 2024 that may be addressed prior to the completion of the Comprehensive Plan.

FISCAL IMPACT
None at this time, but several of the Plan's action items (if implemented) would have fiscal impacts on the City. The Plan describes the need to conduct more detailed fiscal analysis on such items with any related implementation.

RECOMMENDATION
Staff recommends approval of Resolution No. 22, Series 2024 to adopt the Louisville Housing Plan.

ATTACHMENTS
1. Resolution No. 22, Series 2024
2. Housing Plan, including Appendices 1: Housing Needs Assessment, 2: Community Engagement Summary, and 3: Development Feasibility Analysis
3. Presentation

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☒	**Vibrant Economic Climate**	☒	**Quality Programs & Amenities**
☐	**Engaged Community**	☒	**Healthy Workforce**
☐	**Supportive Technology**	☒	**Collaborative Regional Partner**

RESOLUTION NO. 22
SERIES 2024

A RESOLUTION ADOPTING THE LOUISVILLE HOUSING PLAN AS A GUIDING DOCUMENT TO ADDRESS HOUSING AFFORDABILITY IN LOUISVILLE

WHEREAS, the City of Louisville (the "City"), is a home rule municipal corporation organized under the Colorado Constitution and the Louisville Home Rule Charter; and

WHEREAS, the City has learned through recent community engagement and the Housing Needs Assessment that accompanies this resolution that housing affordability and housing choice are among Louisville and the region's most pressing issues; and

WHEREAS, the State of Colorado has recognized that housing affordability is one of the most significant issues facing the state by enacting House Bill 21-1271 that enabled the City to be awarded a grant for the Louisville Housing Plan; and

WHEREAS, the City currently has limited policy guidance to address the issue of housing affordability and diverse housing choices in Louisville; and

WHEREAS, on April 11, 2024, the Louisville Planning Commission recommended that the Louisville City Council adopt the Louisville Housing Plan in the same form that accompanies this resolution; and

WHEREAS, City Council desires to adopt the Louisville Housing Plan as a guiding document to address housing affordability in Louisville.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The Louisville Housing Plan is hereby adopted in substantially the same form of such Plan that accompanies this Resolution.

PASSED AND ADOPTED this 7th day of May, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

IMPACT THROUGH INSIGHT

Prepared for City of Louisville
Final Housing Plan

City of Louisville Housing Plan

ECOnorthwest

LOGAN SIMPSON

City of Louisville
COLORADO • SINCE 1878

City Council Draft 5/7/24

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DRAFT

Acknowledgements

Mayor Chris Leh
Ward I: Tom Bierman and Caleb Dickinson
Ward II: Deborah Fahey and Judi Kern
Ward III: Barbara Hamlington and Dietrich Hoefner

COLORADO
Department of Local Affairs

The Housing Plan was supported by funding from the Colorado Department of Local Affairs Innovative Housing Planning Grant Program.

Executive Summary

The purpose of this document is to outline a strategic and actionable plan for the City to address the future housing needs of Louisville. Louisville has continued to see a spike in housing costs that have vastly outpaced incomes, even more so than many of its peer cities in the region and State. While the reasons for these changes are complex, the City has determined that the creation of policies and programs to address the housing needs of current and future Louisville residents is a top priority. Additionally, the housing goals and strategies in this plan align with and promote the following other City goals:

- Louisville as an inclusive community, including the goals of Louisville's 2021 Equity, Diversity, and Inclusion (EDI) Task Force Report to expand housing access for diverse and low-income communities.
- The principles of sustainable development, including the three pillars in the 2020 Louisville Sustainability Action Plan of Environmental Stewardship, Social Equity, and Economic Vitality. Sustainable development actions that address a housing mix and new workforce housing will also promote the reduction of vehicle miles traveled and reductions in greenhouse gas emissions as identified in the City's 2019 Resolution Setting Clean Energy and Carbon Emission Reduction Goals.
- The 2019 Transportation Master Plan goals for promoting new development and redevelopment that focuses on biking, walking, and transit.
- The 2017 Boulder County Regional Housing Strategy goal that 12% of Louisville's housing be permanently affordable by 2035, supported by Louisville City Council Resolution 58, Series 2017.
- City Historic Preservation goals of promoting and preserving residential building character in Old Town Louisville identified in the 2015 Preservation Master Plan.

In 2021, the City of Louisville was awarded a grant through the HB 21-1271 Innovative Affordable Housing Strategies program by the Colorado Department of Local Affairs (DOLA) for the City's first Housing Plan. This Housing Plan will act as a foundation for future City decision making and guide the upcoming Comprehensive Plan update.

Summary of Local and Regional Housing Challenges

The Boulder-Denver region has experienced a major influx of higher income households in recent years, driven by an increase in high-paying jobs from companies locating in the area. This has fueled substantial housing demand. However, housing production has not kept pace with demand and has failed to deliver the housing needed for a broad spectrum of incomes, including both renters and owners. Louisville lacks a diversity of housing choices with about 70% of the city's housing stock single family detached units. Moreover, the rate of residential development

declined, and population plateaued in Louisville from 2018-2021, only seeing an uptick since the Marshall Fire rebuild at the end of 2021.

Due to substantial regional housing demand combined with stagnant production, home sale prices in Louisville are soaring. The median price of a home in 2023 in Louisville is $896,000, an increase of 132% over the last decade. The City's current land use and zoning policies have also limited the market's ability to deliver more varied and affordable housing options in Louisville. This includes housing at higher densities and income-restricted units that could better serve a spectrum of renters and owners at more accessible price points. These **affordability challenges increasingly affect all facets of community life** as companies, businesses, government agencies, school districts, and police and fire departments struggle to attract and retain employees due to the area's housing costs.

> Current land use and zoning policies have limited the market's ability to deliver more varied and affordable housing options in Louisville.

In 2023, a household would need to earn around $209,000 to afford the median home sale price in Louisville. With only 26% of Louisville households earning more than $200,000 annually, 74% of households would not be able to afford the current median home sales price. Moreover, with renter incomes around half of homeowner incomes in Louisville, **homeownership is significantly more out of reach for households that do not already own a home.** Additionally, 24% of all Louisville households are considered "cost-burdened," spending over 30% of their income on housing costs. This figure jumps to 41% for renter households specifically, creating financial instability and increased risk of displacement.

To address these concerning trends, Louisville should prioritize growing and diversifying its housing stock in a manner consistent with established community values. Such growth and diversification will support a vibrant, diverse population and economic vitality. This is achieved with more housing choices across all income levels, including income-restricted units, accessible senior housing, entry-level ownership options like condos, cottages, or townhomes, and more multiunit rental opportunities. While the City has recently adopted some strategies like an Inclusionary Housing Ordinance, more needs to be done if the City wishes to meet its housing goals.

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Housing Plan Goals, Strategies & Actions

This Housing Plan creates a roadmap for developing programs and policies over the next 5+ years that aim to better support existing and future Louisville residents. This Plan is guided by three core goals for strategy development and progress tracking. Further, these clear and measurable goals serve as a guidepost for evaluating outcomes over time.

Goal 1: Increase Residential Development Opportunities in Louisville

Goal 2: Expand Access to Affordable Housing

Goal 3: Diversify Louisville's Housing Stock

The goals help to frame the 3 key strategies that include specific actions for the City to take in the near and long term as it aims to increase access and opportunity for residents in Louisville.

STRATEGY 1

- Targeted Policy and Zoning Code Changes to Reduce Barriers for Residential Development

Targeted actions to help provide relief while the City works on broader policy updates during the comprehensive plan process, or soon after.

STRATEGY 2

- Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing

A toolbox for easing financial burdens or generating revenue to provide more direct financial support for new income-restricted residential projects.

STRATEGY 3

- Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types

Comprehensive actions to modernize the City's approach to zoning and land use policy related to residential development.

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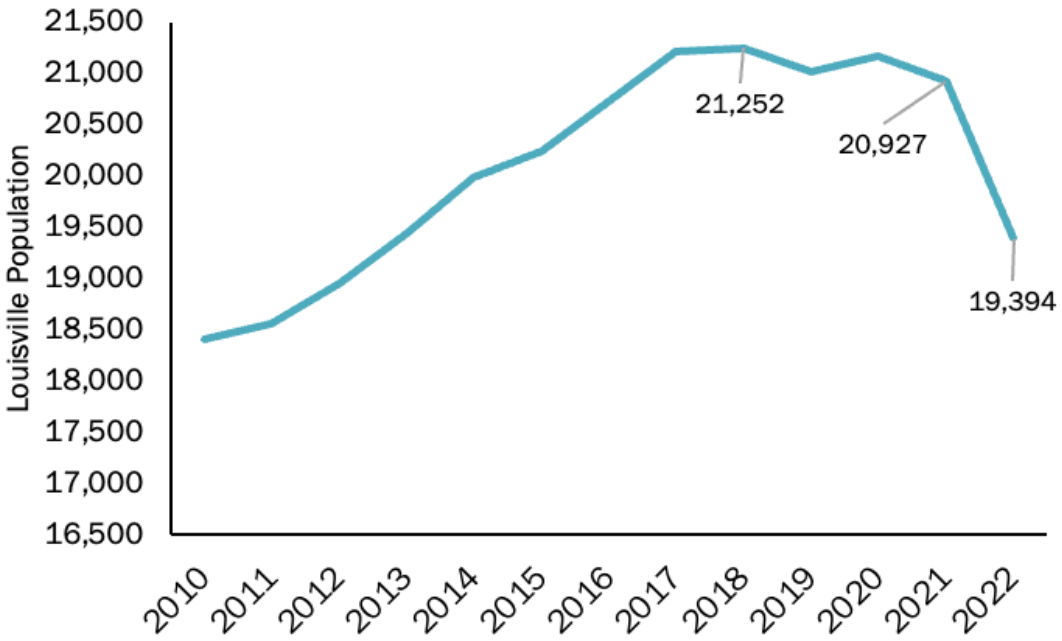
1. Introduction

Local and Regional Context

Between 2010-2020, Louisville's population increased by about 15%, or 2,700 residents. However, the population peaked in 2018 at just over 21,000 residents and has largely plateaued since then with a decreasing population in more recent years. This population decline was intensified with the Marshall Fire at the end of 2021 that destroyed 549 homes and businesses, displacing many Louisville households.

Exhibit 1: Louisville Population Growth, 2011-2022
Source: DOLA



Like much of the state and region, Louisville's housing market has not kept pace with the demand created by employment growth and other growth pressures. As a result, prices have risen. The city's residents have borne the impact through increased rents and housing sale prices that are inaccessible to many households. Land use policies and a lack of adequate funding and support for income-restricted housing have also contributed to the current housing challenges. The ability for current and future households to meet their housing needs in Louisville depends on decisions and policy choices that the City and other cities in the region make today.

Historical Forces that Shaped Housing in Louisville

Louisville's growth and development has been influenced by several local and regional trends. For the first half the 20th Century, Louisville maintained a population of around 2,000 residents or less. It wasn't until the 1970s that Louisville started to see significant population and housing growth. The major influences of Louisville's housing boom included new demand for housing from major employers and employment centers and improved transportation connections. The following are some of the primary influences:

- Completion of the Valley Highway (US 36) in 1952, improving access to Denver and Boulder.
- Major employers of note and their development timeline that influenced local housing demand include the Rocky Flats Plant (1957), the StorageTek campus (1978), and the Colorado Tech Center, which began development in 1979 and continues its buildout today.
- Growth policies in Boulder and expansion of the University of Colorado. As housing supply was constrained and housing prices increased in Boulder, Louisville provided a significant amount of affordable workforce housing for Boulder and the University.
- Approval of the Centennial Valley General Development Plan in 1983 that included 1,333 new housing units and 3.6 million square feet of planned commercial development.
- Between 1984 and 1993, a total of 2,865 housing units were permitted for construction. Much of these units provided attainable workforce housing for the region and especially Boulder.
- The 2003 Boulder County Countywide Coordinated Comprehensive Development Plan Intergovernmental Agreement created Rural Preservation Areas and Municipal Influence Areas that resulted in development buffers between municipalities that significantly influenced housing growth and cost.
- The City of Louisville's current "by-right" zoning would only support about 400 new housing units.

Summary of Louisville's Housing Needs

The City completed a Housing Needs Assessment (HNA) in August of 2023 to act as a foundation for this Housing Plan. The HNA evaluated the City's current and projected housing needs based on demographic and housing market trends. The HNA helped answer questions about the current availability of different housing types, who lives and works in Louisville, and the range of housing needed to meet current and future housing needs. This provides a factual basis from which to base the Housing Plan strategy development. This section provides an overview of key findings from the HNA to contextualize the remainder of the Housing Plan that follows. Appendix 1 includes the full HNA.

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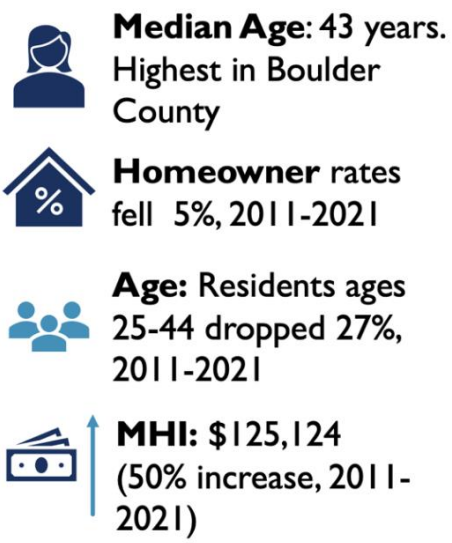
Louisville needs to prioritize diversifying its housing stock to adequately meet the needs of current and future residents. Otherwise, the city will continue to become more unaffordable to the wide range of households necessary to maintain and strengthen a robust and resilient community.



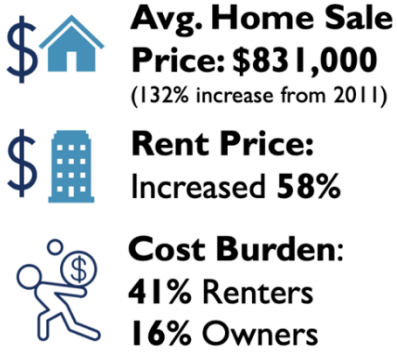
Louisville's population is aging quicker than nearby cities, so the city needs to prioritize attainable and appropriate housing options for seniors. An aging population will need more smaller units that meet accessibility standards than what the market currently provides. Many seniors are also on fixed-incomes, making them especially vulnerable to housing cost increases so income-restricted housing for seniors also needs to be a priority.

Louisville lacks housing rental and ownership opportunities for younger residents and families. Louisville has become less affordable for younger residents and families due to the sharp increase in housing costs locally and throughout the region. To address this the city needs to prioritize:

- *Multifamily rentals* **for young residents who either choose to live alone or for smaller households seeking more affordable rental options.**
- *Attached and smaller detached units* **such as stacked condominiums, plex development, townhomes, and small bungalows or cottages that are more affordable to first-time homebuyers and young families looking to locate in Louisville.**

Louisville needs to provide income-restricted housing to create and maintain a more diverse and inclusive community. The housing market is unlikely to deliver income-restricted housing given its inherent financial complexities without more direct support from the City. If income-restricted housing is not prioritized, lower income earners will likely continue to seek housing opportunities further away from Louisville as higher-income earners seek to locate in Louisville.

Louisville needs to plan for housing to support both the current and future workforce and a more vibrant commercial sector. There is a critical need for an array of housing options that are affordable to the city's workforce. A lack of diverse workforce housing will compromise the ability for local businesses to retain and attract essential employees, such as teachers, healthcare professionals, and public servants.



Louisville needs to identify housing strategies to address current unmet housing needs along with future housing needed for the next several decades. The HNA shows a gap of about 2,483 new housing units over the next approximately 25 years that are needed to address current housing underproduction and accommodate future potential population growth. This estimate helps to provide a general

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target for the number of housing units needed to meet existing and future demand for the next two decades.[1]

Future housing needs in this analysis are based on assumed population growth, however future needs are more nuanced and will continue to evolve as the City makes land use and housing policy decisions, including through the upcoming comprehensive plan update.

2,483 housing units needed

1,171 housing units needed for households <100% AMI

Community Engagement

Community engagement throughout the process informed this Housing Plan. This included over 30 focused interviews, an open house with more than 100 participants, City Council and Planning Commission input, and other community events. The list below outlines key takeaways from this community engagement to accompany the more detailed summary in Appendix 2.

- **Housing affordability was universally a major concern. Many residents struggle to afford housing in Louisville with a lack of diverse and affordable housing options, This makes it difficult for young families, seniors, and a local workforce with diverse income levels to live in Louisville.**
- **There is a desire for more residential density and height in appropriate areas like downtown, along transit corridors, and near major roads (e.g., McCaslin corridor) in recognition that it is an important step to addressing housing affordability in Louisville.**
- **Preserving Louisville's small-town character, open spaces, parks, and family-friendly atmosphere must be prioritized as the city grows.**
- **There is a desire for more diverse housing types like townhomes, condos, smaller single-family homes, and duplexes/triplexes in Louisville. Accessory Dwelling Units (ADUs) can also provide a unique opportunity to add housing diversity and income support to homeowners.**
- **Most participants did not support the current two unrelated person occupancy limit for residential dwelling units. Many saw it as contributing to unaffordability.**
- **Community members emphasized environmental sustainability through mixed use, residential density, transit, energy efficiency, and water conservation. However, concerns were raised about the impact and cost of the City's net zero building requirements for residential projects adopted in 2021.**

[1] The HNA is not intended to establish desired growth targets, but rather it is to study the issue objectively based on recent and projected population trends from non-City of Louisville sources.

Summary of Housing Strategies & Actions

The strategies and actions below and in Section 4 below are those that the City should take in the next 5+ years to address the housing affordability challenges described throughout this Plan. They reflect those that would be the most impactful based on community input, data analysis including development feasibility, existing City policies, and best practices around the country.

Exhibit 2 below provides a summary of the Plan's strategies and actions for the City to evaluate further. Section 4 of this Plan has a more detailed description of each including the potential impact on achieving the goals of the Housing Plan, level of effort, income level serviced, geographic scale, cost, and recommended timelines for implementation.

Exhibit 2: Summary of Housing Strategies and Actions

STRATEGIES	ACTIONS	SUMMARY
1. Targeted Policy and Zoning Code Changes to Reduce Barriers for Residential Development	1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development	Change zoning in areas not currently zoned for residential but suitable for residential development.
	1.2: Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required	Add a voluntary inclusionary program option in certain zone districts where additional building height and density maybe be appropriate.

STRATEGIES	ACTIONS	SUMMARY
1. Targeted Policy and Zoning Code Changes to Reduce Barriers for Residential Development (cont'd)	1.3: Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects	Reduce development costs by reducing development fees to help increase the financial viability of a project and facilitate more affordable housing production.
	1.4: Evaluate Allowing Attached and Detached ADUs on Single-Family Lots	Remove barriers to promote and allow ADU development on single-family properties in the city to help increase housing supply and diversity and create more flexibility for homeowners.
2. Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing	2.1: Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided	Develop cost-sharing opportunities for infrastructure development to ease the financial impact on new projects that provide affordable housing or meet other established housing goals.
	2.2: Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally	Adopt the low-income housing property tax exemption locally to assist income-restricted affordable housing projects, particularly those needed under the city's commitment under Prop 123.
	2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects	Evaluate a commercial linkage fee to provide direct financial support for new income-restricted housing projects or provide funding to maintain affordability in existing developments.
	2.4 Consider Offering a Fee Option for Mandatory Onsite Commercial Requirements with Mixed Use Residential	Evaluate a tool that offers a fee-in-lieu option for residential projects with required on-site commercial space to increase feasibility and reduce barriers for new residential projects. Collected fees can help support income-restricted housing projects or other housing assistance programs the city may offer.
	2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing	Evaluate program options for preserving manufactured home parks, establishing legacy homeownership, and monitoring expiring subsidies for existing income-restricted housing stock.
	2.6 Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing	Help acquire property, offer technical assistance, or provide other direct financial support to housing partners working on the preservation and development of income-restricted housing.

STRATEGIES	ACTIONS	SUMMARY
3. Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types	3.1 Create More Predictability for Residential Development Related to City Processes and Regulations	Adopt zoning code amendments that are clear and objective and allow more residential projects to be allowed "by-right" and reviewed administratively.
	3.2 Expand Allowances for More Housing Types	Allow stand-alone residential development in commercial areas, middle housing in low-density and single-family zones, and remove or raise occupancy restrictions.
	3.3 Modernize Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development	Conduct an audit of the existing zoning code to evaluate the effectiveness of existing regulations and identify barriers to housing development; adopt standards and incentives that allow for and encourage increased height and residential development above commercial downtown; lower minimum lot sizes; require and incentivize a range of housing types on select sites; adopt incentives programs for accessible and visitable housing units for seniors and for income-restricted housing in Transit Oriented Development (TOD) areas.

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2. Housing Needs & Market Assessment

As demographics and economic conditions change over time, the types of housing needed to support the community also evolves. This section provides a detailed assessment of Louisville's affordability challenges. It analyzes population and household trends in Louisville and other geographies in the region to help determine how demand for housing by type, size, and price point has and may continue to shift into the future. Factors like aging, household size and composition changes, income growth, and employment are considered. The current housing stock available is also assessed in terms of its ability to meet housing needs.

➢ Note on Affordability

"Affordable housing" and "affordability" are frequently referenced throughout the Housing Plan. Housing is "affordable" to a household if cumulative housing costs account for less than 30% of a household's gross income. Therefore, housing "affordability" will be different for each individual household.

Population Growth and Forecast

Population growth and household formation are the major factors in understanding housing demand. The rate of population growth and household characteristics heavily influence the demand for specific housing types.

Population Growth

Louisville is the second smallest of comparison cities based on population, with a population of 19,394 as of 2022. Between 2010-2020, Louisville added about 2,700 residents, representing a 15% increase over a ten-year period. However, the population peaked in 2018 at just over 21,000 residents and has largely plateaued since then.[2]

[2] The decline in population shown in 2022 is in part a result of the Marshall Fire that occurred at the end of 2021, destroying 549 homes and businesses, displacing many of Louisville's households.

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Exhibit 3: Louisville Population Growth, 2011-2022

Source: DOLA

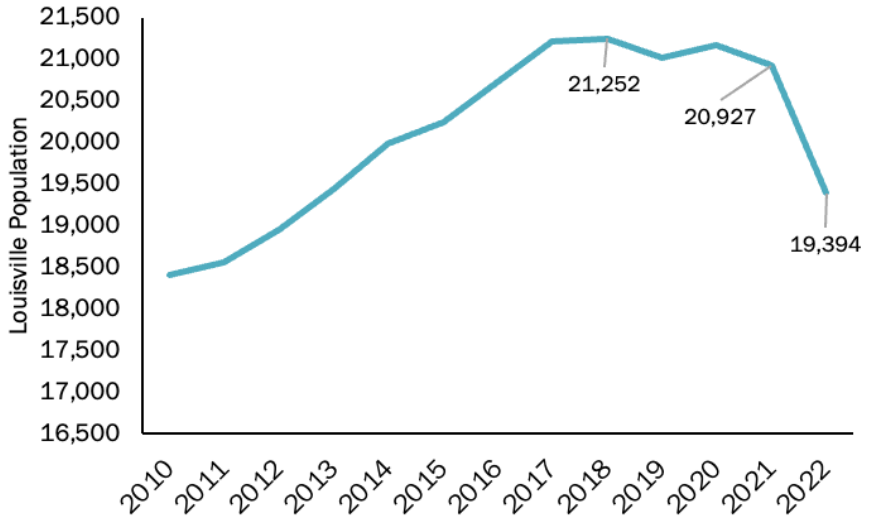

Exhibit 4 shows the change in population from 2011 to 2021 in Louisville. Over this time period, Louisville grew by just under 2,500 residents, or 13%. Of comparison cities, Erie grew at the fastest rate (70%), and Superior grew by the slowest (4%).

Exhibit 4: Change in Population, Louisville and Comparison Geographies, 2010-2021

Source: Colorado Department of Local Affairs

	2011	2021	# Change	% Change
Erie	18,432	31,303	12,871	70%
Lafayette	24,545	31,035	6,490	26%
Longmont	86,526	99,414	12,888	15%
Louisville	**18,406**	**20,855**	**2,449**	**13%**
Boulder County	295,605	329,793	34,188	12%
Boulder	97,901	106,978	9,077	9%
Superior	12,497	13,053	556	4%

Population Forecast

The Colorado Department of Local Affairs does not provide local population forecasts for cities and towns, only for counties. To create a starting point for understanding future housing need in Louisville, ECONorthwest developed a simple population forecast based on Boulder County's population forecast of 389,233 residents. Assuming Louisville maintains the current percentage of Boulder County's population (6.3%) as it grows, Louisville would grow by 20% from 2023 to 2047, a

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slightly higher rate than the County overall (17%).[3] ECONorthwest's population forecast in this context for Louisville is show below in Exhibit 5, along with DOLA's population forecast for Boulder County.

Exhibit 5: Population Forecast, Louisville and Boulder County, 2023-2047

Source: Colorado Department of Local Affairs, ECONorthwest

	2023	2047	# Change	% Change
Louisville	20,499	24,614	4,115	20%
Boulder County	331,429	389,233	57,804	17%

Household Income

As shown in Exhibit 6, the median household income for Louisville is just over $125,000 annually.[4] Louisville's median income is lower than Erie and Superior, but higher than Boulder, Lafayette, and Longmont, and around $33,000 higher than that of Boulder County overall.

Exhibit 6: Household Median Income, Louisville and Comparison Geographies, 2021

Source: ACS 5-Year Data Tables, 2017-2021

$74,902	$83,104	$92,466	$95,033	$125,124	$131,757	$140,409
Boulder	Longmont	Boulder County	Lafayette	Louisville	Superior	Erie

Exhibit 7 shows the change in median household income from 2011 to 2021. While all cities saw substantial increases in median income, Louisville saw the greatest increase with a 50% increase in median income, while Boulder County overall saw an increase of 39%.

Exhibit 7: Change in Median Household Income, Louisville and Comparison Geographies, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	% Change
Louisville	**$ 83,682**	**$ 125,124**	**50%**
Longmont	$ 56,278	$ 83,104	48%
Boulder County	$ 66,479	$ 92,466	39%
Boulder	$ 54,051	$ 74,902	39%
Lafayette	$ 69,840	$ 95,033	36%
Erie	$ 103,698	$ 140,409	35%
Superior	$ 100,194	$ 131,757	32%

[3] Due to data availability (DOLA only calculates forecasts at the county level), ECONorthwest calculated Louisville's 2047 forecast using 2047 county population estimates and the Louisville's current share of the county population.

[4] The census defines income as, "income received on a regular basis (exclusive of certain money receipts such as capital gains) before payments for personal income taxes, social security, union dues, Medicare deductions, etc. Therefore, money income does not reflect the fact that some families receive part of their income in the form of noncash benefits, such as food stamps, health benefits, subsidized housing."

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Household Income Distribution

Exhibit 8 shows the distribution of household incomes in Louisville and Boulder County. In both jurisdictions, the largest share of households earns at least $200,000 annually (26% of Louisville households and 17% in the County). However, while Louisville has a relatively high share of high earning households, 30% of Louisville households earn less than $75,000 annually.

Exhibit 8: Median Household Income Distribution, Louisville and Boulder County, 2021

Source: ACS 5-Year Data Tables, 2017-2021

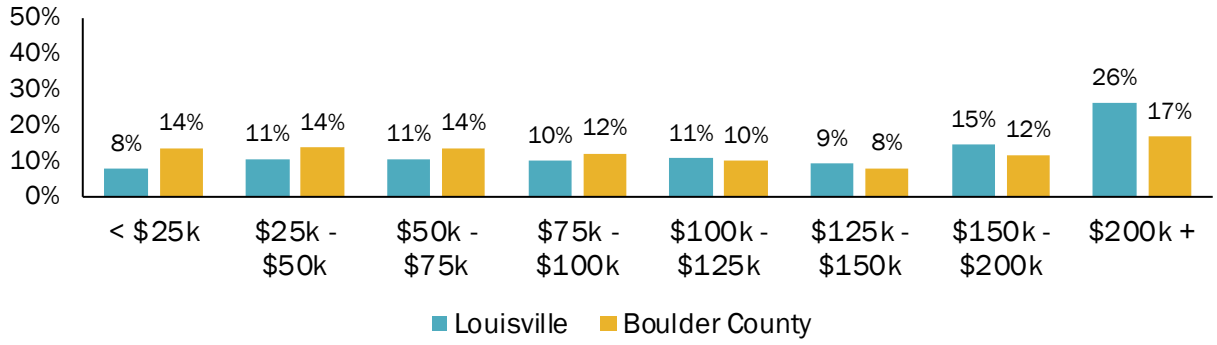
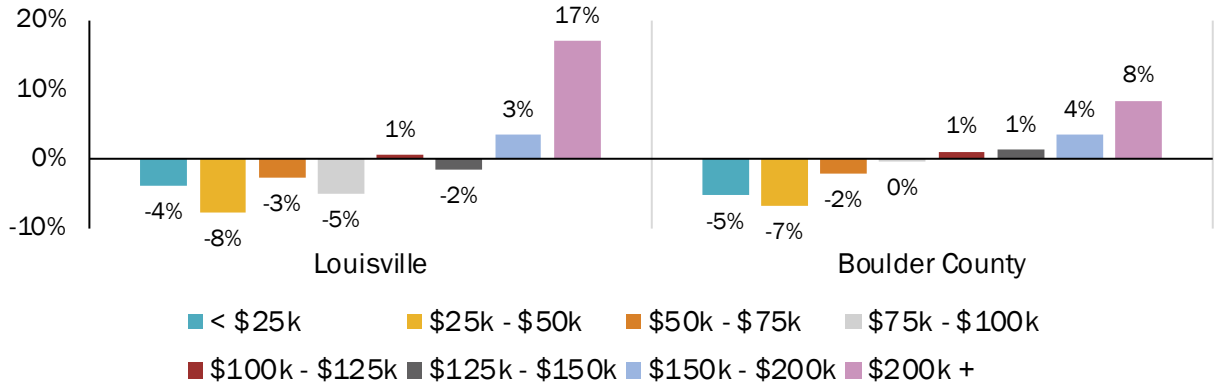


Exhibit 9 shows the change in the share of households in each income bracket from 2011 to 2021. For example, the share of Louisville households earning less than $25,000 annually decreased by 4% between 2011 and 2021. Notably, Louisville experienced a substantial increase in the share of households earning greater than $200,000 annually (a 17% increase). At the same time, the number of households earning less than $100,000 decreased by about 20% in Louisville.

Exhibit 9: Change in Median Household Income Distribution, Louisville and Boulder County, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



The percent of households in all income groups under $150,000 largely declined over the 10-year period, while the number of households earning more than $200,000 annually increased. There are a few possible explanations for this increase. However, with the sharp increase in the number of very high-earning households, it is most likely that the main driver of this increase is wealthier households moving into Louisville. The reduction in households earning less than $100,000 annually could be caused by lower income households moving out of Louisville as housing and

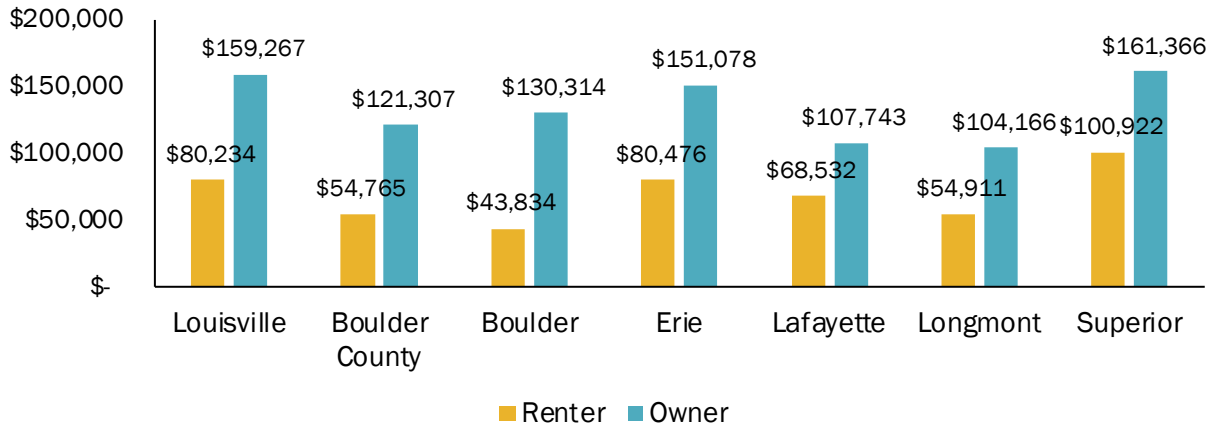
other living costs, such as transportation, increase. Louisville also experienced a decrease in cost-burdening (discussed in more detail in more detail below), among owner and renter households, which should not be looked at as an increase in affordability given the degree at which housing costs in Louisville have increased. Rather, the decrease in cost-burdening again points to more lower-income households leaving the area and being replaced by more financially stable and higher-earning households.

Household Income by Tenure

Across Boulder County, renter household incomes are significantly lower than ownership household incomes. In Louisville, the median homeowner income is roughly $159,000 annually, nearly twice the renter median income of about $80,000. With the exception of Boulder (which is likely impacted by the high share of university students), Louisville has the largest income gap between renter households and ownership households.

Exhibit 10: Median Household Incomes by Tenure, Louisville and Comparison Geographies, 2021

Source: ACS 5-Year Data Tables, 2017-2021



High homeowner incomes can contribute to rising home sale prices in a city, further increasing the homeownership attainability gap for renters who might be interested in purchasing a home but do not have the funds to do so. In addition, high homeowner incomes can contribute an increasingly competitive housing market. Even if renter households have the ability to qualify for a mortgage, they may risk being outbid by wealthier homebuyers who can pay in cash or offer over the asking price.

Existing Housing Stock and Development Trends

Total Housing Units

As of 2021, Louisville had 8,665 housing units, representing just over 6% of total housing units in the County. Of comparison cities, Boulder has the highest number of housing units, representing roughly 33% of housing units in the County.

Exhibit 11: Total Housing Units, Louisville and Comparison Geographies, 2021

Source: ACS 5-Year Data Tables, 2017-2021

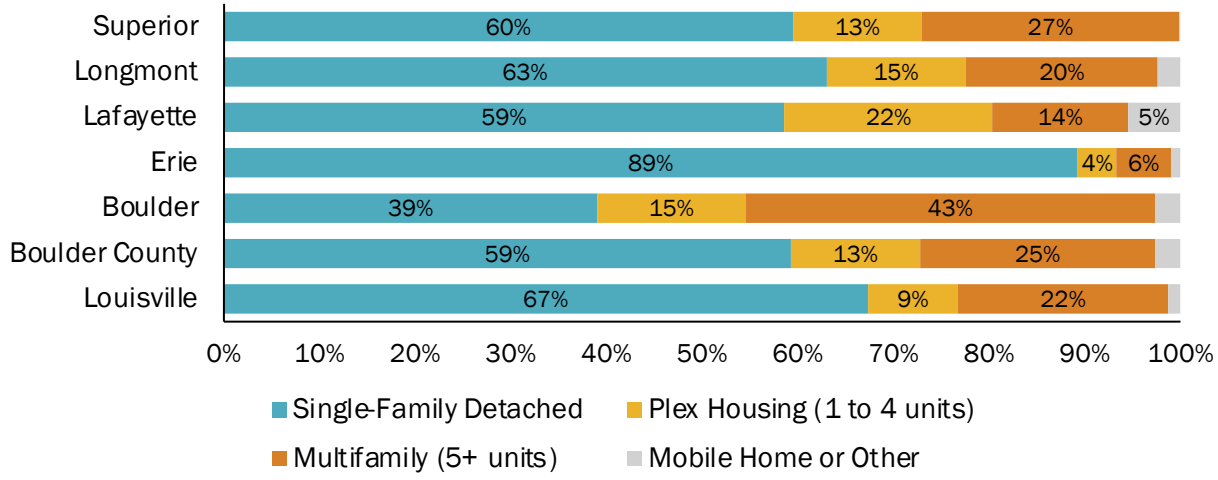
4,790	8,665	10,085	12,944	40,908	45,304	139,302
Superior	Louisville	Erie	Lafayette	Longmont	Boulder	Boulder County

Housing Unit Mix

As shown in Exhibit 12 Exhibit 12, most housing in Louisville (67%) is detached single-family, the second highest share among comparison geographies, behind Erie (89%). Just above 20% of Louisville housing units are in a multifamily building with five or more units. Of remaining Louisville housing units, 9% are considered "plex housing", referring to single family attached units up to fourplexes.

Exhibit 12: Housing Mix, Louisville and Comparison Geographies, 2021

Source: ACS 5-Year Data Tables, 2017-2021



Residential Development Trends

Exhibit 2 shows the change in total housing units from 2011 to 2021. Louisville is one of the slower growing geographies in the county, with an 11% growth of housing units from 2011 to 2021. Given the increase in the number of high-income households over the time period, the limited amount of new housing is likely also contributing to high housing costs as wealthier households are able to outbid on limited stock.

Exhibit 12: Change in Total Housing Units, Louisville and Comparison Geographies, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	# Change	% Change
Erie	6,049	10,085	4,036	67%
Lafayette	10,193	12,944	2,751	27%
Longmont	34,477	40,908	6,431	19%
Louisville	**7,773**	**8,665**	**892**	**11%**
Boulder County	126,444	139,302	12,858	10%
Boulder	43,631	45,304	1,673	4%
Superior	4,597	4,790	193	4%

ACS data is survey-based and tends to lag in time, so to supplement housing development trends, ECONorthwest examined the City's building permit data from 2016 to 2023.[5] Residential development in Louisville began to decline substantially between 2018-2021. The sharp increase in units between 2022-2023 is almost entirely due to the permitted replacement units from the Marshall Fire. 96% of units permitted between 2022-2023 were Marshall Fire - Single Family Detached units.

Exhibit 13: Louisville Permit Data by Housing Type and Stage of Completion, Louisville, August 2015 - May 2023

Source: City of Louisville

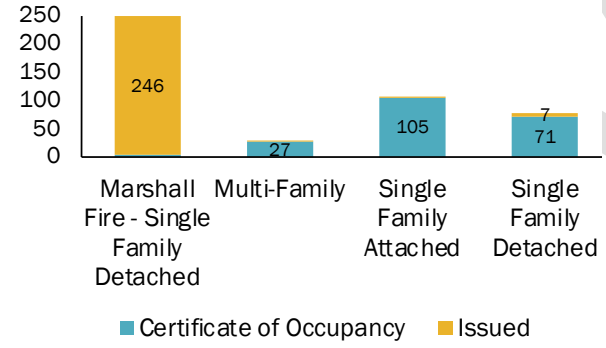
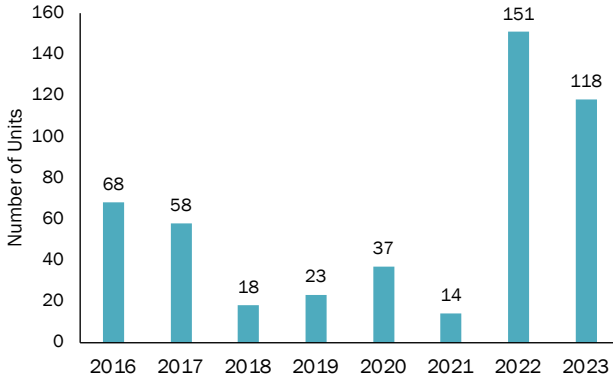


Exhibit 14: Louisville Annual Residential Permit Data by, Louisville, 2016 - May 2023

Source: City of Louisville



Housing Market Trends

Ownership Housing

As of 2023, Louisville had an average home sales price of $831,000, second highest behind Boulder. The average home price in Louisville is about $150,000 higher than the County overall.

[5] City permit data collection changed in 2015, so we have only examined 2016-2023.

Exhibit 15: Average Home Sales Price, Louisville and Comparison Geographies, 2023

Source: Redfin

$550K	$580K	$681K	685K	$754K	$831K	$912K
Longmont	Lafayette	Boulder County	Erie	Superior	Louisville	Boulder

While home sales prices rose dramatically across all comparison jurisdictions in Boulder County from 2012 to 2023, Louisville experienced the second highest rate of increase behind Longmont.[6] Over the time period, the average home price in Louisville increased by about $473,000, or 132%.

Exhibit 16: Change in Average Home Sales Price, Louisville and Comparison Geographies, 2012-2023

Source: Redfin

	2012	2023	$ Change	% Change
Longmont	$226,000	$550,000	$324,000	143%
Louisville	**$358,000**	**$831,000**	**$473,000**	**132%**
Boulder	$420,000	$912,000	$492,000	117%
Erie	$315,000	$685,000	$370,000	117%
Boulder County	$314,000	$681,000	$367,000	110%
Lafayette	$281,000	$580,000	$299,000	107%
Superior	$409,000	$754,000	$387,000	106%

Rental Housing

As of 2023, CoStar reported the average rents in Louisville as $1,961, just slightly higher than the County as a whole.

Exhibit 17: Average Multifamily Rents, Louisville and Comparison Geographies, 2023

Source: CoStar

$1,665	$1,867	$1,917	$1,961	$2,078	$2,406	$2,442
Longmont	Lafayette	Boulder County	Louisville	Boulder	Superior	Erie

Like home sales prices, rent rates rose significantly across all geographies over the past decade. According to CoStar data, Louisville multifamily rents increased by $721, or 58%, from 2012 to 2023.

Exhibit 18: Change in Average Multifamily Rents, Louisville and Comparison Geographies, 2012-2023

Source: CoStar

	2012	2023	$ Change	% Change
Superior	$1,507	$2,406	$899	60%
Louisville	**$1,240**	**$1,961**	**$721**	**58%**

[6] Redfin began collecting housing data in 2012.

	2012	2023	$ Change	% Change
Longmont	$1,107	$1,665	$558	50%
Boulder County	$1,310	$1,917	$607	46%
Boulder	$1,470	$2,078	$608	41%
Lafayette	$1,330	$1,867	$537	40%
Erie	$1,931	$2,442	$511	26%

Housing Attainability

Housing attainability examines the cost of housing relative to household incomes in the area. Key findings for Louisville include

- At least 74% of Louisville residents would likely be unable to afford the current average home sales price, with a greater affordability gap for Louisville renters.
- While rates of household cost burden decreased from 2011 to 2021, around 41% of Louisville renters and 16% of Louisville homeowners currently spend more than 30% of household income on housing expenses. Given the dramatic increase in housing costs over the past decade, it is likely because households that were cost-burdened (especially severely cost burdened) in 2011 were eventually priced out of the area and moved to areas with a lower cost of living and higher-earning households have moved into the area.

Exhibit 19: Family Income by Housing Type

Source: HUD & ECONorthwest

Aligning Housing Types with Incomes

Household Income Level	Physical Type / Tenure of Housing (Building Focused)
100% AMI+ $144k+	Multifamily rentals Multifamily ownership Middle housing ownership Single family ownership
80–100% AMI $115k–144k	Multifamily rentals Multifamily ownership Middle housing (rent/own) Single family (rent/own)
50–80% AMI $72k–115k	Multifamily (rent/own) Micro-unit rentals Middle housing (rent/own) Tiny homes (rent/own) Single family rentals
30–50% AMI $43k–72k	Multifamily rentals Micro-unit rentals Mobile homes
0–30% AMI $0–$43k	Shelters Multifamily rentals Micro-unit rentals Mobile homes

Affordable Housing Income Limits

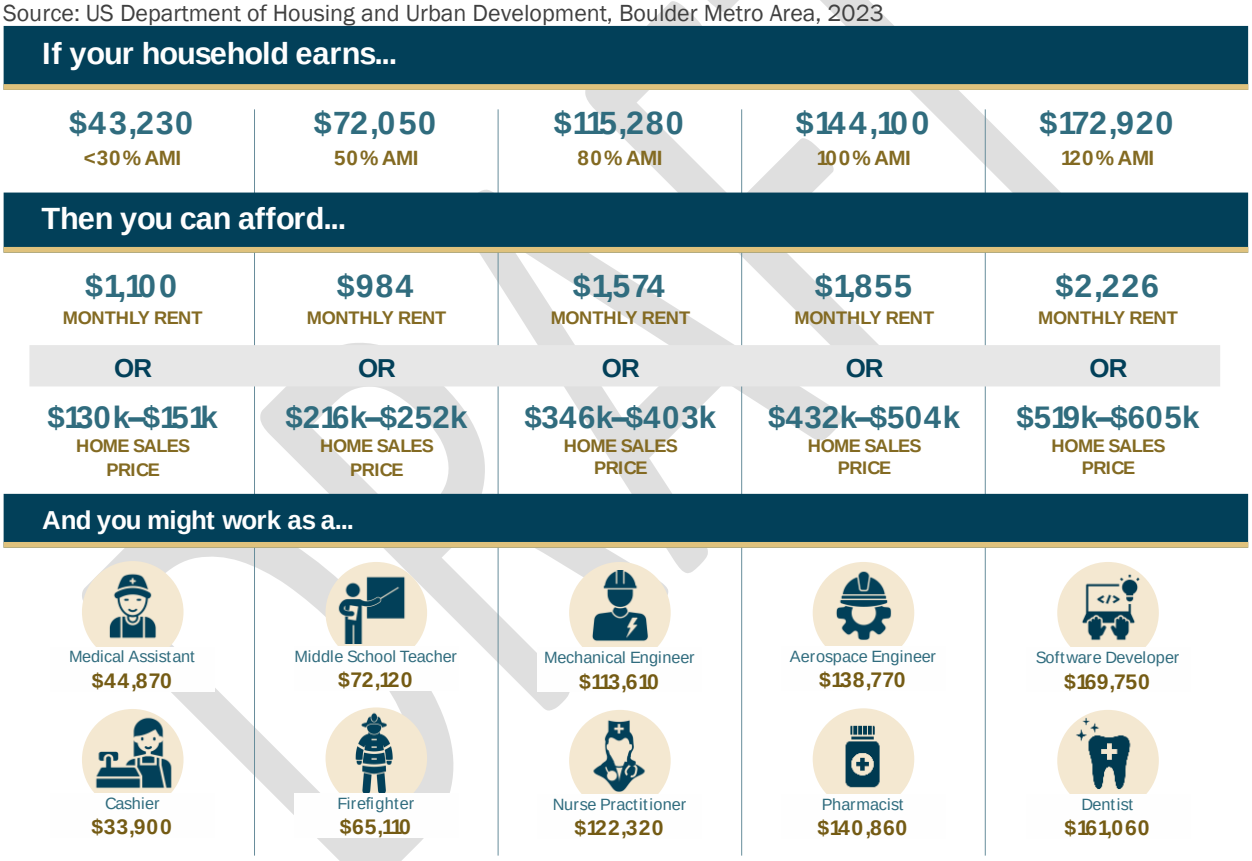
The Department of Housing and Urban Development (HUD) sets income limits each year to establish eligibility for its assisted housing programs and to define an area's Median Family Income (MFI). For these calculations, HUD includes Louisville as part of the Boulder metro area, which has a 2023 MFI of $144,100 for a family of four. To compare this number to ACS data, 2021

Louisville median household incomes were slightly higher than the 2021 Boulder metro area MFI ($125,124 to $116,900). However, it is important to note that Median Household Income is not directly comparable to HUD's MFI. HUD's MFI calculation relies on underlying Census data related to family incomes, and the 100% median is set for families of four. Median *household* income is for all households – not just families – and households can have a wide range of compositions (e.g., roommates) compared to families.

Exhibit 20 below matches the different income levels in the Boulder Metro Area with rent and home sale prices deemed affordable to their income levels (i.e., spending no more than 30% of their income on housing costs).

Exhibit 20: Financially Attainable Housing by Median Family Income (MFI) for a Family of Four, Boulder Metro Area, 2023[7]

Source: US Department of Housing and Urban Development, Boulder Metro Area, 2023



A household would need to earn 145% of the MFI, or around $209,000 to afford the average home sales price in Louisville. Only 26% of Louisville households earn more than $200,000 annually, suggesting at least 74% of Louisville households would not be able to afford the current average home sales price. In addition, Louisville renter incomes are significantly lower than Louisville homeowner incomes (see Exhibit 10). Based on 2021 ACS data, renter median incomes would fall at around 56% of the 2023 MFI (qualifying as just above "very low income" under HUD standards),

[7] Home sales prices may vary with mortgage interest rate fluctuations, any homeowner association costs, or utility fee variations.

while the homeowner median income would fall at roughly 111% of the 2023 MFI, indicating that homeownership is likely significantly more out of reach for households that do not already own a home.

Cost Burdened Households

Housing costs are typically the largest portion of a household budget, and typically include mortgage or rent payment, utilities, interest, and insurance. The Department of Housing and Urban Development's guidelines indicate that households paying more than 30 percent of their income on housing experience "cost burden" and households paying more than 50 percent of their income on housing experience "severe cost burden." Using cost burden as an indicator is one method of determining how well a city is meeting its community need to provide housing that is affordable to all households in a community.

Housing cost burden can put low-income households in vulnerable situations and force them to make trade-offs between housing costs and other essentials like food, medicine, or transportation. This unstable condition can also lead to rental evictions, job instability, school instability for children, and homelessness. Cost burdening for owner-occupied households is less common because mortgage lenders typically ensure that a household can pay its debt obligations before signing off on a loan.

Exhibit 21 shows rates of cost burden by tenure for Louisville. In Louisville, 25% of households are cost burdened, with 14% of households spending greater than 30% of gross income on rent and 9% spending greater than 50%. Renters are much more likely to be cost burdened, with 41% of renter households experiencing cost burden, versus 16% of homeowners.

Exhibit 21: Cost Burden, Louisville, 2021

Source: ACS 5-Year Data Tables, 2017-2021

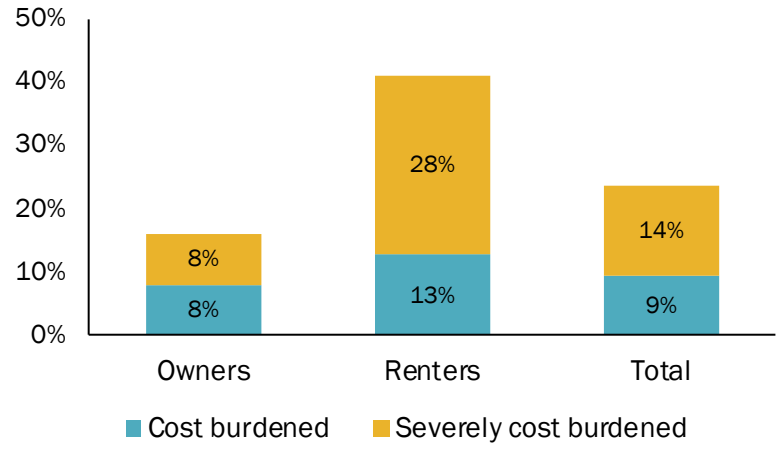


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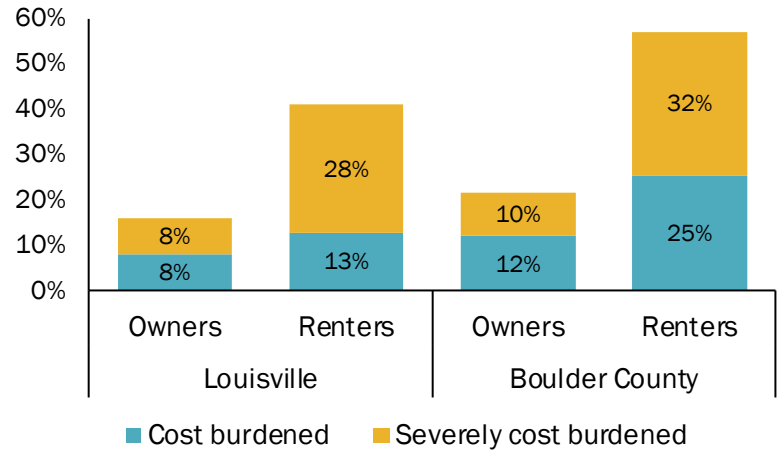
Exhibit 22 shows rates of cost burden for both Louisville and Boulder County. Louisville has slightly lower rates of cost burden compared to the County overall; in Boulder County, 57% of renters are cost burdened (versus 41% in Louisville), and 22% of homeowners are cost burdened (versus 16% of homeowners in Louisville).

Exhibit 22: Cost Burden Rates, Louisville and Boulder County, 2021

Source: ACS 5-Year Data Tables, 2017-2021



Housing Demand and Future Needs

The following section details ECONorthwest's calculations of housing need, underproduction, and affordability for Louisville.

Population Forecast Assumption

As previously discussed, population forecasts are only available at the county-level in Colorado. To forecast future housing needs, an understanding or assumption of how the city ***could*** grow is needed to establish a baseline projection. The population forecast provided by ECONorthwest assumes that Louisville will maintain its current share of Boulder County's total population (6.3%) and would therefore increase its population to about 24,614 residents by 2047, adding an additional 4,115 residents.

Future Housing Needs

A key part of the HNA is to gain an understanding about the extent of total housing needed in Louisville and the quantity of new housing needed for different income levels over the next several decades.

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Exhibit 23. Illustration of Housing Needs Calculation

Sources: ECONorthwest.

The future needs analysis focuses on estimating housing needs based on future housing needed by 2047 and current needs based on housing underproduction.[8] The inclusion of current housing underproduction helps to ensure housing needs targets address current unmet housing needs not provided for in the existing housing inventory. More detail on assumptions and methodology for the future housing needs analysis can be found in the full HNA included in Appendix A.

Exhibit 24: Total Housing Need in Louisville by 2047

Source: ECONorthwest and DOLA

Future Need Based on Assumed Population Growth	2,075 housing units
Housing Underproduction (or *Housing Shortage*)	409 housing units
Total Housing Need	2,483 housing units

Combining the current housing underproduction (409 housing units) with the future housing units needed brings the total to 2,483 new housing units needed by 2047 based on the population forecasts in this section. On an annual basis this means an average of 96 new housing units per year.

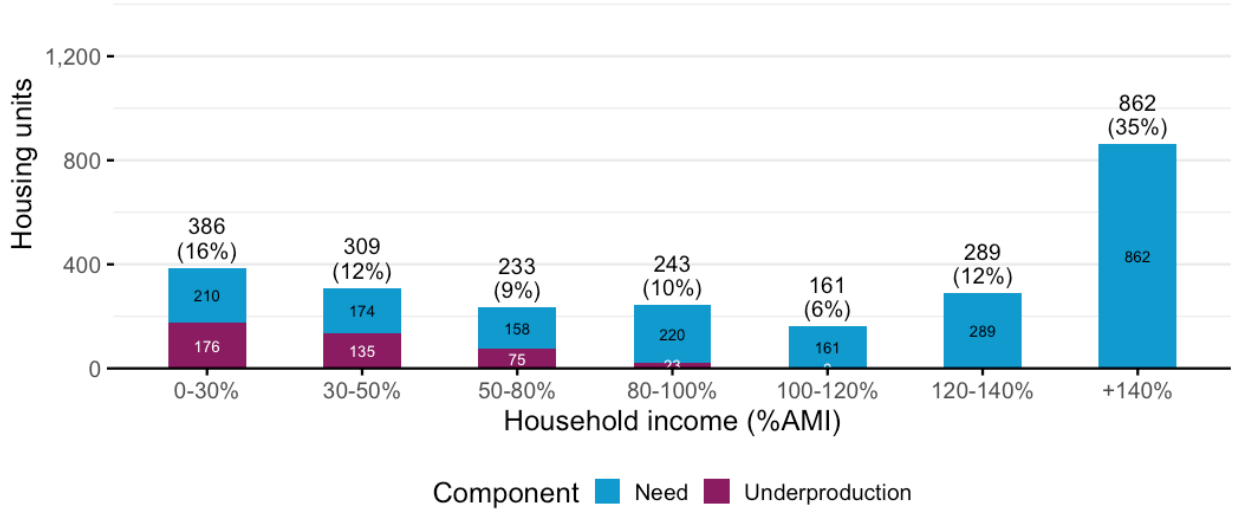
Housing Need by Income

While understanding the total number of housing needs required to meet the City's population forecast is an important step in planning for the future, it's also important to understand how the housing units should be distributed among income earners to address if there are enough units attainable for each household. More details on assumptions and methodology for allocating future housing need by income levels can be found in the full HNA included in Appendix 1.

[8] DOLA's latest county-level population forecast is for 2047.

Exhibit 25: Total Units Needed by 2047, Louisville

Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, CHAS 2015-2019, ECONorthwest



The forecasted housing need by income category is likely to vary depending on future policy choices. If the city does not take meaningful action to increase housing production, and affordability worsens due to demand from higher-income households outpacing supply of total housing units, many low-income households will face displacement and the forecasted need for lower income households would likely be lower. The ultimate income distribution in 2047 will be the result of regional housing trends and policy decisions made at the local level.

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3. Louisville's Housing Goals

The Housing Plan identifies policies and actions the City should take to better meet housing needs in Louisville. The strategies and actions in the Plan also reflect the City's desire to foster a more dynamic and inclusive community where a broader range of households have access to Louisville's unique charm, amenities, and opportunities. This Plan also recognizes that the City should carefully balance housing growth and diversification goals and strategies with other established community values[9]. In addition to providing an overall policy framework and direction, these goals can act as **indicators to determine whether City actions are helping to achieve the desired outcomes.**

To help create a framework for the strategies and actions that follow, ***the Housing Plan establishes 3 core goals.***

Goal 1: Increase Residential Development Opportunities in Louisville

- **The City should increase new residential development opportunities at appropriate locations to better address local and regional housing demand. The City's implementation of this goal should be carefully balanced with other established community values related to topics like neighborhood character, infrastructure capacity, and preserving or enhancing Louisville's unique quality of life.**

Goal 2: Expand Access to Affordable Housing

- **The City should facilitate the development of more affordable housing at appropriate locations that can address the housing needs of low-to-middle income households, including the needs of the local workforce. Through strategic partnerships and funding opportunities, the City can help create more access to affordable housing options, especially in areas located near employment opportunities and transit.**

Goal 3: Diversify Louisville's Housing Stock

- **The City should diversify the range of available housing options, promoting the development of mixed-use and mixed-income neighborhoods, and streamlining zoning regulations to accommodate different housing for a variety of household sizes and demographics. This includes more housing choices for seniors, empty-nesters, young families, disabled individuals, renters, first-time homebuyers, and to support Louisville's retail and commercial areas.**

[9] Established community values in the context of this Housing Plan include but are not limited to those set forth in the City's Comprehensive Plan.

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4. Housing Strategies & Actions

This section details the three strategies and 13 actions the City of Louisville should consider as it works toward addressing the city's housing needs. The Plan's strategies reflect what is within the City's purview and are intended to comprehensively address multifaceted housing challenges through multiple angles.

There is no "silver bullet" among these actions. Each of them presents benefits, drawbacks, and different levels of impact that need to be evaluated further. The housing market can change quickly too. As such, the actions in this Plan will benefit from periodic evaluation as development conditions change over time and the approach set forth in this Housing Plan will need to evolve with such changes.

Housing Strategies

Based on the results of the Housing Needs Assessment, community/stakeholder involvement, analysis of policy options, review of relevant plans, policies and best practice guides and informed by the Plan's goals, the following three broad strategies and their associated actions help provide a roadmap.

➢ Strategy 1

Targeted Policy and Zoning Code Amendments to Reduce Barriers for Residential Development

➢ Strategy 2

Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing

➢ Strategy 3

Comprehensive Policy and Zoning Code Amendments to Reduce Barriers for Residential Development and Allow More Diverse Housing Types

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Housing Actions

Each strategy outlined above includes several associated actions that more narrowly address how the City can approach implementation. The actions detailed in this section include a rationale for why it is included in this Plan, a brief description, considerations, educational context, examples, and best practices. A qualitative evaluation for each action is also included. The evaluation criteria are further defined below.

ACTION TYPE	***Incentives*** encourage housing developers to provide desired housing types. ***Policy Changes*** may update the City's code, processes, or requirements related to housing. ***Financial Support*** increases available funding for a variety of housing initiatives. ***Partnerships*** to strengthen relationships with other organizations to further the city's housing goals.
INCOME LEVEL SERVED	The qualitative designation of 'Low,' 'Moderate,' 'High,' or 'All' gives a relative approximation of what household income levels will likely be served but does not include a specific income threshold.
GEOGRAPHIC SCALE	Generally, describes where an action could apply whether it is *Citywide, TOD Opportunity Areas, Residential Zones, or Site Specific.*
IMPACT ON HOUSING PRODUCTION	🏠 least potential for housing production relative to other actions 🏠🏠 moderate potential for housing production relative to other actions 🏠🏠🏠 most potential for housing production relative to other actions
LEVEL OF INVESTMENT	$ is the least amount of investment needed relative to other actions $ $ is anticipated to require a moderate investment relative to other actions $ $ $ would require the most investment relative to other actions
TIMELINE	This represents an estimation of the timelines to address each of the action items that should evolve as conditions change over time. Near Term means 1-2 years Mid Term means 2-3 years Long Term means 3-5+ years

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Summary Matrix of Housing Strategies and Actions

STRATEGIES	ACTIONS	HOUSING GOALS	SUMMARY	ACTION TYPE	HOUSING PRODUCTION	LEVEL OF EFFORT	COST	TIMELINE
1. Targeted Policy and Zoning Code Amendments to Reduce Barriers for Residential Development	1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development		Rezone areas not currently zoned, but suitable, for residential development and conduct a market analysis to inform major land use changes to ensure they're economically viable.	Policy Change		Medium	$	Near Term
	1.2: Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required		Add a voluntary inclusionary program option in certain zones where additional height may be appropriate.	Incentive/Policy Change		Low-Medium	$	Near Term
	1.3: Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects		Reduce development costs by reducing development fees to help increase the financial viability of a project and facilitate more affordable housing production.	Incentive		Medium	$ $ $	Near Term
	1.4: Evaluate Allowing ADUs Both Attached and Detached On Single-Family Lots		Evaluate allowing ADU development on single-family properties across the city to help increase housing supply and diversity and create more flexibility for homeowners.	Policy Change		Medium	$	Near Term
2. Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing	2.1: Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided		Develop cost-sharing opportunities for infrastructure development to ease the financial impact on new projects, particularly those that provide affordable housing or meet other established housing goals.	Policy Change/Financial Support/Partnerships		High	$ $ $	Long Term
	2.2: Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally		Adopt the low-income housing property tax exemption locally to assist income-restricted affordable housing projects, particularly those needed under the city's commitment under Prop 123.	Incentive		Low-Medium	$ $	Long Term
	2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects		Adopt a commercial linkage fee to provide direct financial support to gap finance new income-restricted housing projects or provide funding to maintain affordability in existing developments.	Policy Change/Financial Support		Medium	$ $	Long Term
	2.4 Consider Offering a Fee Option for Mandatory Onsite Commercial Requirements with Mixed Use Residential		Create a program that offers a fee option for on-site commercial requirements with residential development to increase feasibility and reduce barriers for new residential projects. Collected fees can help support income-restricted housing projects or other housing assistance programs the city may offer.	Policy Change/Financial Support		Medium	$	Mid Term
	2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing		Explore program options for preserving manufactured home parks, establishing legacy homeownership, and monitoring expiring subsidies for existing income-restricted housing stock.	Policy Change/Financial Support	N/A (focused on preservation of existing units)	High	$ $	Mid Term
	2.6 Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing		Acquire property, offer technical assistance, or provide other direct financial support to housing partners working on the preservation and development of income-restricted housing.	Partnerships		Medium-High	$ $ $ (depending on method chosen)	Near Term
3. Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types	3.1 Create More Predictability for Residential Development Related to City Processes and Regulations		Adopt zoning code amendments that are clear and objective and allow appropriate residential projects to be allowed "by-right" and reviewed administratively.	Policy Change		High	$ $	Mid Term
	3.2 Expand Allowances for More Housing Types		Allow stand-alone residential development in commercial areas, middle housing in low-density and single-family zones, and remove or raise occupancy restrictions.	Policy Change		Medium	$ $	Mid Term
	3.3 Modernize Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development		Conduct an audit of existing zoning code to evaluate effectiveness of existing regulations and identify barriers to housing development; adopt standards and incentives that allow for and encourage increased height and residential development above commercial downtown; lower minimum lot sizes, require and incentivize a range of housing types on greenfield sites; adopt incentives programs for accessible and visitable housing units for seniors and for income-restricted housing in TOD areas.	Policy Change		Medium-High	$ $	Mid Term

Strategy 1: Targeted Policy and Zoning Code Amendments to Reduce Barriers for Residential Development

The City recognizes that while important steps have been taken recently to address housing affordability[10] there is substantial work to be done to better address Louisville's current and future housing needs. The upcoming comprehensive plan update provides an opportunity to build on this Housing Plan with more specific policy direction on topics like the future land use framework and major changes to zoning regulations. However, the City wishes to accomplish key actions in the near-term (1-2 years) during or soon after the comprehensive plan update. This strategy focuses on near-term steps the City can take to reduce barriers and facilitate more residential development, including:

- Establishing a framework for updating adopted future land use maps (e.g., comprehensive plan) and zoning code changes to allow for a greater diversity of housing types;
- Providing relief for new housing projects by creating flexibility within the current inclusionary zoning policy and reducing City-imposed fees on income-restricted projects; and
- Offering existing property owners more financial flexibility by delivering small-scale, incremental density increases through the development of accessory dwelling units (ADUs).

Specific actions in this section include:

- **1.1 Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development**
- **1.2 Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required**
- **1.3 Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects**
- **1.4 Evaluate Allowing ADUs Both Attached and Detached On Single-Family Lots**

[10] Such important steps include but are not limited to adoption of an Inclusionary Housing Ordinance in 2021 and the City's 2017 commitment to the goal that 12% of all residential units in Louisville be permanently affordable by 2035 as part of the Boulder County Regional Housing Partnership. The Inclusionary Housing Ordinance requires that 12% of new residential units on applicable development projects be set aside as permanently affordable (see Louisville Municipal Code Chapter 17.76 Inclusionary Housing).

DRAFT

➢ Action 1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development

RATIONALE

The City must expand its residential capacity that is currently restricted by zoning to meet the diverse housing needs of both the current and future Louisville population. There are currently some areas where residential development may be appropriate, but it is currently prohibited or restricted. With the post-Covid downturn in the commercial real estate market, especially in Louisville, the demand for commercial land has lessened while a clear and pressing demand for residential land has emerged. These opportunity areas include but are not limited to vacant or underutilized areas with nonresidential zoning along the McCaslin and South Boulder Road corridors.

➢ Housing Goals

DESCRIPTION

Established criteria can offer transparency, foster more strategic thinking around long-term economic vitality and infrastructure investments, and may help reconcile competing policy goals. With the upcoming comprehensive plan update and its community process, the City should develop criteria and identify lands to rezone for residential uses.

The city should also consider conducting market assessments in areas where major land use changes are considered. This analysis will help provide insights into the feasibility of various potential uses for an area, as well as identify potential risks and challenges that could impact development feasibility and market viability. This analysis can also identify an appropriate balance of residential and commercial uses (e.g., retail, office, light industrial) in the opportunity areas to support the economic vitality of the commercial areas that need residential nearby to thrive.

EXAMPLE CRITERIA FOR ZONE CHANGES TO RESIDENTIAL

- Access to public transit, bicycle, and pedestrian facilities
- Adequately served by infrastructure (water, sewer, streets, etc.)
- Near existing or future resident services (retail, community centers, etc.)
- Larger parcels > 1 acre
- High recent vacancy rates
- Large, underutilized parking areas

➢ Action 1.1 Relevant Key Themes from Housing Plan Community Engagement

- Comprehensive plan in 2013 was beneficial in some ways, but zoning did not implement the vision.
- Retail follows rooftops so we need more housing to support retail.

ACTION 1.1 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	LEVEL OF INVESTMENT
Policy Change	All	City-Wide	🏠🏠🏠	$

DRAFT

➢ Action 1.2 Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required

RATIONALE

Allowing developers to access additional height or density in exchange for a greater fee-in-lieu or providing more onsite affordable housing units than required could simultaneously promote greater housing density, provide funding for the City's inclusionary housing program, and increase development feasibility.

➢ Housing Goals

DESCRIPTION

A financial analysis conducted during this Housing Plan demonstrated that residential projects could contribute a higher fee-in-lieu in exchange for additional height or density under the City's existing inclusionary program. The City should consider adding a voluntary inclusionary program option in defined areas where additional height or density may be appropriate. The analysis indicated the fee could be up to $12.17 per square foot for rental units and $14.36 per square foot for for-sale units, depending on height and parking requirements. As part of this action item, the City should also evaluate height or density bonuses for projects that provide onsite affordable housing units and clarify that the fee in lieu is optional for all residential projects versus mandatory.

CAREFUL CALIBRATION

Encourage the program's use by creating enough incentive for the developer **by ensuring 30%-50% of the financial benefit from the height bonus goes to the developer rather than opting for the highest viable fee (effectively cancelling out any financial incentive achieved through the height bonus).**

Exhibit 26: Potential Fee Adjustments, Multifamily Housing Development

Source: ECONorthwest

SCENARIO	APARTMENTS (RENTALS)	CONDOMINIUMS (FOR-SALE)
Three stories (120 units, 117,000 sf), existing parking requirements	$4.72 per sf (current)	$9.24 per sf (current)
Four stories (160 units, 157,000 sf), existing parking requirements	$6.24-$6.84 per sf	$10.18-$10.56 per sf
Four stories (160 units, 157,000 sf), reduced parking requirements	$10.04-$12.17 per sf	$12.90-$14.36 per sf

It's important to note that there are many tools the City can developers to unlock additional density. Flexibility in site standards is key to making projects work across a wide variety of site shapes and sizes. Other incentives might include reduced open space and parking, increased lot coverage, or a higher Floor Area Ratio.

ACTION 1.2 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
Incentive/Policy Change	Low-Moderate	Citywide	🏠🏠	$

DRAFT

➢ Action 1.3 Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects

RATIONALE

The City of Louisville has a demonstrated need for affordable housing of all kinds, particularly housing that is income restricted. However, income restricted housing is difficult and complicated to finance. The City's development fees can have a significant impact on a project's financial feasibility.

➢ Housing Goals

DESCRIPTION

The City can help reduce projects costs, increase the financial feasibility, and help facilitate the production of more income-restricted housing projects by offering development fee reductions or exemptions for projects that provide income restricted affordable housing.

There are several considerations the City will need to make when developing a fee waiver or reduction program:

- Consider only reducing some development-related fees, not all.
- Create a sunset date for the program or place a per-year or overall cap on the number of eligible projects; this would help the City develop a better understanding of the demand and impact of the program.
- Identify an alternative revenue source that will backfill waived fees such as the General Fund or other local taxes and fees.
- Establish project qualification criteria that includes all scales of projects regardless of the number of units to encourage participation by small and large developers.

EXAMPLE DEVELOPMENT FEES

- Land Use & Building Permits
- Public Improvements
- Utility Connections
- Impact fees

Fee Deferrals

The City could alternatively offer a development fee deferral, aligning the project with the developer's financing plan. Developers could pay fees when the property starts generating income from rent or unit sales, instead of at permit issuance. This approach allows developers to pay as cash flows into the project and can help avoid additional costs like interest gathered on construction loans.

ACTION 1.3 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
Incentive	Low-Income	Citywide	🏠🏠	$ $ $

DRAFT

➢ Action 1.4 Evaluate Allowing ADUs Both Attached and Detached On Single-Family Lots

RATIONALE

Allowing Accessory Dwelling Units (ADU), both attached and detached, on single-family properties across the city can help to increase housing supply and diversity while creating more financial flexibility for homeowners. ADUs offer a small-scale and incremental way to increase density while protecting existing community character and without putting pressure on existing infrastructure systems.

➢ Housing Goals

DESCRIPTION

ADUs can provide less expensive housing solutions, but not to the same degree or guarantee as income restricted housing. ADUs can be right-sized and adjusted for a variety of household types, such as multigenerational households, young adults, and seniors. In addition to providing more housing to renters, ADUs can inversely assist affordability or financial flexibility for property owners through the rental income that they collect.

Allowing attached and detached ADUs does not guarantee that ADUs will be produced. The cost to individual property owners to design and develop compliant ADUs can limit program participation. To overcome this barrier, the city can provide pre-approved plan sets to property owners that requires little to no permit review time.

WHAT IS AN ADU?

ADUs are an additional dwelling unit— typically with its own sleeping, bathing, and cooking facilities—on properties with a primary home, designed in a way that blends in with the existing neighborhood.

Additionally, barriers to ADU development could be removed if design and development standards for ADUs are sensitive to neighborhood character. For example, the City should consider allowing ADUs to use the same water tap as the primary dwelling and not charging an expansion fee within the limits of the ADU policies for the size and type of unit.

➢ Action 1.4 Relevant Themes Heard from Housing Plan Community Engagement

- Incentivize tiny homes or ADUs that can be a path to homeownership rather than manufactured homes that can leave people vulnerable to displacement.
- Heard more support for ADUs that can be ownership units rather than rentals.

ACTION 1.4 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
Policy Change	All	Residential Zones	🏠🏠	$

DRAFT

Strategy 2: Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing

Strategy 2 recognizes that market-rate development by itself cannot fulfill the full range of housing needs in Louisville. The market is unlikely to supply income-restricted affordable housing, especially units affordable to those earning 0-60% of the Area Median Income (AMI), without intervention. This intervention can include leveraging funding opportunities and partnerships to support new or preserved income-restricted housing.

Leveraging funding tools available at all levels of government for affordable housing projects can help reduce project costs and provide direct financial assistance to fill gaps that threaten project viability. This strategy outlines potential funding, partnerships, and policy mechanisms the City can deploy to lower barriers for income-restricted housing developments. One such opportunity is Proposition 123. Colorado voters passed Proposition 123 in 2022 as a dedicated future revenue source to local jurisdictions like Louisville to support housing affordability. Louisville is an eligible jurisdiction to apply for future Proposition 123 funds having officially committed to proposition-specific housing affordability goals in 2023. The City should continue to pursue such eligibility in the future during various funding cycles. In 2023, Boulder County voters also passed a 15-year extension of Issue 1B that sets aside a portion of county sales and use taxes for affordable housing; a portion of which applicable projects in Louisville may be eligible to access.

Strategic partnerships will also be vital to deliver affordable housing at a meaningful level. This strategy focuses on ways the City can foster partnerships and play an active role within them to facilitate the development of more income-restricted housing.

Detailed actions in this section include:

- **2.1 Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided**
- **2.2 Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally**
- **2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects**
- **2.4 Consider Offering a Fee Option for Mandatory Onsite Commercial Requirements with Mixed Use Residential**
- **2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing**
- **2.6 Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing**

DRAFT

➢ Action 2.1 Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided

RATIONALE

A lack of available utilities, cost of utilities, and road infrastructure can determine whether a project will move forward or not due to the substantial costs. Iring programs for such infrastructure can ease the financial burden for developers and support future housing development on opportunity sites.

➢ Housing Goals

DESCRIPTION

Large development sites, in particular, frequently demand extensive infrastructure development, which can significantly affect their financial feasibility and, in some cases, drive outcomes that might not align with the City's housing goals. The City can utilize cost-sharing opportunities to help ease the financial impact on new projects, particularly those that provide affordable housing or meet other established housing goals. Cost-sharing tools could include:

- **Development Agreements (DA):** legally binding contracts In the City and a developer or landowner that outline terms for a specific development project, including infrastructure or other amenities. While the city currently utilizes DAs, it could adjust typical terms to:
  - Have the City assume a greater share of the infrastructure costs or obligations if a project provides onsite affordable housing, increasing its share as the affordable set-aside increases. The fee in lieu for inclusionary housing from other projects is one possible funding source for this cost share as is funds from Proposition 123.
  - Exempt projects from some inclusionary zoning requirements if they significantly contribute to infrastructure development and align with broader housing objectives like providing a mixture of housing types aimed at creating a more mixed income community.
- **Local Improvement Districts (LIDs):** LIDs are established when property owners or developers initiate a formal request to collectively fund infrastructure enhancements. In Colorado, numerous municipalities have successfully used LIDs as a financing mechanism for sizable projects. If paired with agreements to provide affordable housing, a LID can assist with developers financing project infrastructure to support affordable housing.

ACTION 2.1 BENFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
Policy Change/Financial Support/Partnerships	All	Greenfield Sites or Large Parcels	🏠🏠🏠	$ $ $

DRAFT

➢ Action 2.2 Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally

RATIONALE

It can be challenging to stitch together financing for income-restricted housing projects and a property tax exemption could help offset project costs, catalyzing construction of new, rehabilitated, or improved affordable housing.

➢ Housing Goals

DESCRIPTION

Colorado House Bill 23-1184 recently expanded the existing low-income housing property tax exemption to include more nonprofit organizations that build and sell affordable housing. The exemption can last for up to 10 years and creates a new property tax exemption for land owned by community land trusts and other nonprofit affordable homeownership providers that develop permanently affordable for-sale homes. The City can adopt this tax exemption locally to assist affordable housing projects, particularly those needed under the city's commitment under Proposition 123. The property must be restricted by a deed that limits its resale price and requires a long-term land lease with a community land trust or nonprofit affordable homeownership developer. The property must also be sold to households below 100 percent Area Median Income (AMI).

ACCESSING THE EXEMPTION

After January 1, 2024, there are three ways that a nonprofit affordable housing developer can receive this exemption.

- **Land donation agreement** between the landowner and nonprofit.
- Resolution that **designates property** for construction or rehabilitation of for-sale affordable housing.
- Resolution that **approves the purchase of the property for land banking** with the purpose of constructing or rehabilitating for-sale affordable housing.

ACTION 2.2 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
INCENTIVE	LOW-MODERATE INCOME	CITYWIDE	🏠🏠	$ $

DRAFT

➢ Action 2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects

RATIONALE

➢ Housing Goals

Nonresidential development that increases employment demand like industrial, retail, and office development can increase housing demand nearby and put additional pressure on housing prices. This is compounded in markets like Louisville where housing production has not kept pace with demand. By establishing a per-square-foot fee on commercial development to fund affordable housing projects, the City could "link" these two types of development to support more equitable growth. This action item would need to carefully consider balancing any potential linkage fee with the City's economic vitality goals.

WHAT IS A COMMERICAL LINKAGE FEE?

A commercial linkage fee is a policy tool that requires developers of new commercial projects to contribute a fee to be used to fund the construction of affordable housing.

DESCRIPTION

The City can use revenues from a commercial linkage fee to provide direct financial support for new income-restricted housing projects. The City should first study the impacts a fee might have on commercial development in Louisville to ensure a fee is appropriately calibrated to both help the City meet affordable housing goals and avoid financially overburdening new commercial projects that can help the City meet economic development and employment goals. Additionally, commercial linkage fees require a nexus study that first demonstrates a reasonable relationship between the fee and affordable housing before the fee program can be adopted.

ACTION 2.3 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE/FINANCIAL SUPPORT	LOW-INCOME	CITYWIDE	🏠	$ $

DRAFT

➢ Action 2.4 Consider Offering a Fee-in-Lieu Option for Mandatory Onsite Commercial Requirements with Mixed-Use Residential

RATIONALE

➢ Housing Goals

The City's zoning code requires nonresidential uses with residential development in some zone districts and Planned Unit Development types. These mixed-use requirements can be challenging to navigate given the added complexity of financing, management, separating differing uses, and the ongoing uncertainty for commercial demand in the post-Covid era. Identifying new City policy tools to address this issue can help reduce barriers for new residential development projects and deliver more needed housing at a lower cost, while drawing in more residents that can help increase the viability for nearby commercial development in the future. One such tool for the City to evaluate is a fee in lieu of any required nonresidential square footage with residential development.

DESCRIPTION

EcoNorthwest conducted a financial analysis during the development of the Housing Plan to understand the impacts of requiring onsite commercial space in residential projects. The analysis indicated that on-site commercial requirements had a negative impact on overall development feasibility, reducing a developer's land budget by up to 13%. In these cases, a developer would likely need to either find less expensive land, raise tenant rents, or receive additional subsidy to make the development feasible. However, the analysis found that requiring a $10 per square foot fee would have a much smaller impact on feasibility than requiring onsite commercial space. The City could explore implementing this fee option and utilize funds for any of the affordable housing initiatives outlined in this Housing Plan. Action item 3.3 below also addresses this issue for the City to explore ground floor use and activation standards that provide more flexibility to address this issue.

ACTION 2.4 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE/FINANCIAL SUPPORT	LOW-INCOME	CITYWIDE		$

DRAFT

➢ Action 2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing

RATIONALE

Preserving existing affordable housing and preventing displacement of low-income residents is vital for social equity. City programs and policies can help maintain the affordability of existing housing units amid rising costs and prioritizing the distribution of resources to these types of developments can help foster household stability and diversity.

➢ Housing Goals

DESCRIPTION

There are several ways a city can support or lead efforts to mitigate the loss of existing income-restricted and Naturally Occurring Affordable Housing (NOAH). These include direct financial assistance, property acquisitions, and creating partnerships with non-profits to take over ownership, assist with maintenance and repairs, or apply for grants to help properties achieve stability while continuing keep rent prices low. This action focuses programs and policies summarized below:

WHAT IS NOAH?

NOAH or *Naturally Occurring Affordable Housing* refers to residential rental properties that are affordable, but do not receive subsidies in exchange for income restrictions. They are typically older properties with relatively low rent compared to the regional housing market.

- **Explore Programmatic and Zoning Approaches to Preserving Manufactured Home Parks (MHPs)**—MHPs play a significant role in providing naturally occurring affordable housing, but they are at risk of disappearing in strong housing markets like Louisville's. Ways the City can assist with MHP preservation efforts are outlined below.
  - **MHP-Only Zoning:** The City can establish zones that designate an area specifically for MHPs, which would directly prevent redevelopment of existing MHPs and resulting displacement of residents.
  - **Tenant Opportunity to Purchase**: In Colorado, mobile home park owners are required by the state to provide tenant opportunity to purchase.[11] The City could aid housing authorities, non-profit preservation organizations, and resident-owned communities through funding and technical guidance necessary to help residents make the purchase.

[11] In 2020, the State of Colorado passed HB20-1201, a bill that requires mobile home park owners to notify residents, the municipality, and others notice of a pending sale 12 months prior to the change of use to provide residents the opportunity to organize and purchase the mobile home park.

- **Establish a Legacy Homeownership Program –** The Modeled after the City of Boulder's Housing Legacy Program, Louisville could create a similar program that allows homeowners, companies, or other organizations to donate homes or other real estate. [12]
- **Monitor Existing Income-Restricted Housing Stock for Expiring Subsidies -** Louisville has a supply of regulated affordable housing, but to assist in their preservation, the City must understand how many units there are, their condition, subsidy expiration dates, and current ownership to accurately assess their vulnerability risk. Publicly available inventories for regulated affordable units are often incomplete, lack essential data points, or are out of date. A monitoring system would allow the City to assess vulnerability risk and offer financial support to owners and operators to maintain affordability.

HOW DOES A LEGACY HOMEOWNERSHIP PROGRAM WORK?

Before donating, interested parties entering their homes into the legacy program first place an affordability covenant on their home. Once donated, the City does not receive ownership of the homes through this program but rather maintains the "Interim Covenant", or deed restriction, that mandates affordability and manages the sale of the homes to interested buyers. City staff assesses buyers based on their income and assets and facilitates a fair selection process.

Action 2.5 Relevant Community Engagement Themes

- It is very important that affordable housing stay affordable in the City.
- Manufactured home preservation is important for maintaining affordable housing options in Louisville.
- Establish a homeownership program and hire someone at the City to oversee it.
- The City should invest in a staff person to monitor affordable housing maintenance needs, documentation, and deed tracking.
- Need for dedicated maintenance funding for affordable housing. City could connect people with resources for maintenance funding.
- City could purchase multifamily units when they sell.

ACTION 2.5 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE/FINANCIAL SUPPORT	LOW	CITYWIDE	N/A (FOCUSED ON PRESERVATION OF EXISTING UNITS)	$ $

[12] City of Boulder. Housing Legacy Program. https://bouldercolorado.gov/homeownership/housing-legacy-program#:~:text=The%20Housing%20Legacy%20Program%20facilitates,affordable%20homeownership%20for%20future%20generations.

➢ Action 2.6: Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing

RATIONALE

Preservation of existing income restricted units and new construction of such units are the most effective ways for cities to advance affordable housing initiatives. They are also the costliest because the units must be sold or rented below market rates. Partnerships can support the production of affordable housing in several ways. Partnerships with the City of Louisville might include market rate housing providers, affordable housing providers, or mission driven nonprofits like religious organizations.

➢ Housing Goals

DESCRIPTION

There are several ways that cities can operate within partnerships to help preserve and facilitate new affordable housing development. The Boulder County Housing Authority (BCHA) is the housing authority for all communities in Boulder County outside of the Cities of Boulder and Longmont, including Louisville. The City should continue to partner with BCHA as Louisville's housing authority and other affordable housing providers. The type of partnership the City can strengthen or establish will depend on available funding, resources, and the type of project. Methods include:

- **Land Banking**: Designate surplus land, or purchase and convey property to a housing partner.
- **Direct Financial Support**: Provide funding to support community land trusts, housing cooperatives, or lease purchase programs.
- **Technical Assistance**: Program education, development process support, land inventory, legal assistance, and administrative support (e.g., establishing deed restrictions, compliance monitoring, etc.).
- **Right of First Refusal**: Notice to the City of intent to sell multifamily or mixed-use rental property, with the local government having 30 days to make an offer.

ACTION 2.6 BENEFITS OVERVIEW				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
Partnerships	Low-Income	Citywide		$ $ $ (depending on method chosen)

DRAFT

Strategy 3: Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types

While Strategy 1 focuses on targeted policy and zoning actions the City can take to address housing affordability, this Strategy 3 outlines a more comprehensive approach to such actions that will take longer and follow policy guidance from the upcoming comprehensive plan update. It recognizes the pressing need to modernize the zoning code to better enable market responsiveness to housing demand. This strategy includes broader, longer-term actions for the City to focus on after the comprehensive plan update, including:

- Streamlining development review procedures for appropriate residential projects;
- Supporting the development of broader range of residential uses; and
- Creating more transparency and flexibility within the zoning and development regulations to remove major barriers to housing production.

Detailed actions in this section include:

- **3.1 Create More Predictability for Residential Development Related to City Processes and Regulations**
- **3.2 Expand Allowances for More Housing Types**
- **3.3 Change Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development**

DRAFT

➢ Action 3.1 Create More Predictability for Residential Development Related to City Processes and Regulations

RATIONALE

➢ Housing Goals

Most types of residential development in Louisville require "discretionary" review against subjective standards and multiple public hearings. For example, any residential project with more than six units typically requires a Planned Unit Development (PUD) that requires four public hearings in total before Planning Commission and City Council and review against 28 review criteria.[13] Stakeholder engagement during this Housing Plan emphasized the challenges of developing housing in such an unpredictable environment. To lower risk, reduce costs, and facilitate more housing development that aligns with City goals and policies, The City should evaluate streamlining its residential development process related to review procedures and regulations for efficiency and predictability. The premise behind this action item is for the City to create predictability through clearer processes and standards that reflect community values around transparency and community design.

DESCRIPTION

In recent years, particularly in areas where housing prices have soared and development has become more expensive, cities have made efforts to streamline development processes in a variety of ways to help speed up housing production, while finding ways to help reduce costs. This action focuses on three ways Louisville can approach creating a more streamlined and predictable development process.

- **Adopt Clear and Objective Development Regulations.** For appropriate residential and mixed-use projects, standards should be specific, measurable, and objective rather than subjective or discretionary; and provide clear expectations for developers and consistency in application by staff. This saves time and resources for both developers and cities by reducing the need to debate interpretations, a factor that can erode the relationship between developers and cities, two entities that must work together to address housing needs. Clear and objective standards may also create an opportunity for more projects to be reviewed administratively, which would reduce the need for some projects to be heard and debated by Planning Commission and City Council. However, the City will need to strike a balance and avoid overly prescriptive standards that don't

CLEAR AND OBJECTIVE STANDARDS

Best Practices

- » **Revise vague or ambiguous standards to provide precise, quantifiable language around allowable densities, building form, lot coverage, setbacks, parking, landscaping, etc.**
- » **Limit use of subjective phrases like "compatible" or "consistent with neighborhood character."**
- » **Use graphics, tables, and matrices to clearly communicate objective criteria and dimensional standards based on location and building type.**

[13] See Louisville Municipal Code Section 17.28.120.

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allow for or promote flexibility needed to address site variation or creative and innovative design approaches.

- **Allow More Residential Uses "By-Right".** Allowing more uses "by-right" can reduce the need for projects to undergo special review and/or conditional use processes, which greatly increase project timelines and risk given the subjective nature of these processes. There are a few ways the City can approach allowing more "by right" residential land uses:
  - **Consider expanding residential definitions** rather than grouping all "multifamily" projects together that are subject to the same review process. This approach enables the City to delineate housing types more precisely and subsequently expand the permitted use table, allowing for "by-right" approvals tailored to each zone and project's scale.[14]
  - **Consider raising the project thresholds and removing subjective criteria** for administrative special reviews.[15] This could be a more short-term solution while the city works through more complicated zoning code updates.
  - **Allow more residential projects to be reviewed administratively.** Unlike discretionary applications, administrative applications move through the project review process more quickly because they do not require additional subjective analysis, Planning Commission recommendation, City Council action, or a formal public hearing, making the timeline for administrative applications often months shorter. To enhance efficiency, Louisville should lean on local planners' expertise. City staff are well-suited to evaluate project compliance and determine if proposals meet regulations.

WHAT IS "BY-RIGHT"?

If a project meets the development standards and zoning regulations outlined in Louisville's zoning code and does not require additional or formal planning approvals, it is considered a "by-right" project, and the applicant may move directly to requesting a building permit.

WHAT TYPE OF PROJECTS ARE SUITABLE FOR ADMINISTRATIVE REVIEW?

Administrative review can be reserved for less complicated projects, including:

- **Simple land divisions, lot mergers, and lot line adjustments**
- **ADUs**
- **Site plan reviews meeting predefined thresholds in site size or unit count**

ACTION 3.1 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE	ALL	CITYWIDE		$ $

[14] Currently, Louisville's code designates "multi-unit buildings" as either "No" or "R" (requiring special use review) uses, depending on the zoning district, except for RM and RH zones. The term "multi-unit buildings" is broadly defined to encompass a wide spectrum of housing types, ranging from duplexes to large apartment complexes.
[15] Special review procedures typically involve the Planning Commission, which makes a recommend to the City Council, unless an application fully complies with the criteria outlined in Sec. 17.40.105, in which case it may undergo an administrative special review. However, these criteria for administrative special review have notably subjective thresholds.

➢ Action 3.2 Expand Allowances for More Housing Types

RATIONALE

About 70% of Louisville's housing stock are single family detached units, one of the highest rates in Boulder County. Most of the City's zone districts acknowledge single family and multiunit dwellings as the only two residential land uses. Expanding allowances for all types of housing will help create more affordable homeownership and rental opportunities.

➢ Housing Goals

DESCRIPTION

The City can approach expanding allowances for more housing types in several ways. This action focuses on more nuanced approaches to expanding allowances for certain housing types, including multifamily development in commercial zones, promoting "middle housing", internal conversions of appropriate single-family buildings into additional units, and changing occupancy requirements that might inhibit residents from forming a household and reducing housing costs.

Summary of Action 3.2 Potential Items		
POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Evaluate Allowing More Middle Housing Types in Low-Density and Single-Family Zones	Evaluate expanding allowances for middle housing types into single-family zone districts to increase their feasibility and foster more inclusive neighborhoods in appropriate locations. Middle housing can include a range of housing types from multiunit to townhomes and smaller detached single-family units that are compatible with neighborhood scale and character.	Current opportunities for middle housing in Louisville largely only exist within the RM and RH zone districts.
Consider Allowing Stand-Alone Residential Development in Appropriate Commercial Areas	Consider opportunities to allow stand-alone residential development in commercial zones to expand residential capacity and increase housing production. Currently, large areas of Louisville with commercial zoning prohibit residential uses while other areas mandate a mix of residential and nonresidential uses within each project. This ties closely to Action 1.1 related to developing criteria for such potential zoning changes.	Consider allowing stand-alone multifamily development throughout designated commercial zones while preserving the economic vitality of key commercial corridors. Consider limiting ground floor commercial requirements to only parcels with frontage along specific commercial corridors in certain zones. This will allow multifamily development more broadly while protecting sites that are most conducive to commercial development and key pedestrian-oriented commercial areas (including downtown) from developing with entirely residential uses. If street-level activation is a concern with this approach, consider requiring ground floor activation requirements in stand-alone residential developments.

Summary of Action 3.2 Potential Items		
POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Modify Residential Occupancy Restrictions Regarding Unrelated Individuals	Increase or eliminate unrelated occupancy limits to increase the availability of affordable housing options for a broader range of groups and recognize the legitimacy of alternative family and group living arrangements.[16]	Removing or raising these restrictions is a national trend that allows more unrelated individuals and alternative family formations to legally live together and share housing costs. Any such actions should align with any changes to Colorado state law on this issue.
Adopt Standards for Internal Conversions	Expand allowances and incentivize internal conversions of large single-family homes or other structures into additional units where appropriate. This offers the opportunity to preserve existing units and character while supporting additional density.	Internal conversions can be complex and expensive projects, so the City will need to consider ways to incentivize these projects through regulatory or financial support.

ACTION 3.2 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE	MODERATE	RESIDENTIAL AND COMMERCIAL ZONES	🏠🏠🏠	$ $

MIDDLE HOUSING BEST PRACTICES

Middle housing encompasses housing units that are more similar in scale to single-detached homes than to apartment buildings, but have multiple units and are less costly, more energy efficient, and require less land per household than single-detached homes.

This includes duplexes, triplexes, fourplexes, cottages, and townhouses. Some best practices are for cities to:

- Clearly define each middle housing type, including explicit standards for building scale, unit count, configuration/form, or any combination of these parameters.
- Seek out best practice guidance around parking, regulating intensity, and where to allow middle housing to ensure its implementation is rooted in feasibility and equity.

HOW AND WHERE IS RESIDENTIAL DEVELOPMENT ALLOWED IN COMMERCIAL ZONES IN LOUISVILLE?

- Commercial neighborhood (C-N). The C-N district includes areas to accommodate mixed residential and commercial uses.
- Residential mixed use (MU-R). The district is intended to implement the residential mixed use land use and planning goals depicted in the Highway 42 Revitalization Area Plan. Areas zoned MU-R should be used predominantly for higher density multi-family residential, with subsidiary commercial uses and civic uses that cater to the needs of residents and transit commuters.
- Downtown. Recent residential projects have been approved in downtown, but only through a special review or conditional use process.

[16] Louisville Municipal Code Section 17.08.150 defines Family as no more than two unrelated persons living together. This definition ties to allowable land uses in the zoning code and how a dwelling unit is defined.

➢ Action 3.3 Modernize Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development

RATIONALE

Louisville's zoning and subdivision code has not been substantially updated in decades. The current code creates barriers to efficient housing production and lacks proper incentives to effectively deliver the housing types the City is prioritizing through this Housing Plan. Extensive changes to modernize standards and incentives programs are needed to address the needs outlined in this Housing Plan.

➢ Housing Goals

DESCRIPTION

The City has an opportunity through its comprehensive plan update to create a foundation to modernize outdated development standards and procedures to better meet Louisville's current and future housing needs. A key focus should be incentivizing needed and desired development outcomes that can support a broader range of housing types. The City also has goals related to maintaining community character (especially in Old Town and in the downtown core) and expanding transit access to help decrease carbon emissions and meet climate goals, among other related goals that need consideration. Achieving all of this will require clear policy, regulatory flexibility, and incentives. This action focuses on several zoning tools for the City to address incentivizing desired outcomes related to:

- **Residential development downtown** that can effectively meet the demand for smaller housing units, while also promoting household growth that can, in turn, provide support for businesses in the downtown area and beyond.
- **More supportive housing units for seniors** that are safe, comfortable, and stable.
- **Income-restricted housing** that can better support the diverse local workforce and the region's most vulnerable populations.
- **Infill development** that requires minimal changes to density and can help preserve existing units and neighborhood character.
- **Greater housing diversity** achieved through new greenfield sites that can help meet a wide range of housing goals more efficiently.

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Summary of Action 3.3 Potential Items		
POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Conduct a Zoning and Subdivision Code Audit	Evaluate effectiveness of existing regulations and identify barriers to housing development. Common barriers include limitations on permitted uses, large minimum lot sizes, low density allowances, building height, parking requirements, and subjective design standards and guidelines.	Engaging developers, architects, and homeowners in open dialogue and collaborative discussions is important to understand the specific challenges and nuances related to residential development within the current code. Permit data can illuminate trends, showcasing the types of permits issued, their timelines, and their alignment with zoning code and housing objectives.
Evaluate Lowering Minimum Lot Sizes	Evaluate lowering minimum lot sizes to better align new construction with historic development patterns, create more incremental density on infill lots, and create more financial opportunity for property owners to subdivide their land and remain in place. Specifically, evaluate lowering minimum lot sizes in the Old Town Overlay District.	Large minimum lot sizes tend to result in the construction of larger, more expensive homes. The Residential Estate (RE) and Residential Low Density (RL) zone district minimum lot area requirements do not match the historic lot sizes in the Old Town overlay district yet a substantial number of residential properties in the overlay district have this zoning. Allowing subdivisions to smaller lots that match the established residential character of Old Town would lead to additional and more diverse housing types. When combined with the design standards of the Old Town Overlay, subdivisions could also help preserve housing character and existing homes within the Overlay.
Require or Incentivize a Range of Housing Types on Greenfield Sites	Greenfield sites that are vacant and appropriate for future residential development are an important opportunity to further housing goals for a variety of incomes by ensuring the sites are developed with a range of housing types, not just single-family detached. The City should evaluate appropriate standards and incentives to capture the opportunity and increase development feasibility.	• Establish site size thresholds where housing diversity standards apply within the proposed development • Develop cost-sharing program for infrastructure development • Require a mix of units • Explore feasibility of onsite affordability requirements • Avoid overburdening with commercial requirements, particularly in areas with access to existing commercial amenities

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Summary of Action 3.3 Potential Items		
POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Evaluate Standards or Incentives for Residential Development in Downtown and Old Town	Evaluate defining standards and incentives in the downtown area[17] to accommodate desired residential development types, without requiring a discretionary special review process.	Allow mixed-use and multifamily development downtown "by-right" with clear and objective standards that align with and further the City's goals and vision for the downtown area. Adopt clear and objective standards that focus on form for specific development types to better regulate and facilitate desired outcomes for downtown, including commercial, multifamily, and mixed-use development and as it relates to preservation zoning incentives in the Old Town overlay district.
	Increase density or height allowances in the downtown area for projects that pay a higher fee-in-lieu, provide affordable housing units on site, or provide additional units beyond the current 12% requirements. (see Action Item 1.2 for a more detailed explanation of this item applied more broadly).	Pro forma analysis while developing this Housing Plan indicated that increasing density for multifamily projects through either increased height, floor area ratio (FAR), or dwelling units per acre, especially when paired with other incentivizes such as reduced parking, could be effective in supporting more residential development downtown.
Evaluate Incentives for Accessible and Visitable Housing Units for Seniors	Promote accessible and visitable design to better encourage safe, comfortable, and stable housing for Louisville's senior residents through development incentives.	Incentives could apply to accessible and visitable units as they do to income-restricted housing, including density and height bonuses, parking reductions, expedited permitting fee waivers, or direct financial support.
Evaluate Incentives for Income-Restricted Housing, Especially in Transit Oriented Development (TOD) Areas	Create flexibility within City regulations through increased building heights and densities or reductions in open space and parking requirements for income-restricted housing. (see Action Item 1.2 for a more detailed explanation of this item)	Focus on providing incentives in areas planned or suitable for TOD where households can better access transit options that can help reduce household spending on transportation.

[17] For the purposes of this section, "downtown area" includes those areas defined in the Louisville zoning code as the Old Town overlay district and Downtown Louisville. The Old Town overlay district includes mostly residential areas adjacent to downtown, and Downtown Louisville includes the core commercial area with mostly commercial zoning.

Summary of Action 3.3 Potential Items		
POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Evaluate Options to Satisfy Onsite Commercial Requirements with Residential Development	Action item 2.4 summarizes the requirement for some residential developments to provide onsite commercial space that creates barriers to addressing housing affordability. This action item could provide other regulatory options that address the goal of having mixed use development through ground floor activation and use requirements.	Applicable residential developments that are required to provide onsite commercial space could also have other options to meet the requirement. This could include creating ground floor activation requirements so the applicable spaces could evolve to commercial in the future but always provide street level activation through design and by prohibiting "inactive" uses like parking garages and storage areas.
Evaluate Refinements to Inclusionary Housing Ordinance (IHO)	The IHO has several opportunities for the City to explore to provide more predictability and options for developers to meet these requirements that address this Plan's goals and strategies.	Opportunities for IHO refinements include but are not limited to: • Increasing the area median income needed to satisfy the requirements to better address the income ranges of the local workforce experiencing housing affordability challenges described in this Plan.[18] • Clarifying that providing the fee in lieu of onsite affordable housing is an option for applicable projects. • Creating rules and regulations[19] that clarify ambiguous standards that create unpredictability for affordable housing providers, like what constitutes an "equivalent in quality to market rate units" among other sources of ambiguity identified in the future.

[18] See Plan page 21 (Housing Attainability Section) that highlights that a household would need to earn 145% of the Area Median Income (AMI), or around $209,000, to afford the average home sales price in Louisville. The current IHO requires that all permanently affordable units to meet the 12% requirement be for households earning less than 80% of AMI, with half of the units being required for households earning less than 60% of AMI (See LMC Sec. 17.76.202).
[19] Such rules and regulations are explicitly enabled in the IHO in LMC Section 17.76.110.

DIFFERENCE BETWEEN ACCESSIBLE AND VISITABLE HOUSING UNITS

Accessible and visitable housing units both provide accommodations for individuals with disabilities and are well aligned with senior housing needs but serve slightly different purposes.

- Accessible housing units are primarily designed for residents with disabilities or mobility limitations to live in full time and can include features such as wider interior doors or hallways (to accommodate a walker or wheelchair), or accessible bathrooms with handles and reinforced walls.
- Visitable units are generally accessible to visitors with mobility limitations or residents with longer-term mobility changes but are not necessarily equipped for residents with limited mobility. Aspects of visitable housing units include a zero-step entrance, wider exterior doors, and a first-floor accessible bathroom.

ACTION 3.3 BENEFITS SUMMARY				
ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	COST
POLICY CHANGE	MODERATE	RESIDENTIAL ZONES	🏠🏠🏠	$ $

Action Item 3.3 Relevant Community Engagement Themes

- Need the zoning code to address a broader mix of housing types that it currently does.
- Support for smaller homes (1,000 to 2,000 square feet) as a more affordable homeownership option for first-time homebuyers and seniors.
- Seniors lack affordable housing options to age comfortably and safely, either in assisted living or independently.
- Many new homes in Louisville are large (greater than 2,500 square feet), which are not necessarily a good fit for older couples without children.
- The City should use Proposition 123 funds to purchase land to add more density through middle housing.
- It is important to situate multifamily and affordable housing near transit.
- Support to reduce parking requirements near transit.

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Appendices

1. Full Housing Needs Assessment (HNA)
2. Summary of Community Engagement
3. Development Feasibility Analysis

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City of Louisville
Housing Needs Assessment

August 2023

Prepared for: City of Louisville

Draft Report

ECONorthwest
ECONOMICS · FINANCE · PLANNING

KOIN Center
222 SW Columbia Street
Suite 1600
Portland, OR 97201
503-222-6060

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Executive Summary

The Boulder-Denver region has experienced a major influx of higher income earning households due in part to an increase in high-paying jobs at companies that have chosen to locate in and around Boulder and Denver. This trend has driven housing demand, and as cities across Colorado have fallen behind on housing development, affordability in many local communities has been compromised.

In 2021, the City of Louisville was awarded a grant through the HB 21-1271 Innovative Affordable Housing Strategies program by the Colorado Department of Local Affairs (DOLA). The City allocated the grant toward a Housing Plan to learn how these regional trends affect Louisville and to develop tailored strategies that enable affordable housing in the city. Once the Housing Plan is complete, it will play a crucial role in updating the citywide Comprehensive Plan, particularly related to the City's plans for housing and land use. The first step in creating a Housing Plan is a Housing Needs Assessment (HNA), which evaluates current and projected housing needs using a thorough analysis of the City's demographic and housing market trends. The insights from the assessment help to build a factual basis for the Housing Plan strategies.

This document is that first step. As an HNA, it helps answer questions about the current availability of different housing types, who lives and works in Louisville, and the range of housing needed to meet current and future housing needs. Answering these questions provides the foundation for a Housing Plan that not only meets the current and projected housing need for a growing population, but also facilitates the City's existing goals and policies to support an array of local businesses, create more stability and inclusivity for lower-income residents, and reduce the carbon footprint of residents and workers. Specifically, addressing housing affordability supports:

- The need to provide diverse housing opportunities, particularly for seniors, empty-nesters, disabled, renters, first-time homebuyers, and the support of retail and commercial centers serving local residents identified in the 2013 Comprehensive Plan;
- The effectiveness of multimodal (bike, walk, public transit) options and the availability of higher-density housing along corridors identified in the 2019 Transportation Mater Plan;
- The opportunity for homeowners to preserve existing housing stock by providing alternative development options identified in the 2015 Preservation Master Plan;
- The desire to preserve downtown as a pedestrian-oriented and mixed-use area identified in the 1999 Downtown Framework Plan;
- The expansion of housing options for diverse and low-income communities identified in the 2021 Equity, Diversity, and Inclusion (EDI) Task Force Report;
- The goal of 12% of housing to be permanently affordable identified in the 2017 Boulder County regional Housing Strategy; and

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- The reduction of greenhouse gas emissions through increasing transportation options and reducing vehicular traffic identified in the 2020 Sustainability Action Plan and the 2019 Resolution Setting Clean Energy and Carbon Emission Reduction Goals.

A summary of existing and relevant goals and policies is included in the final section of this report. Along with the findings from this HNA, they will help guide the next stage of developing housing strategies.

A summary of the overall housing needs and data analysis findings from the HNA is provided below.

Summary of Housing Needs

In general, the city will need to prioritize diversifying its housing stock to adequately meet the needs of current and future residents and to support existing policy goals related to Equity, Diversity, and Inclusion (EDI), sustainability, support for workforce housing and local businesses, and housing for young families. Otherwise, the city will continue to become more unaffordable to the wide range of households necessary to maintain and strengthen a robust and resilient community.

Louisville's population is aging quickly compared to other cities and the city will need to prioritize safe and sustainable housing options for seniors. An aging population will need smaller units that meet accessibility standards, including single-story units or units with bedrooms located on the first level. Many seniors are also on fixed-incomes and as housing costs soar, seniors may struggle to afford housing within the communities they're connected to. Therefore, income-restricted housing for seniors will need to be a priority as well.

The HNA demonstrates a lack of housing opportunity for younger residents and families, including both rental and ownership options. Louisville has become less affordable for younger residents and families than in the past due to the sharp increase in housing costs throughout the region. To create more opportunity and meet their needs, the city will need to prioritize more multifamily rentals for young residents who either choose to live alone or for smaller households seeking more affordable rental options. Louisville will also need to plan for more attached and smaller detached units that are more affordable to first-time homebuyers and young families looking to locate in Louisville. More affordable homeownership opportunities could be created through stacked condominiums, plex development, townhomes, and small bungalows or cottages.

Income-restricted housing will be essential for creating and maintaining a more diverse and inclusive community. The housing market is less likely to deliver income-restricted housing given its inherent financial complexities and will require more direct support from the city than other housing types discussed. If income-restricted housing is not prioritized, lower income earners will likely continue to seek housing opportunities further away from Louisville as higher-income earners seek to locate in Louisville. Prioritizing income-restricted housing will

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not only help the city meet its current and future housing needs, it will also help the city achieve established goals related to EDI and sustainability by creating more opportunity for a wider range of residents to live and work in the same place.

Louisville will need to plan for housing to support both the current and future workforce and a more vibrant commercial sector. Much of the housing needs identified in this section will help meet the needs of a diverse and growing local workforce. It's important to acknowledge the critical need to ensure there are enough housing options for workers employed by local businesses and to retain and attract essential employees, such as teachers, healthcare professionals, and public servants, who contribute significantly to the community's well-being. Creating more housing near job opportunities can also greatly ease commute times and traffic congestion that can help advance the City's sustainability goals.

Louisville will need to identify housing strategies to address current unmet housing needs along with future housing needed for the next several decades.

- The results of the housing needs assessment show a gap at around 2,483 new housing units needed to address current housing underproduction and accommodate future population growth assumed to reach approximately 24,614 persons by 2047. On an annual basis this means an average of 96 housing units added per year through 2047.[1] This estimate helps to provide a general target for the number of housing units needed to meet existing and future demand for the next two decades. It is important to note that this HNA is not intended to establish desired growth targets, but rather it is to study the issue objectively based on recent and projected population trends.
- 1,171 of those housing units are needed for households earning below 100% of the Area Median Income (AMI).
- 409 units are needed to address current housing underproduction. ECONorthwest accounts for housing underproduction in the analysis of housing needs, which uses a ratio of 1.1 housing units per one household since healthy housing markets allow for a reasonable level of housing vacancy and absorption and second/vacation homes.
- For Louisville's comprehensive planning horizon, the city will need to plan for an additional 1,100 units over the next 10 years to track towards housing needs.[2]

Housing needs in this analysis are based on assumed population growth, however future need is more nuanced and will continue to evolve as the city makes land use and housing policy decisions, including through the upcoming comprehensive plan update.

[1] Beginning in 2021.

[2] Including 2021 and 2022.

Data Analysis Key Findings

Community Demographics

Louisville grew at a moderate rate compared to other jurisdictions in Boulder County.

- The city grew by 13% between 2011-2021, just ahead of Boulder and Superior which are the two slowest growing cities in Boulder County. However, population estimates from the State Department of Local Affairs showed that Louisville's population plateaued and began to decrease between 2018 and 2019 as housing growth slowed. This decrease has been exacerbated with the loss of 550 homes in the Marshall Fire at the end of 2021.
- Assuming Louisville maintains the current percentage of Boulder County's population (6.3%) as it grows, Louisville is expected to grow by 20% from 2023 to 2047, or by 4,115 residents.

Louisville has the highest median age when looking across comparison geographies in Boulder County and is aging faster than the County overall.

- The median age in Louisville is 43 years old, an increase of 4 years over the last 10 years.
- Residents 65 and older is the only age bracket that increased over the past decade in Louisville. All other age brackets declined.

Louisville is increasingly losing younger residents and families with children.

- The city experienced a decline in residents under the age of 44, including those under the age of 19.
- School enrollment has decreased for both elementary and middle schools in Louisville, indicating a decrease in younger families in the area.
- The number of couple households with children decreased by 3%, while the number of couple households without children increased by 2%.
- Overall, fewer younger individuals are moving into or staying in Louisville and rising housing costs are likely a major contributing factor.

Homeownership rates have fallen across Boulder County.

- In Louisville, the homeownership rate dropped by 5%, the second highest decrease behind Superior (10%)
- Homeownership rates for households between the ages of 15-34 decreased by 4% and by 7% for households between the ages 35-64.
- The number of family homeowner households decreased alongside an increase in family rental households. This could indicate that households who might have previously been able to purchase a home upon forming a larger household (e.g., getting married or having children) or getting older are no longer able to.

Renter household trends indicate an inability to live alone and increased barriers to homeownership in Louisville.

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- The share of both renter and homeowners aged 15 to 34 living alone decreased, as did the share of homeowners aged 35 to 64. The decline in young individuals living alone and the rise in two-person households within the City may suggest that younger people are struggling to afford living on their own. This could mean many are opting to live together or moving back in with their parents.
- Household size has increased in Louisville, particularly for renter households. This relative increase in renter household size is likely a reflection of the increased cost of renting as a single person household, alongside increasing barriers to homeownership.
- The city experienced an increase in the number of family households that rent, which could indicate a lack of opportunity for homeownership for young families.

Louisville's saw the largest increase in median household income among comparison geographies over the last 10 years.

- Louisville is one of the highest earning cities in the county, with a median income of $125,124.
- While all cities saw substantial increases in median income, Louisville saw the greatest increase with a 50% increase in median income.
- Louisville experienced a 17% increase in the share of households earning greater than $200,000 annually. The influx of high earning households is most likely due to the in-migration of wealthier households.
- The median income for homeowner households in Louisville is roughly twice the median income for renter households. With the exception of Boulder (which is likely impacted by the high share of university students), Louisville has the largest income gap between renter households and ownership households.
- The city experienced a decrease in the number of households earning $75,000 annually, which could be caused by lower income households moving out of Louisville as housing and other living costs increase.

Employment and Commuting

Louisville could expect a 20% increase, or 3,963 jobs, over the next 10 years.[3]

- The manufacturing industry in Louisville increased by 8.4% between 2010-2020, while jobs in the information, administration, and finance industries (or more formal office-oriented jobs) declined, along with food service and retail.

Of comparison geographies, Louisville had the smallest share of workers who both live and work in the city.

[3] Assuming the city maintains its current share of the total jobs in the Boulder Metropolitan Statistical Areas (MSAs).

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- Approximately 64% of Louisville workers live outside of the city but commute into Louisville for work, while 32% of workers live in Louisville but commute to another location for work. Only 4% of workers both live and work in Louisville.
- The number of workers commuting *into* Louisville has increased by 58% over the past decade, which could indicate challenges for employees who work in Louisville to also live in Louisville.
- Of comparison geographies, workers commuting to Louisville for work the second longest commute (Boulder had the longest commute), with just over 15 miles. In general, long commutes can contribute to increased traffic congestion, leading to heightened fuel consumption and elevated greenhouse gas emissions. Additionally, longer commutes can also put additional financial pressure on households, as transportation is often the second highest household cost, behind housing.

Housing Stock and Market Trends

The housing stock has become more diverse since 2011 with an increase in multifamily housing units, but the majority of housing units in Louisville are single-family detached.

- The majority of housing in Louisville (67%) is detached single-family, the second highest share among comparison geographies, behind Erie (89%).

Housing production in Louisville slowed substantially over the last few years.

- Louisville is one of the slower growing geographies in the county, with an 11% growth of housing units from 2011 to 2021.
- The majority (70%) of housing permits issued in recent years have been for single family housing, primarily focused on rebuilding after the 2021 Marshall Fire.
- Residential development in Louisville declined substantially between 2018-2021. The sharp increase in units observed between 2022-2023 is almost entirely due to the permitted of replacement units from the Marshall Fire.

Louisville has the second highest average home sale price among comparison geographies, as well as the second highest rate of home sale price increase.

- As of 2023, Louisville had an average home sales price of $831,000, second highest behind Boulder. The average home price in Louisville is about $150,000 higher than the County overall.
- Between 2012 and 2023, the average home sale price in Louisville increased by about $473,000, or 132%.

Rents prices increased moderately compared to other geographies in Boulder County, but still increased substantially.

- Like home sales prices, rent rates rose significantly across all geographies over the past decade. Multifamily rents in Louisville increased by $721, or 58%, from 2012 to 2023.

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Housing Affordability

Recent home sale prices are out of reach for the majority of Louisville households.

- A household would need to earn around 145% of the MFI, or around $209,000 to afford the average home sales price in Louisville.
- Only 26% of Louisville households earn more than $200,000 annually, suggesting at least 74% of Louisville households would not be able to afford the current average home sales price, with a much greater affordability gap for Louisville renters.

The rates of cost-burdened households in Louisville decreased over the last decade, but it is likely due to fewer lower-income households living in the city.

- Around 41% of Louisville renters and 16% of Louisville homeowners currently spend more than 30% of household income on housing expenses.
- Given the dramatic increase in housing costs over the past decade, it is likely because households that were cost-burdened (especially severely cost burdened) in 2011 were eventually priced out of the area and moved to areas with a lower cost of living and higher-earning households have moved into the area.

1. Introduction

In 2021, the City of Louisville was awarded a grant through the HB 21-1271 Innovative Affordable Housing Strategies program by the Colorado Department of Local Affairs. However, the project was delayed due to the devastating Marshall Fire that occurred in late December 2021. The City has allocated the funding to develop a housing plan, which will play a crucial role in updating the City's Comprehensive Plan and provide context for its Land Use Element during the upcoming comprehensive plan update. The approach for developing a housing plan begins with a Housing Needs Assessment (HNA) which evaluates the current and projected housing needs by conducting a thorough analysis of the City's demographic and housing market trends.

With a countywide objective of achieving a 12% permanently affordable housing stock, an ongoing disaster recovery, and an impending comprehensive plan update, the findings of this Housing Needs Assessment will play a pivotal role in informing crucial land use and housing policy decisions that will shape Louisville's future.

Data Collection & Methodology

In this assessment we drew from a variety of data sources to compile a comprehensive understanding of Louisville's housing needs. One of the key sources for housing and household data is the US Census Bureau, specifically the 2021 American Community Survey 5-year

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estimates. This assessment also leverages other publicly available data sources from federal, state, and local government resources as well as private sources such as Redfin and CoStar.

Trends identified in this report may be attributed to several factors, either individually or collectively. Where possible, this HNA identifies potential contributing factors to the trend.

Organization of this Report

The remainder of this document is organized into the following sections:

- **2. Community Profile** presents community demographic information, including population growth, demographic information, household characteristics, and income distribution that affect housing choice and needs in Louisville.
- **3. Housing Characteristics** presents the current mix of housing types, housing tenure, vacancy rates, and summarizes regional and local housing market trends affecting Louisville's housing market.
- **4. Marshall Fire Recovery** discusses the progress and ongoing efforts of rebuilding Louisville's housing stock destroyed in the 2021 Marshall Fire.
- **5. Housing Needs in Louisville** presents the forecast for housing growth in Louisville and the housing needed to accommodate future residents.
- **6. Summary of Existing Housing Goals and Policies** includes a summary of key housing goals and policies documented within the city's existing policy documents.

2. Community Profile

The purpose of this chapter is to understand the community demographic trends and factors that will affect housing demand and development in the City of Louisville. These demographic factors include:

- Population Growth
- Demographic Information
- Household Characteristics
- Employment and Commuting

This information informs how Louisville's existing housing stock and housing market is serving or not serving the City's households. In addition, City staff identified comparable geographies to use in our analysis to understand Louisville in a more regional context, including Boulder County, Boulder (City), Superior, Erie, Longmont, and Lafayette.

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Population Growth and Forecast

Population growth and household formation are the major factors in understanding housing demand. The rate of population growth and household characteristics heavily influence the demand for specific housing types.

Population Growth

Louisville is the second smallest of comparison cities on a population basis. As of 2021, Louisville had 20,855 residents, representing 6.3% of Boulder County's overall population.

Exhibit 1: Population, Louisville and Comparison Geographies, 2021
Source: Colorado Department of Local Affairs

13,053	20,855	31,035	31,303	99,414	106,978	329,793
Superior	Louisville	Lafayette	Erie	Longmont	Boulder	Boulder County

Exhibit 2 shows the change in population from 2011 to 2021. Over the time period, Louisville grew by just under 2,500 residents, or 13%. Of comparison cities, Erie grew at the fastest rate (70%), and Superior grew by the slowest (4%).

Exhibit 2: Change in Population, Louisville and Comparison Geographies, 2010-2021
Source: Colorado Department of Local Affairs

	2011	2021	# Change	% Change
Erie	18,432	31,303	12,871	70%
Lafayette	24,545	31,035	6,490	26%
Longmont	86,526	99,414	12,888	15%
Louisville	**18,406**	**20,855**	**2,449**	**13%**
Boulder County	295,605	329,793	34,188	12%
Boulder	97,901	106,978	9,077	9%
Superior	12,497	13,053	556	4%

Note: The Colorado State Demography Office will release 2022 estimates in the coming months which will show a decrease in Louisville's population, likely due to the Marshall Fire. The estimate is expected to show Louisville falling below 20,000 residents.

Population Forecast

The Colorado Department of Local Affairs does not provide local population forecasts for cities and towns, only for counties. ECONorthwest developed a population forecast based on the Boulder County's population forecast of 389,233 residents. Assuming Louisville maintains the current percentage of Boulder County's population (6.3%) as it grows, Louisville is expected to grow by 20% from 2023 to 2047, a slightly higher rate than the County overall (17%).[4]

[4] Due to data availability (DOLA only calculates forecasts at the county level), ECONorthwest calculated the Louisville's 2047 forecast using 2047 county population estimates and the Louisville's current share of the county population.

ECONorthwest's population projection for Louisville is show below in Exhibit 3, along with DOLA's population forecast for Boulder County.

Exhibit 3: Population Forecast, Louisville and Boulder County, 2023-2047
Source: Colorado Department of Local Affairs, ECONorthwest

	2023	2047	# Change	% Change
Louisville	20,499	24,614	4,115	20%
Boulder County	331,429	389,233	57,804	17%

Demographic Information

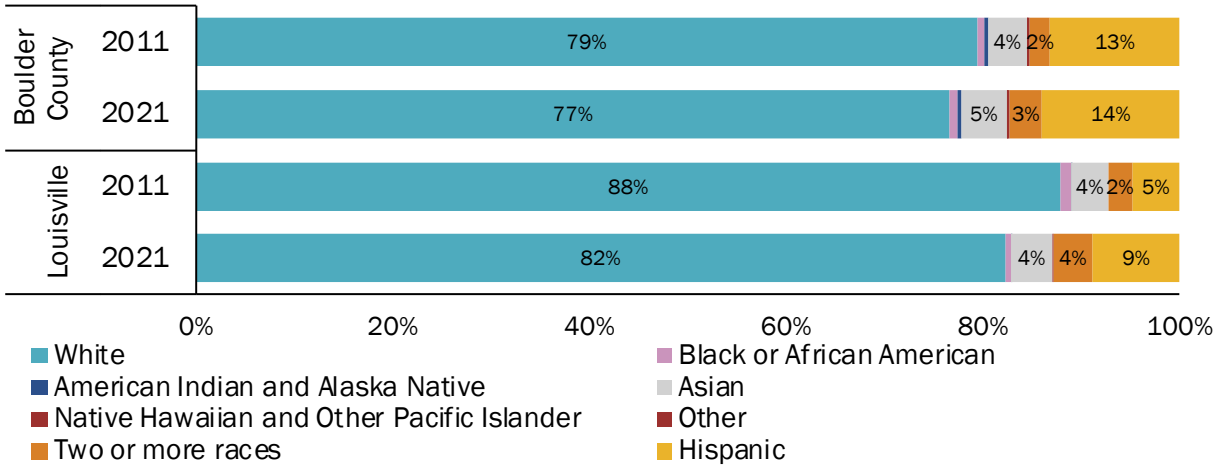
Demographic information can be an indicator of a city's overall population trends; in this report, ECONorthwest uses 2021 5-year American Community Survey (ACS) data, the most current data available. The analysis also often includes 2011 5-year ACS data to illustrate trends over time. Key findings include:

- Louisville has the highest median age when looking across comparison geographies and is aging faster than the County overall.
- Fewer younger individuals are moving into or staying in Louisville and rising housing costs are likely a major contributing factor.
- Residents 65 and older is the only age bracket that increased over the past decade in Louisville. All other age brackets declined. Older residents without affordable or suitable options for downsizing or aging in place can contribute to a limited housing stock, as more residents remain in their homes for longer periods of time. This can limit the ability for younger age groups to find suitable or affordable housing options if new opportunities are not created.
- School enrollment has decreased for both elementary and middle schools in Louisville, also indicating a decrease in younger families in the area.

Race and Ethnicity

Exhibit 4 shows the change in distribution of residents by race and ethnicity from 2011 to 2021. In both Louisville and Boulder County, the majority of the population is White, with 82% identifying as White in Louisville and 77% in the County overall. However, both jurisdictions became more racially and ethnically diverse between 2011 and 2021. Notably, Louisville saw a 4% increase in its Hispanic population over the time period.

Exhibit 4: Race and Ethnicity Distribution, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Age

Households make different housing choices at different stages of life to fit their changing needs; for example, the type of housing needed for a 20-year-old college student or young worker differs from that of a 40-year-old parent with children, or an 80-year-old single adult. Below, Exhibit 5 shows the median age in 2021 for Louisville and comparison geographies. Of comparison cities, Louisville has the highest median age of 43, six years older than the County overall. With Boulder as the exception, all comparison geographies have a median age in either late thirties or early forties.

Exhibit 5: Median Age, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

29	37	37	37	39	40	43
Boulder	Superior	Erie	Boulder County	Lafayette	Longmont	Louisville

Exhibit 6 shows the change in median age from 2011 to 2021 for Louisville and comparison geographies. From 2011 to 2021, Louisville's median age increased by four years.

Exhibit 6: Change in Median Age, Louisville and Comparison Geographies, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	Change
Longmont	35	40	5 years
Louisville	**39**	**43**	**4 years**
Superior	33	37	4 years
Lafayette	37	39	2 years
Boulder County	36	37	1 year
Erie	36	37	1 year
Boulder	29	29	No change

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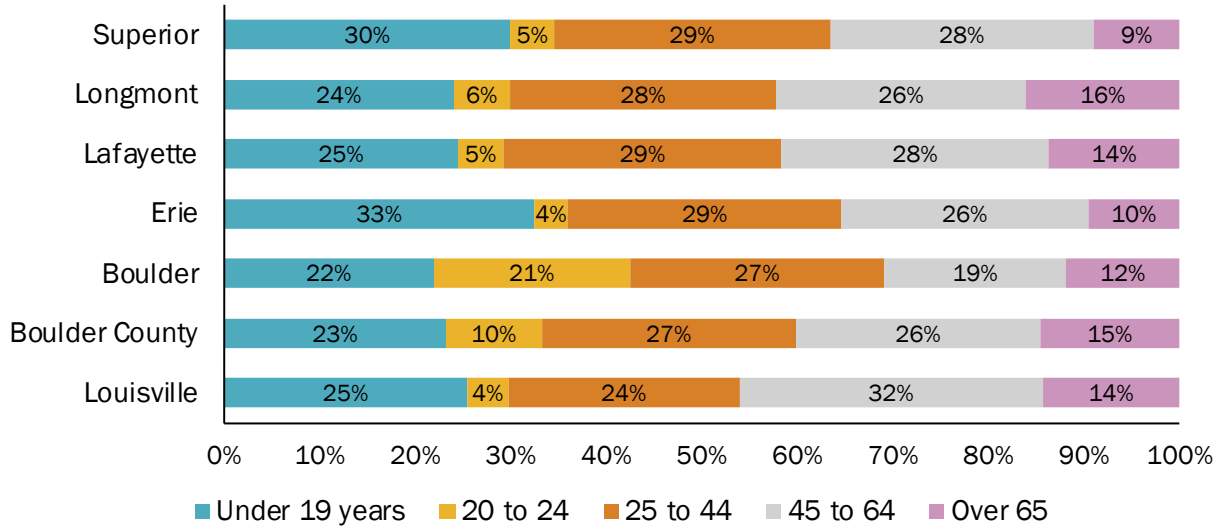
Exhibit 7 shows the distribution of age groups. Louisville has the highest share of residents aged 45 to 64 years old (32% of the population), and the lowest share of residents aged 25 to 44 (24%) when looking at comparison geographies.

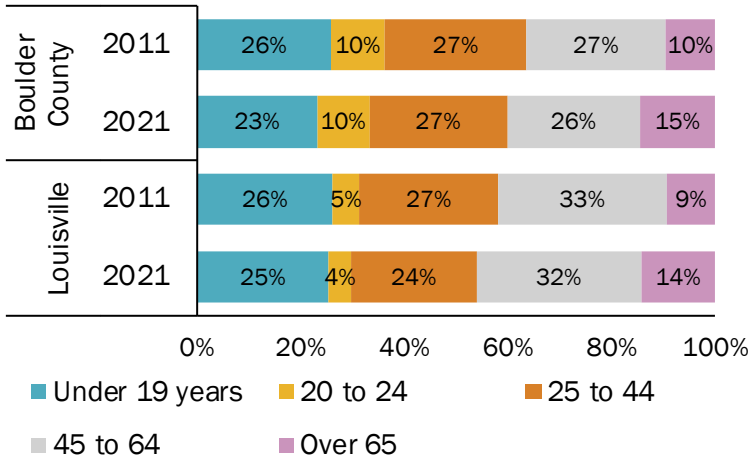
Exhibit 7: Age Distribution, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021



From 2011 to 2021, the share of all age groups under 65 years decreased in Louisville. Of these age groups, the share of residents aged 25 to 44 dropped the most, from 27% to 24% over the time period. Alternatively, the share of residents over the age of 65 increased by 5%.

Age distribution trends are similar for the County overall, with a slightly larger decrease in the number of children (3%) than in Louisville (1%).

Exhibit 8: Change in Age Distribution, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



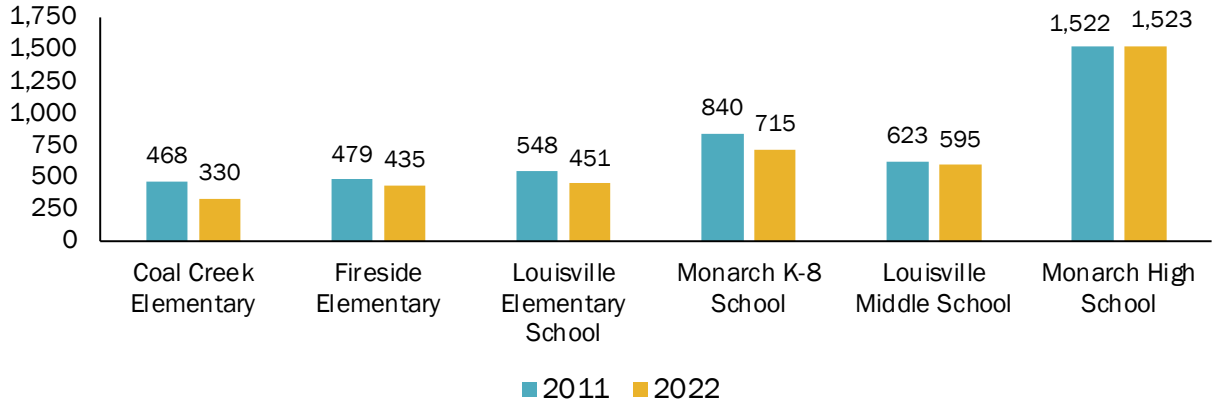
Louisville, like comparison geographies, still has numerous families or households with children residing in the city, as indicated by the number of residents under the age of 19. However, there seems to be a lower influx or retention of younger individuals in Louisville, which is evident in the decline of all age groups below 65. This trend can potentially be attributed to the increasing housing costs, making it more challenging for younger people to afford housing in Louisville. This pattern is also consistent in increasingly high cost Western

communities that have seen rapid regional population growth but have seen underproduction of housing at needed income levels.

School Enrollment

Exhibit 9 shows the number of students enrolled in Louisville schools for the 2011-2012 and 2022-2023 school years. Enrollment dropped for all schools except for Monarch High School, which also suggests that younger families with elementary aged children are less prevalent in the City. This trend may be attributed to several factors, including a decline in young families settling in Louisville, or a lower number of households choosing to have children.[5] However, when looking across the demographic and affordability trends throughout the HNA, it's more than likely related to fewer younger families who are able to locate in Louisville and Boulder County overall.

Exhibit 9: School Enrollment for Louisville Schools, 2011-2022
Source: Colorado Department of Education



Household Characteristics

Household characteristics such as whether a household owns their home, average household size, and household living arrangement trends can highlight a city's changing housing needs. Key findings include:

- Homeownership rates have fallen across Boulder County, indicating limited new homeownership opportunities, particularly for young families.
- Household size has increased in Louisville, particularly for renter households. This relative increase in renter household size is likely a reflection of the increased cost of renting as a single person household, alongside increasing barriers to homeownership.

[5] According to the Colorado Fertility: Recent Trends and Expectations of Change (DOLA, 2017) Colorado also has one of the strongest declines in fertility rates in the nation post-2007. A Colorado Department of Local Affairs (DOLA) report attributes the decline to a major investment into family planning services, high unemployment during the 2008 recession, and women delaying childbirth to pursue education.

- The number of family homeowner households decreased alongside an increase in family rental households. This could indicate that households who might have previously been able to purchase a home upon forming a larger household (e.g., getting married or having children) or getting older are no longer able to.

Tenure

Household tenure refers to whether or not a household rents or owns their home. In Louisville, the majority (68%) of households own their homes, a slightly higher rate than Boulder County overall (63% of households). Of comparison cities, Erie has the highest rate of homeownership (86%), and Boulder has the lowest (48%). While the majority of households own their homes in Louisville, there are still a large number of renter households in the City, with approximately 2,700 renter households and 5,700 homeowner households.

Exhibit 10: Housing Tenure, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

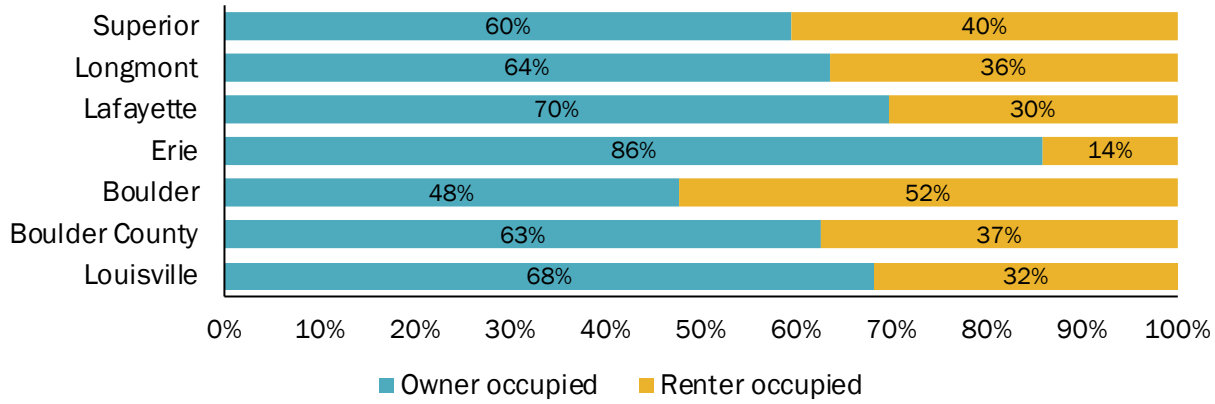


Exhibit 11 shows the change in household tenure from 2011 to 2021. Across all comparison geographies, homeownership rates only increased in Longmont. In Louisville, the homeownership rate dropped by 5% over the time period, the second highest decrease behind Superior (10%). In the County overall, the homeownership rate decreased by 1%.

Exhibit 11: Change in Household Tenure, Louisville and Comparison Geographies, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

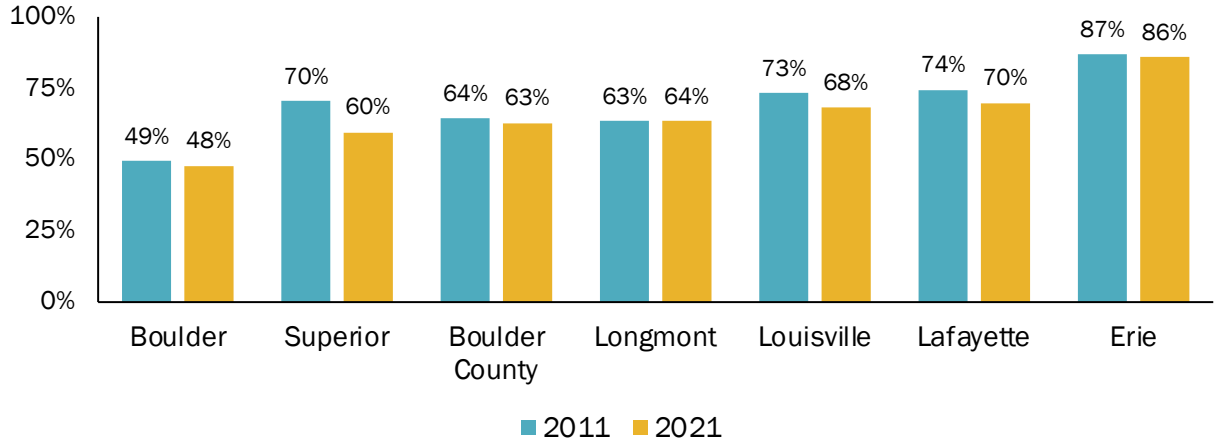
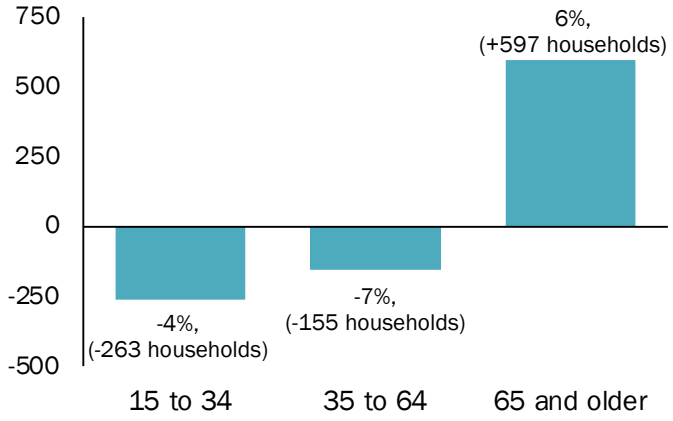


Exhibit 12 shows the change in homeownership rates by age group in Louisville. From 2011 to 2021, the share of households aged 15 to 34 that own a home decreased by 4%, the share of homeowners aged 35 to 64 decreased 7%, and the share of homeowners aged 65 and older increased 6%. This could indicate that those who purchased their homes many years ago are aging in place, and there are fewer new homeownership opportunities in the City.

Exhibit 12: Change in Homeownership Rate by Age, Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Average Household Size

Household size is an important indicator for the types of housing needed in a region. Smaller households, such as those of younger or older adults, may prefer living in middle or multifamily housing given their small size and relative affordability, indicating a need for middle and multifamily housing, while larger households with children or extended families cohabitating may be more comfortable in larger single-family dwellings.

Exhibit 13 shows the average household size for Louisville and comparison geographies as of 2021. Louisville has an average household size of 2.5 members, a similar average household size as Longmont, and a slightly higher than that of the County.

Exhibit 13: Average Household Size, Boulder and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

2.21	2.41	2.41	2.50	2.50	2.85	2.97
Boulder	Lafayette	Boulder County	Louisville	Longmont	Superior	Erie

Exhibit 14 shows the change in average household size from 2011 to 2021. Over the time period, the average household size remained relatively stable in both Louisville and the County overall, but the average household size in Louisville did increase by 2.9%. Of comparison cities, Boulder City, Erie, and Superior experienced an increase in average household size, while Lafayette and Longmont experienced a decrease.

Exhibit 14: Change in Average Household Size, Louisville and Comparison Geographies, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	% Change
Superior	2.71	2.85	5.2%
Louisville	**2.43**	**2.50**	**2.9%**
Boulder	2.17	2.21	1.8%
Boulder County	2.39	2.41	0.8%
Erie	2.95	2.97	0.7%
Longmont	2.59	2.50	-3.5%
Lafayette	2.50	2.41	-3.6%

Exhibit 15 shows the change in household size distribution from 2011 to 2021 for Louisville and Boulder County. In both jurisdictions, the distribution is fairly evenly distributed and remained relatively stable over the time period. In both areas, the most common household size is two-member households (32% of Louisville households), followed by one-member households (27% of Louisville households).

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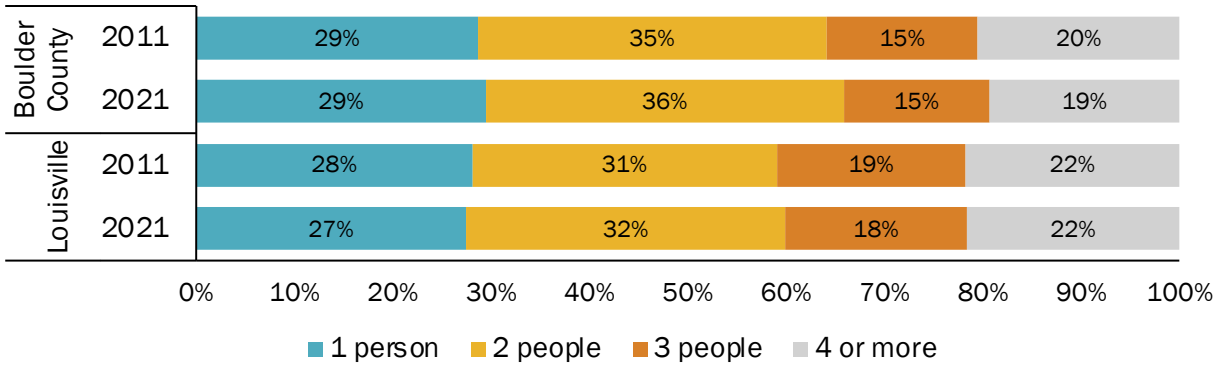
Exhibit 15: Change in Household Size Distribution, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Household Size by Tenure

In Louisville, ownership households tend to be larger than renter households; the average ownership household size is 2.75 members, and the average renter household size is 1.95 members. From 2011 to 2021, the average renter household size increased by 0.24 members, whereas ownership households increased by only 0.07 members. Overall, the average household size increased by 2.9%.

Exhibit 16: Change in Household Size by Tenure, Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2017-2021

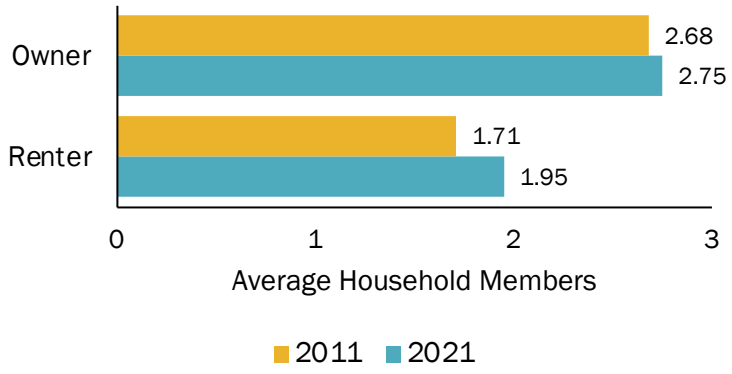
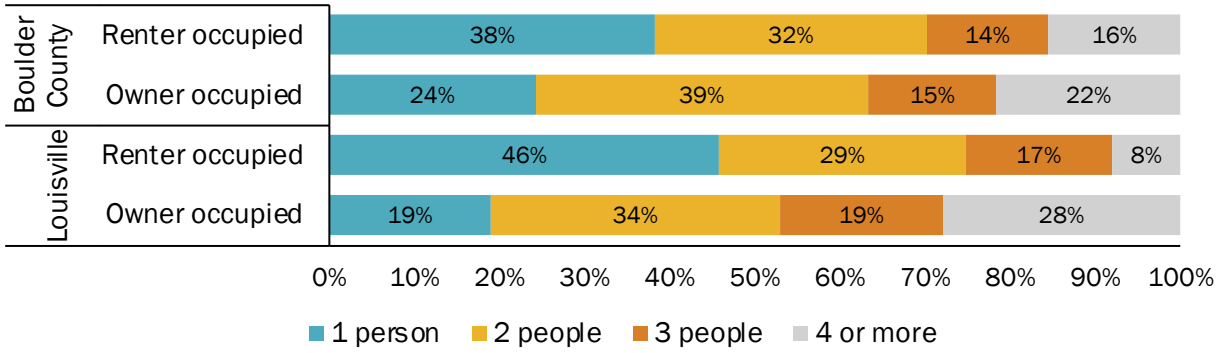


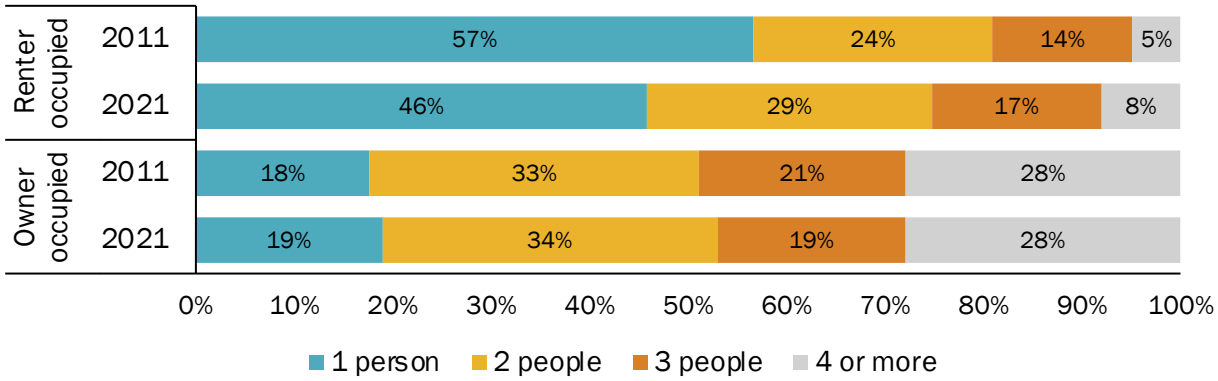
Exhibit 17 shows the distribution of household sizes by household tenure. Among renter households in Louisville, 46% of tenants live alone, and 29% are households with two members. Owner occupied housing is more evenly distributed, and 48% of households have at least three members.

Exhibit 17: Household Size by Tenure, Louisville and Boulder County, 2021
Source: ACS 5-Year Data Tables, 2017-2021



From 2011 to 2021, the share of renters in one-person households in Louisville decreased by 11%, whereas the share of renters in two-person households increased by 5% and the share of renters in three- and four-member-or-larger households increased by 3% each. In contrast, the distribution of household sizes among owner occupied households remained relatively stable over the time period. This relative increase in renter household size is likely because of the increased cost of renting as a single person household alongside increasing barriers to homeownership for newly formed households.

Exhibit 18: Change in Household Size by Tenure, Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Living Arrangement

Exhibit 19 shows the distribution of living arrangements for households in Louisville and comparison geographies. The largest share of households are couples living without children (33% of households), likely empty nesters given the increase in the City's median age in recent years. Roughly 32% of households have children living with either one or two parents (25% of households are couples with children, and 7% are single parent households), a slightly higher share of households than the County overall. However, given declining school enrollment rates, it is likely that households with children have older teenage children, rather than elementary or middle school age.

Compared to other Boulder County cities, when looking at the distribution of living arrangements, Louisville is more similar to Longmont and Lafayette. Superior and Erie both have a higher share of couples with children, and a lower share of single-person households. Boulder City has a much higher share of householders living with roommates and householders living alone, likely due to students attending University of Colorado Boulder.

Exhibit 19: Living Arrangement, Louisville and Comparison Geographies, 2021
Source:

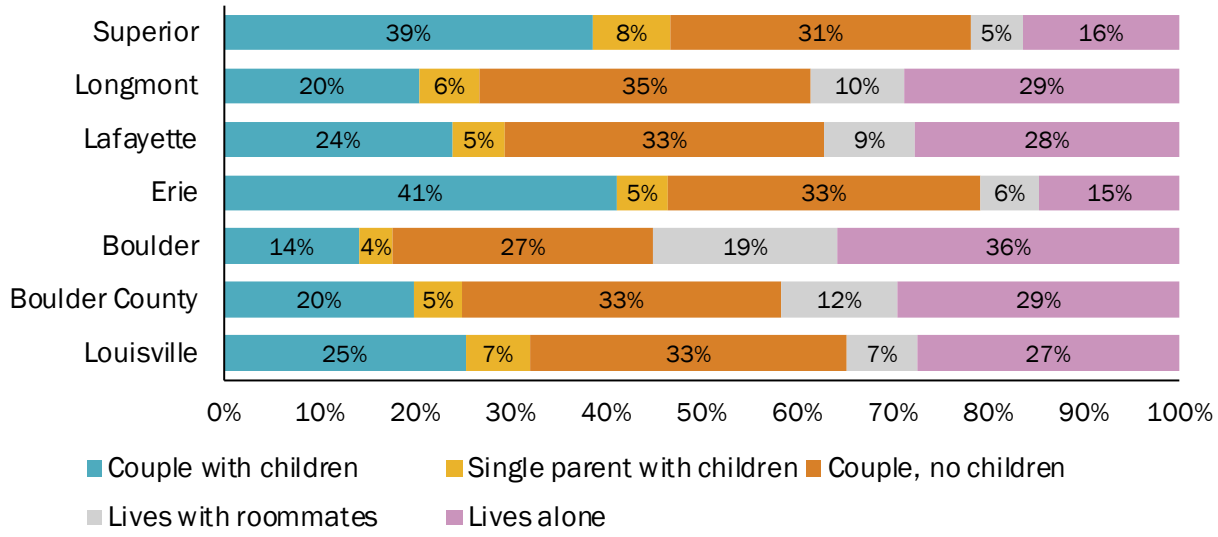
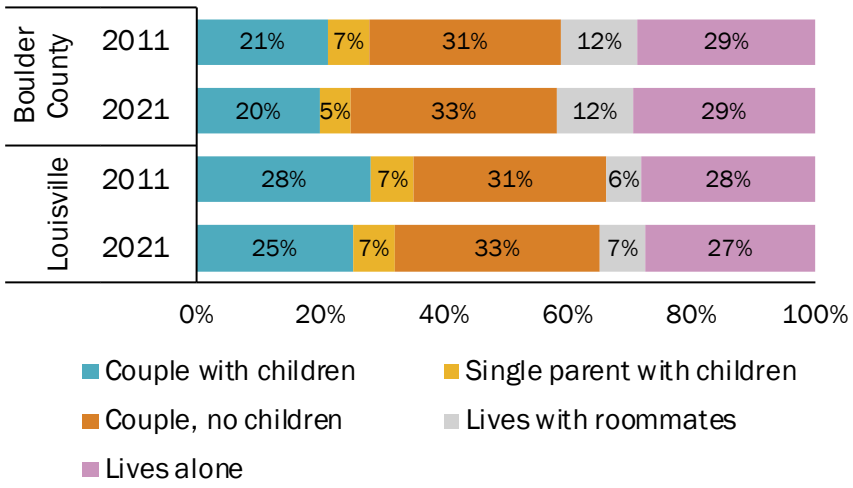


Exhibit 20 shows the change in the distribution of living arrangements from 2011 to 2021. In Louisville, the number of couple households with children decreased by 3%, while the number of couple households without children increased by 2%. Boulder County experienced a similar change over the time period.

Exhibit 20: Change in Living Arrangement Distribution, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Living Arrangement by Tenure and Age

Exhibit 21 shows the share of households by living arrangement and tenure for 2011 and 2021. Of ownership households, the largest change was a 6.4% decrease in the share of family homeowner households. This likely corresponds with the 5.9% increase in family renter households and could indicate homeownership attainability concerns for renters who may otherwise have been interested in purchasing a home prior to starting a family. Additionally, there was a small (1.4%) increase in homeowners living with roommates, which could indicate that young homeowners need additional income to support their mortgage payments. This could also indicate that adult children are either staying with or moving back in with their parents.

Exhibit 21: Living Arrangement by Tenure (Share of Total Households), Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

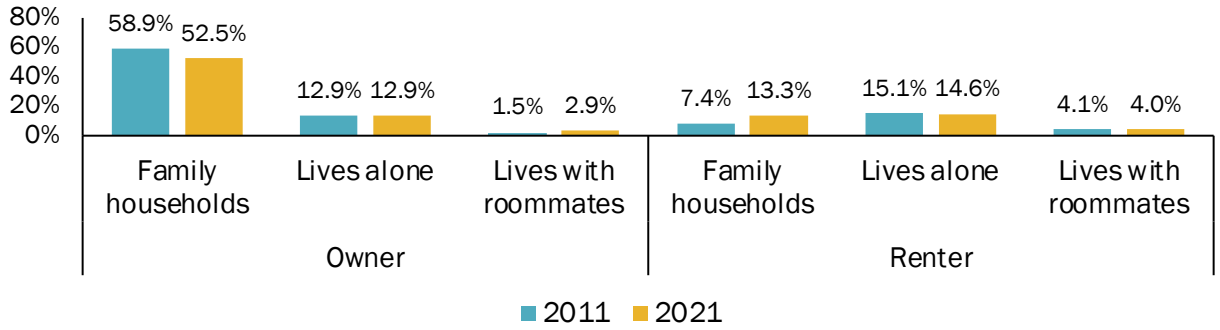
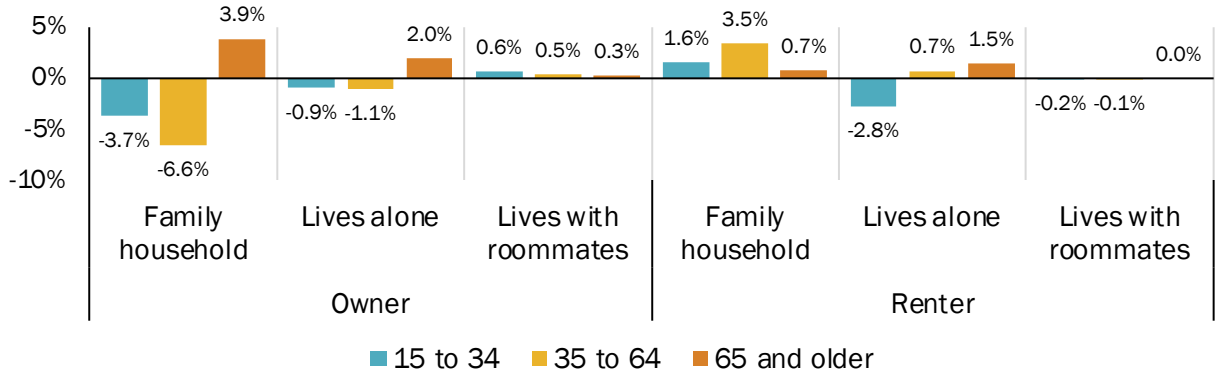


Exhibit 22 shows the change in the *share* of each group from 2011 to 2021 for the entire Louisville population. For example, the share of family households with a householder aged 15 to 34 years decreased from 6.5% of the population in 2011 to 2.8% of the population in 2021, a decrease of 3.7%. While there was a 3.9% increase in the share of homeowner families over 65, this is offset by a 3.7% decrease in homeowner families under 35, and a 6.6% decrease in homeowner families aged 35 to 64 (the total change in the share of homeowner families was a 6.4% decrease over the time period). Households aged 35 to 64 also made up the majority of the increase in family renter households, representing 3.5% of the overall 5.9% increase. Additionally, while the *overall* share of households living alone remained relatively constant, the share of both renter and homeowners aged 15 to 34 living alone decreased, as did the share of homeowners aged 35 to 64.

The increase in family households that rent could indicate a lack of opportunity for homeownership for young families. Additionally, the decline in young individuals living alone and the rise in two-person households within the City may suggest that younger people are struggling to afford living on their own. This could mean many are opting to live together or moving back in with their parents.

Exhibit 22: Change in Share of Living Arrangement by Tenure by Age of Householder (as a share of overall population), Louisville, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Income Distribution

Income is an important determinant of housing choice, influencing both the type of housing a household chooses (e.g., single-family detached, duplex, or a larger multifamily property) and household tenure (e.g., rent or own). Key findings include:

- Louisville is one of the highest earning cities in the county and has experienced a 50% increase in median household incomes since 2011.
- The number of high earning households in Louisville has increased significantly since 2011. Louisville experienced a 17% increase in the share of households earning greater than $200,000 annually. The influx of high earning households could be due to the in-migration of wealthier households, or due to wage increases for Louisville residents. High homeowner incomes can contribute to rising home sale prices in a city, contributing to an increasingly competitive housing market.
- The median income for homeowner households in Louisville is roughly twice the median income for renter households.
- The reduction in households earning less than $75,000 annually could be caused by lower income households moving out of Louisville as housing and other living costs increase.

Median Household Income

As shown in Exhibit 23, the median household income for Louisville is just over $125,000 annually.[6] Louisville's median income is lower than Erie and Superior, but higher than Boulder, Lafayette, and Longmont. Of comparison cities, Erie has the highest median income, and

[6] The census defines income as, "income received on a regular basis (exclusive of certain money receipts such as capital gains) before payments for personal income taxes, social security, union dues, Medicare deductions, etc. Therefore, money income does not reflect the fact that some families receive part of their income in the form of noncash benefits, such as food stamps, health benefits, subsidized housing."

Boulder has the lowest. Louisville's median income is around $33,000 higher than that of Boulder County overall.

Exhibit 23: Household Median Income, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

$74,902	$83,104	$92,466	$95,033	$125,124	$131,757	$140,409
Boulder	Longmont	Boulder County	Lafayette	Louisville	Superior	Erie

Exhibit 24 shows the change in median household income from 2011 to 2021. While all cities saw substantial increases in median income, Louisville saw the greatest increase with a 50% increase in median income, while Boulder County overall saw an increase of 39%.

Exhibit 24: Change in Median Household Income, Louisville and Comparison Geographies, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	% Change
Louisville	**$ 83,682**	**$ 125,124**	**50%**
Longmont	$ 56,278	$ 83,104	48%
Boulder County	$ 66,479	$ 92,466	39%
Boulder	$ 54,051	$ 74,902	39%
Lafayette	$ 69,840	$ 95,033	36%
Erie	$ 103,698	$ 140,409	35%
Superior	$ 100,194	$ 131,757	32%

Household Income Distribution

Exhibit 25 shows the distribution of household incomes in Louisville and Boulder County. Compared to the County, Louisville has a greater share of households in income categories of greater than $100,000 annually. In both jurisdictions, the largest share of households earns at least $200,000 annually (26% of Louisville households and 17% in the County). However, while Louisville has a relatively high share of high earning households, 30% of Louisville households earn less than $75,000 annually.

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Exhibit 25: Median Household Income Distribution, Louisville and Boulder County, 2021
Source: ACS 5-Year Data Tables, 2017-2021

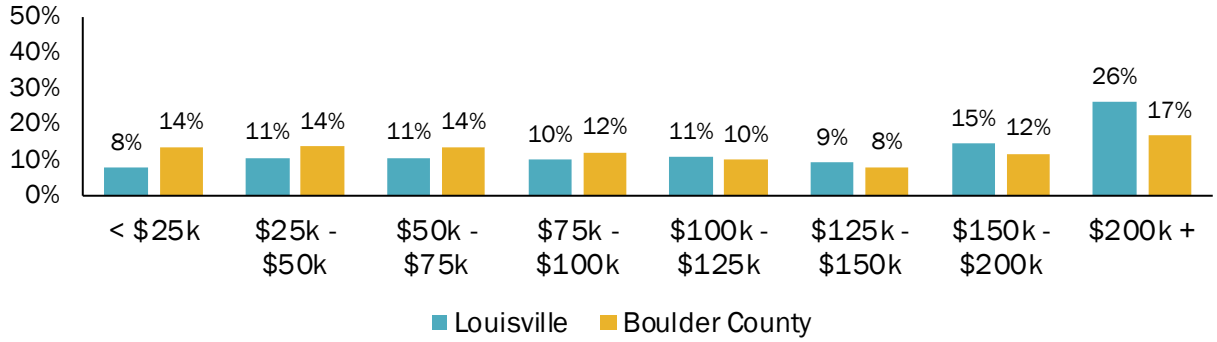
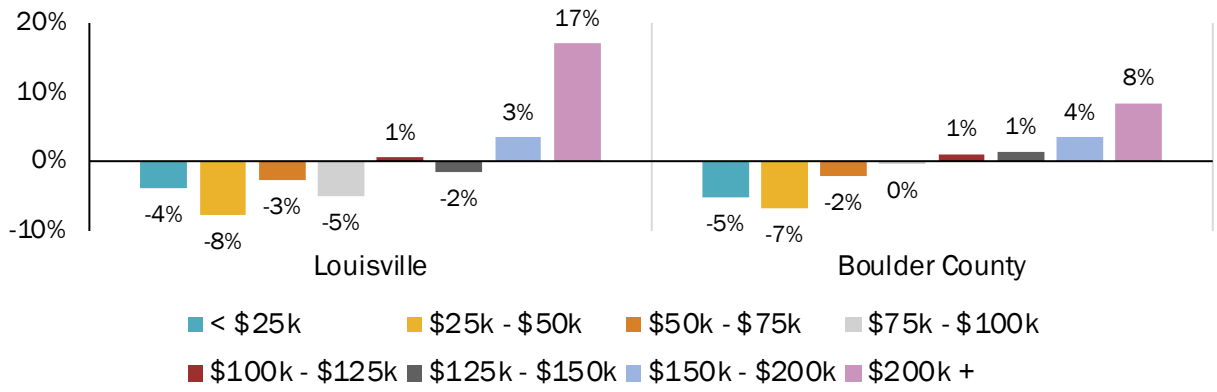


Exhibit 26 shows the change in the *share* of households in each income bracket from 2011 to 2021. For example, the share of Louisville households earning less than $25,000 annually decreased by 4% between 2011 and 2021. Notably, Louisville experienced a substantial increase in the share of households earning greater than $200,000 annually (a 17% increase). This income group also increased the most at the county level, with an 8% increase. At the same time, the number of households earning less than $100,000 decreased by about 20% in Louisville.

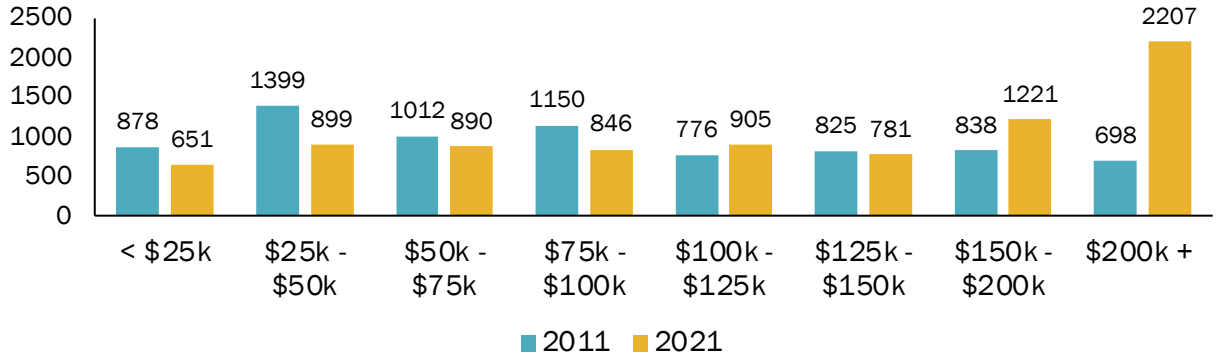
Exhibit 26: Change in Median Household Income Distribution, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



The influx of high earning households is most likely due to the in-migration of wealthier households. Exhibit 27 shows the nominal change in the number of households in each income category in Louisville from 2011 to 2021. As is also reflected in Exhibit 26 above, the number of households in all income groups under $150,000 largely declined over the 10-year period, while the number of households earning more than $200,000 annually increased by 1,509 households (or from 9% of households to 26%). There are a few possible explanations for this increase: first, wage increases, especially in response to an increased cost of living, increase in housing costs, and inflation, could have increased incomes for existing Louisville households. Second, it is possible that if adult children are moving back in with their parents, their incomes are contributing to higher household incomes. However, given the sharp increase in the number of very high-earning households, it is most likely that the main driver of this increase is wealthier households moving into Louisville. On the flipside, the reduction in households earning less than $100,000 annually could be caused by lower income households moving out of Louisville

as housing and other living costs, such as transportation, increase. Louisville also experienced a decrease in cost-burdening (discussed in more detail in more detail below), among owner and renter households, which should not be looked at as an increase in affordability given the degree at which housing costs in Louisville have increased. Rather, the decrease in cost-burdening again points to more lower-income households leaving the area and being replaced by more financially stable and higher-earning households.

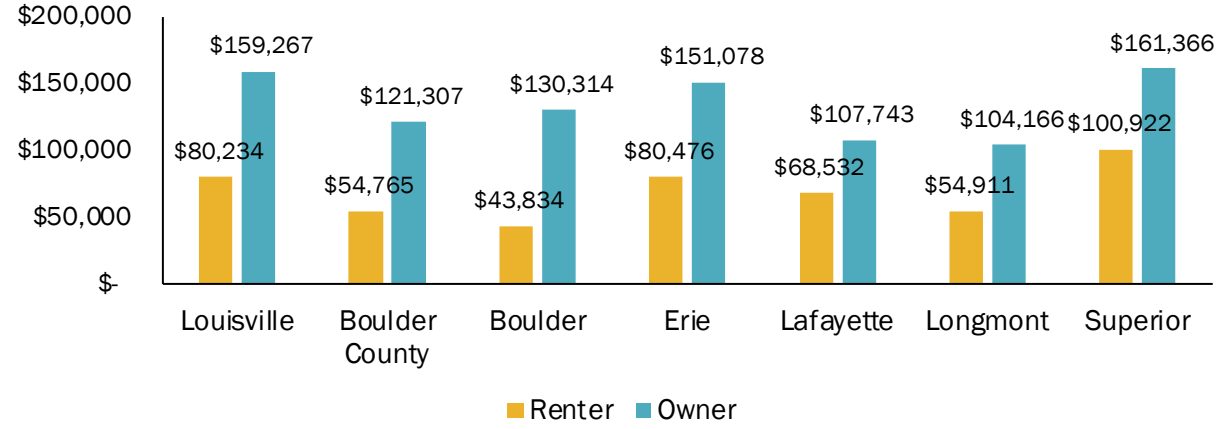
Exhibit 27: Change in Median Household Income Distribution, Louisville, 2021
Source: ACS 5-Year Data Tables, 2017-2021



Household Income by Tenure

Across Boulder County, renter household incomes are significantly lower than ownership household incomes. In Louisville, the median homeowner income is roughly $159,000 annually, nearly twice the renter median income of about $80,000. With the exception of Boulder (which is likely impacted by the high share of university students), Louisville has the largest income gap between renter households and ownership households.

Exhibit 28: Median Household Incomes by Tenure, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021



High homeowner incomes can contribute to rising home sale prices in a city, further increasing the homeownership attainability gap for renters who might be interested in purchasing a home but do not have the funds to do so. In addition, high homeowner incomes can contribute an

increasingly competitive housing market. Even if renter households have the ability to qualify for a mortgage, they may risk being outbid by wealthier homebuyers who can pay in cash or offer over the asking price. In addition to renters experiencing more instability in where live, homeownership is an important pathway to wealth accumulation and financial stability in the United States. Homeowners may benefit from property appreciation, mortgage interest deductions, and the ability to build equity, while renters miss out on these advantages.

Household Wages

Exhibit 29 shows the aggregate sources of *all income* in Louisville and comparison geographies from 2012 to 2021. Sources in income have shifted in Louisville as the share of older adults has increased, reflected in the increase in retirement and social security income in the City. In addition, the share of income from interest, dividends and rent increased, likely a reflection of the increase in older or higher income households that are more likely to earn income through investments. Because the share of these forms of income increased relative to income earned through wages, these findings corroborate other data suggesting a decrease in younger wage earners in the City. These income trends are also true for Lafayette and Boulder; in Denver, the share of wages increased relative to other forms of income.

Exhibit 29: Sources of Household Income
Source: ACS 5-year, 2011, 2021

Employment and Commuting

Understanding employment trends and commuting patterns can provide insights on the housing needs of workers today and into the future. Employment plays an important role in where people live, and it can influence where people move. If the data shows that many people are commuting into the city for work, it could indicate that the city does not have enough

housing to accommodate its workforce or enough housing that meets their needs and affordability levels. Key findings include:

- Louisville could expect a 20% increase, or 3,963 jobs, over the next 10 years, assuming the city maintains its current share of the total jobs in the Boulder Metropolitan Statistical Areas (MSAs).
- The manufacturing industry in Louisville increased by 8.4% between 2010-2020, while jobs in the information, administration, and finance industries (or more formal office-oriented jobs) declined, along with food service and retail.
- Approximately 64% of Louisville workers live outside of the city but commute into Louisville for work, while 32% of workers live in Louisville but commute to another location for work. Only 4% of workers both live and work in Louisville.
- Of comparison geographies, Louisville had the smallest share of workers who both live and work in the city.
- The number of workers commuting *into* Louisville has increased by 58% over the past decade, which could indicate challenges for employees who work in Louisville to also live in Louisville.
- Of comparison geographies, workers commuting to Louisville for work the second longest commute (Boulder had the longest commute), with just over 15 miles.
- Affordability and/or available housing options in Louisville is likely a contributing factor to the increase in the number of workers commuting *into* the city, but not residing there, and in the longer commute times *to* Louisville compared to other geographies. Louisville workers commuting into the city may be struggling to find affordable or suitable options in the region in general, so they're forced to liver further out where housing might be more affordable.
- In general, long commutes can contribute to increased traffic congestion, leading to heightened fuel consumption and elevated greenhouse gas emissions. Additionally, longer commutes can also put additional financial pressure on households, as transportation is often the second highest household cost, behind housing.

Employment Projections

The Colorado Department of Labor and Employment collects and publishes statewide occupation and wage data and for ten substate regions: seven Metropolitan Statistical Areas (MSAs) and three Balance of State (BOS) Areas. Louisville is included in the Boulder MSA.

As of 2022, there were a total of 191,840 in the Boulder MSA. Louisville's share of employment within the Boulder MSA is about 9.9% or about 18,992 jobs. The labor department's most recent employment projection is through 2031, which assumes about 231,866 total jobs within the Boulder MSA, which represents an almost 21% increase over 10 years. Assuming Louisville maintains about 9.9% of total jobs in the MSA, the city is expected to have a total of about 22,955 jobs by 2031. This represents an increase of around 3,963 jobs, or a 20% increase.

Employment by Industry

Exhibit 30 shows the share of Louisville employees by industry from 2010 to 2020. Over the period, the share of employees in the Manufacturing industry increased by 8.4%, the largest change in any industry. The share of employees in the Professional, Scientific, and Technical Services industry and the Wholesale Trade industry also increased (2.8% and 2.3%, respectively). On the other hand, the share of employees decreased in the Information industry (-3.9%), Administration and Support (-3.2%), Finance and Insurance (-2.3%), Accommodation and Food Services (-2.3%), and Retail Trade industries (-2.3%). Manufacturing and wholesale trade industries often command larger amounts of land that results in low employment densities, relative to other more office or commercial uses. This will be an important factor to consider as Louisville envisions how it wants to grow during the comprehensive planning process.

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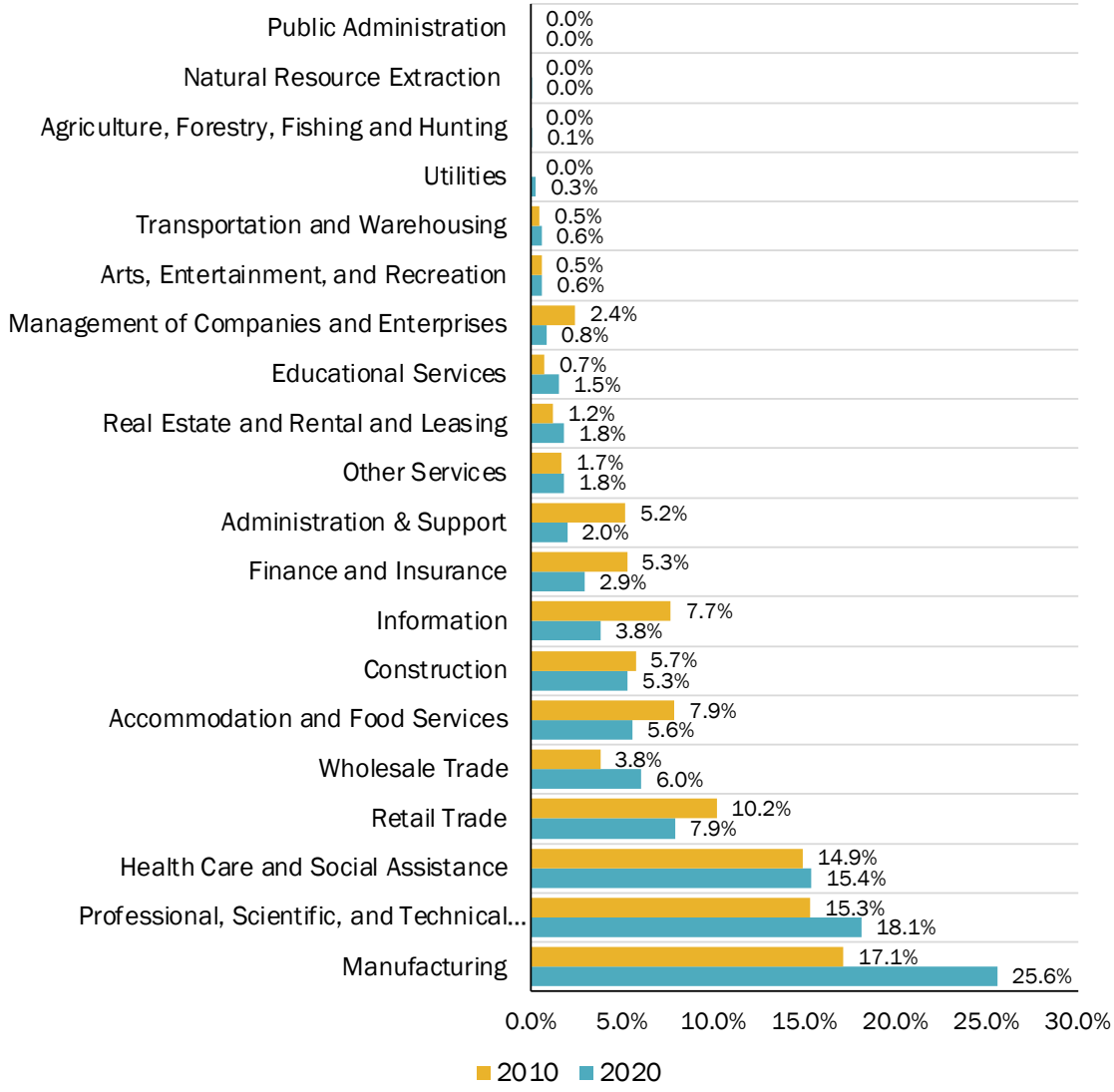
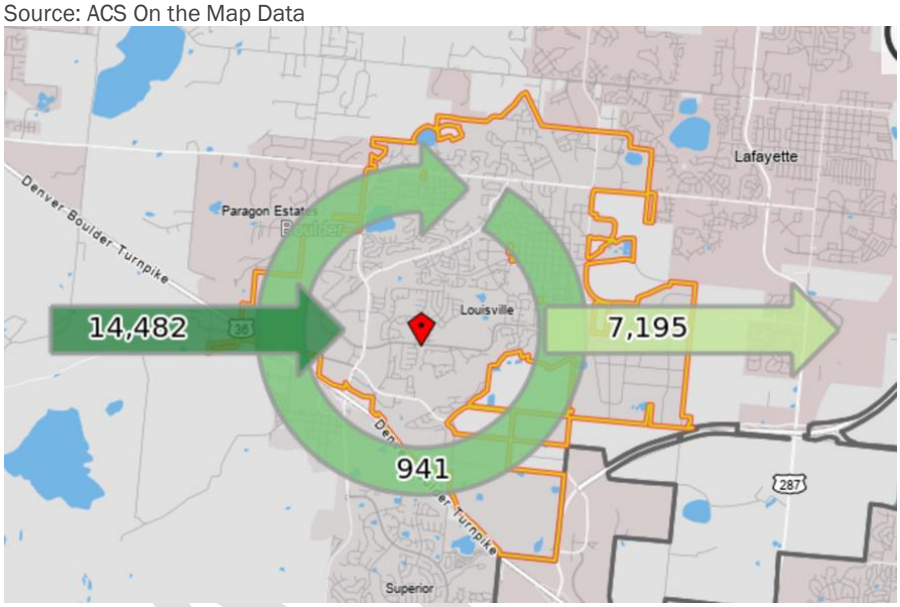
Exhibit 30: Employment by Industry, Louisville, 2010-2020
Source: NAICS 2-digit employment; LODES; ECONorthwest



Commuting Patterns

According to ACS On the Map data, just under 14,500 workers live outside but commute into Louisville (64% of Louisville workers[7]). Just under 7,200, or 32% of workers, live in Louisville but commute to another location for work. Finally, 941 workers, or 4%, both live and work in Louisville.

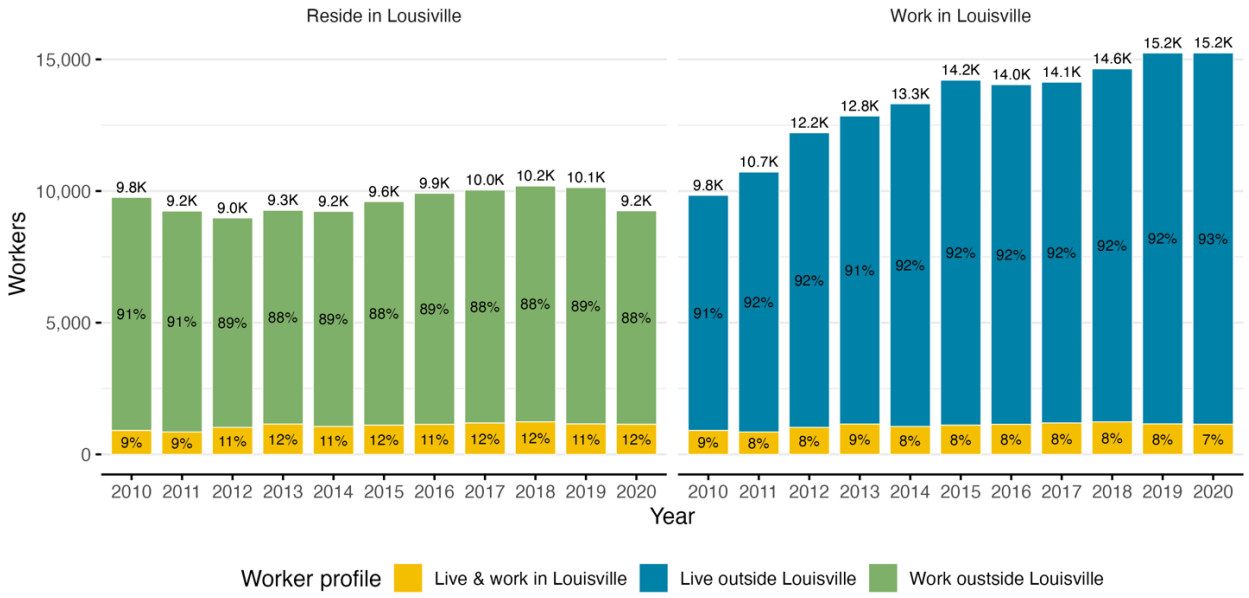
Exhibit 31: Commuting Flows, Louisville, 2020
Source: ACS On the Map Data



ECONorthwest also conducted additional research into commute flows over time for Louisville. According to ECONorthwest data, in 2020 approximately 8,100 workers live in Louisville but commute out, approximately 14,100 workers commute into Louisville, and roughly 1,100 workers both live and work in Louisville. Over time, the number of workers commuting out of Louisville has remained relatively stable, with a small drop of roughly 900 workers from 2019 to 2020 (around a 9% decrease). However, the number of workers commuting into Louisville has increased more substantially over the past decade, with an increase of roughly 5,200 commuters, or 58%, since 2010. Over the time period, the number of workers both living and working in Louisville increased by around 200 workers, or 25%.

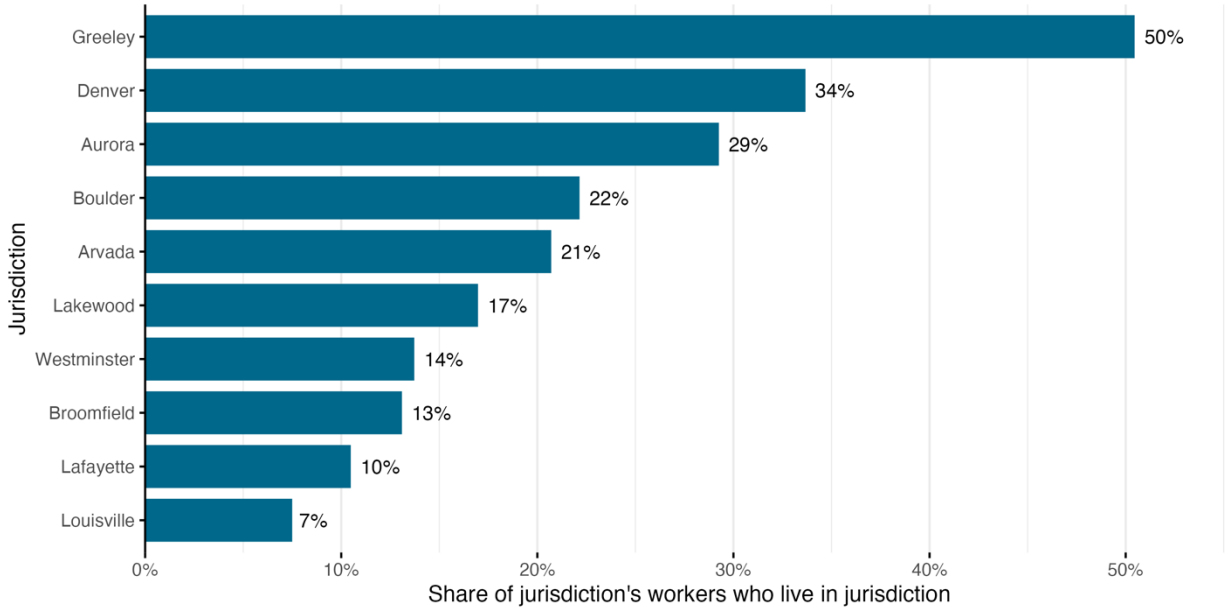
[7] Louisville workers" as referenced in this report refers to workers who commute into Louisville for work but live elsewhere, those that live in Louisville but work elsewhere, and those who both live and work in Louisville.

Exhibit 32: Trends in Commuting Flows, Louisville, 2010-2020
Source: LODES, 2010-2020



ECONorthwest also compared the share of workers who both live and work in a jurisdiction across Louisville and several other cities. Of comparison cities, Louisville had the smallest share of workers who both live and work in the City (7% of workers).

Exhibit 33: Share of Workers also Living in Jurisdiction, Louisville and Comparison Geographies, 2020
Source: LODES, 2010-2020

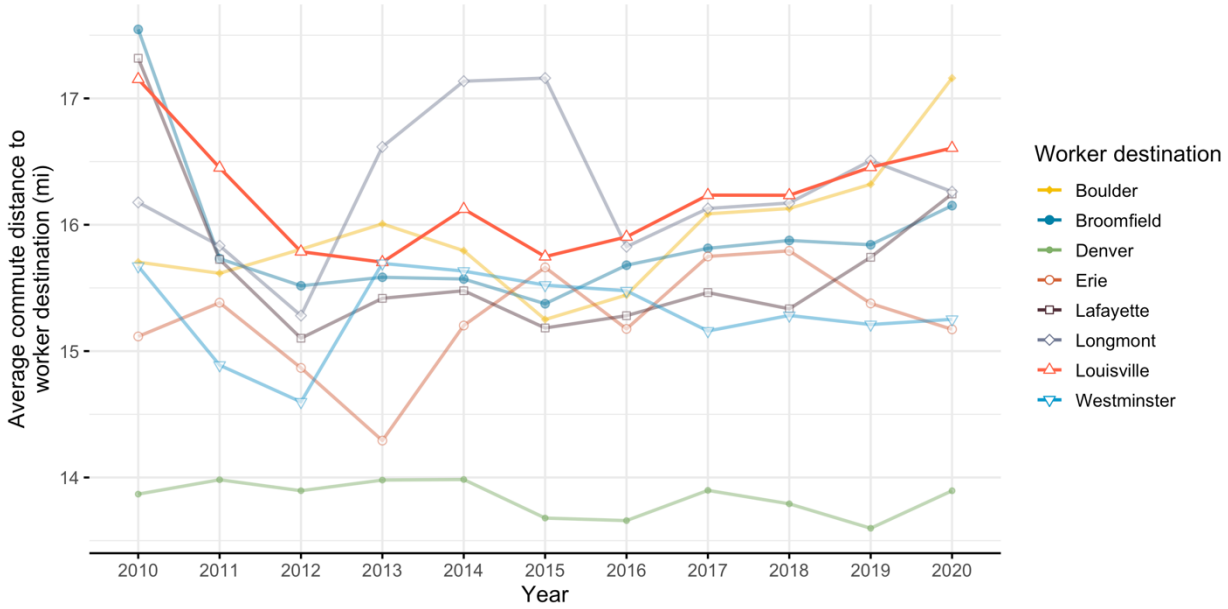


ECONorthwest also analyzed where workers are commuting to and from to get a sense of commute distances. For workers commuting into Louisville, the average commute distance was

just over 16.5 miles in 2020. Of analyzed cities, this is the second longest commute distance behind Boulder (just over 17 miles).[8]

Exhibit 34: Commute Distances, Workers Commuting to Louisville, Boulder, Denver, and Lafayette, 2010-2020

Source: LODES, 2010-2020



The presence of long commutes can indicate a lack of affordability within a city. When workers are unable to find affordable housing options near their workplace, they are forced to search for attainable housing farther away. This drives up the distance they need to travel daily, leading to longer commutes.

Long commutes can contribute to increased traffic congestion, leading to heightened fuel consumption and elevated greenhouse gas emissions. The constant flow of vehicles on congested roads can result in higher pollution levels and a greater carbon footprint. By reducing commute distances and providing attainable housing options near city centers, cities can effectively limit the need for extensive commuting, thus mitigating traffic congestion, reducing fuel consumption, and minimizing greenhouse gas emissions.

[8] Commute distances shown are one-way. Commute *times* (time spent driving) can be difficult to accurately estimate because estimates are often based on local speed limits, which do not adequately capture variables like traffic congestion. Additionally, traffic congestion varies greatly by many variables as well like the time of year or time of day among other factors can greatly affect travel times and are difficult to pinpoint.

3. Housing Characteristics

This section provides an overview of housing trends in Louisville relative to Boulder County and other comparison geographies to better understand local market conditions and their implications. This section includes:

- An overview of existing housing stock, including total housing units, housing unit mix, vacancy rates, and affordable housing development.
- Residential development trends from City permit data.
- Housing market trends, including home sale and rental prices.
- Housing affordability trends, including financial attainability and cost burdening rates for renters and homeowners.

Existing Housing Stock

Key findings include:

- With the exception of Boulder, the majority of housing in Louisville and comparison geographies is single-family detached housing. However, the housing stock has become more diverse since 2011 with an increased in multifamily housing units.
- The majority of Louisville homeowners live in single-family detached units, while the majority of renters live in multifamily housing.
- From 2011 to 2021, the share of units labeled vacant due to being "for rent" increased by 58%, which could indicate that available rental stock is not attainable or appropriately sized for renter households in the area. The share of vacant units labeled as being vacant "for sale" dropped from 15% to zero, likely a reflection of a constrained housing market as median homeowner incomes increased over the time period.

Total Housing Units

As of 2021, Louisville had 8,665 housing units, representing just over 6% of total housing units in the County. Of comparison cities, Boulder has the highest number of housing units, representing roughly 33% of housing units in the County.

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Exhibit 35: Total Housing Units, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

4,790	8,665	10,085	12,944	40,908	45,304	139,302
Superior	Louisville	Erie	Lafayette	Longmont	Boulder	Boulder County

Housing Unit Mix

As shown in Exhibit 36, the majority of housing in Louisville (67%) is detached single-family, the second highest share among comparison geographies, behind Erie (89%). Just above 20% of Louisville housing units are in a multifamily building with five or more units. Of comparison geographies, Erie has the lowest share of multifamily housing (1%) and Boulder has the highest (43%), likely due to the high concentration of students. Of remaining Louisville housing units, 9% are considered "plex housing", referring to single family attached units up to fourplexes, and the remainder (2%) of housing units are mobile homes, manufactured housing, or "other" types of units. Of comparison geographies, Lafayette has the highest share of both plex housing units (22%), and of "mobile home or other" housing units (5%).

Exhibit 36: Housing Mix, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

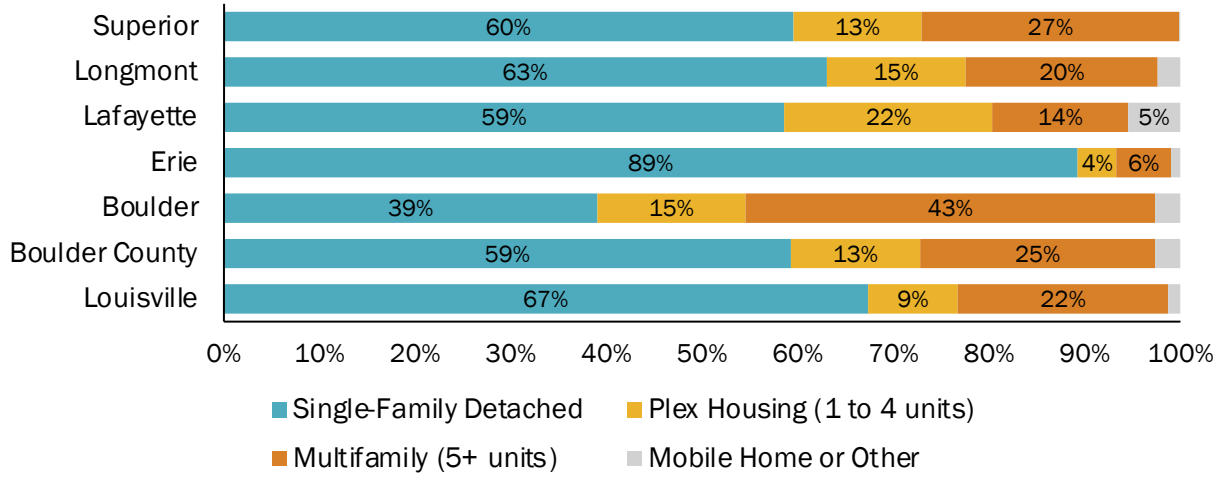

Exhibit 37 shows the change in housing mix distribution for the housing stock in Louisville and Boulder County. Between 2011 and 2021, both jurisdictions saw increases in the share of multifamily housing (from 18% to 22% in Louisville, and 22% to 25% in Boulder County), corresponding with a similar decrease in the share of single-detached units.

Exhibit 37: Change in Housing Mix, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

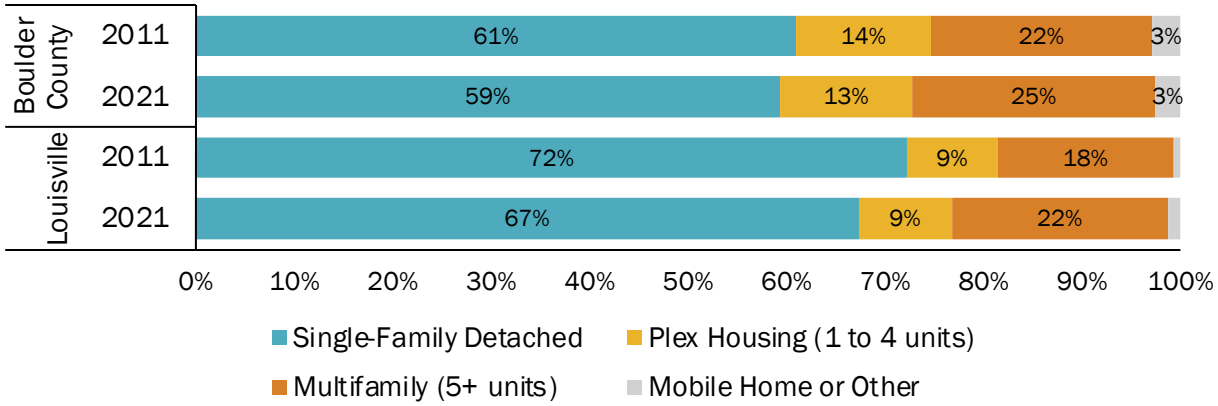

Exhibit 38 shows the nominal change in the number of each type of housing unit in Louisville over the time period. Multifamily housing added the greatest number of units, adding an additional 509 units, an increase of 37%.

Exhibit 38: Change in Housing Mix, Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	# Change	% Change
Single-Family Detached	5,614	5,833	219	4%
Plex Housing (1 to 4 units)	712	820	108	15%
Multifamily (5+ units)	1,394	1,903	509	37%
Mobile Home or Other	53	109	56	106%

Housing Tenure by Unit Type

Exhibit 39 provides a breakdown of housing tenure based on housing type in both Louisville and the County. Overall, the distribution of housing types in Louisville is similar to that of the County, with a smaller proportion of renters and homeowners living in plex housing. In Louisville, the majority of homeowners (88%) reside in single-family detached housing, while the majority of renters (57%) live in multifamily housing. Around 28% of renters in Louisville live in single-family units, which could indicate that renters who might otherwise purchase a single-family home (such as family renters) are unable to afford to do so. Additionally, only 7% of homeowners in Louisville live in plex housing, suggesting an opportunity to expand these types of housing to provide more affordable homeownership options in the city.

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Exhibit 39: Housing Tenure by Housing Type, Louisville and Boulder County, 2021
Source: ACS 5-Year Data Tables, 2017-2021

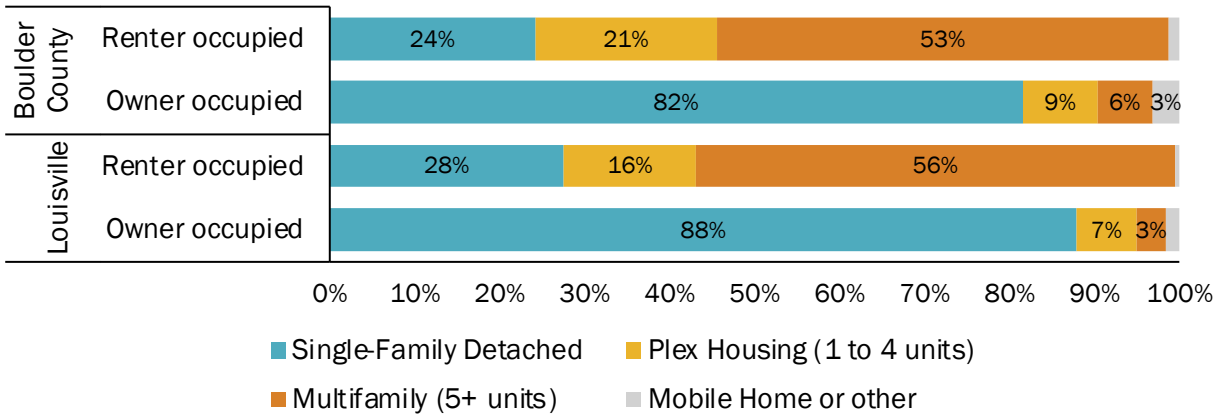
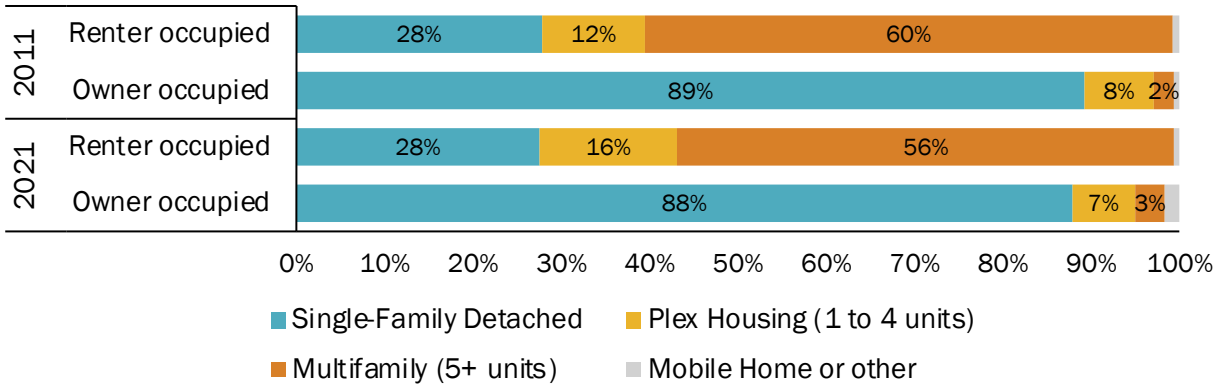


Exhibit 40 shows the change in household tenure by unit type for Louisville from 2011 to 2021. Tenure remained relatively consistent, with a slight increase (4%) in renters living in plex housing, matched by a similar decrease in renters living in multifamily housing.

Exhibit 40: Change in Household Tenure by Unit Type, Louisville, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

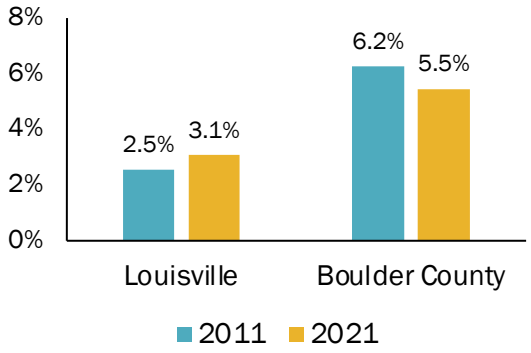


Vacancy Rates

The Census defines vacancy as "unoccupied housing units considered vacant". Vacancy status is determined by how the unit would likely be occupied, e.g., "for rent, for sale, or for seasonal use only." Vacancy rates are cyclical and represent the lag between demand and the market's response to demand for additional dwelling units. Vacancy rates for rental and multifamily units are typically higher than those for owner-occupied and single-family dwelling units. As of 2021, Louisville had 265 vacant housing units, representing 3.1% of the City's total housing stock.

Exhibit 41: Vacancy Rates, Louisville and Boulder County, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



From 2011 to 2021, the share of units labeled vacant due to being "for rent" increased by 58%. High vacancy rates for rental units could indicate that available rental stock is not attainable for renter households in the area; it could also be mismatched in other ways, such as not being large enough for growing renter households. Over the same period, the share of vacant units labeled as being vacant "for sale" dropped from 15% to zero, likely a reflection of a constrained housing market as median homeowner incomes increased over the time period.

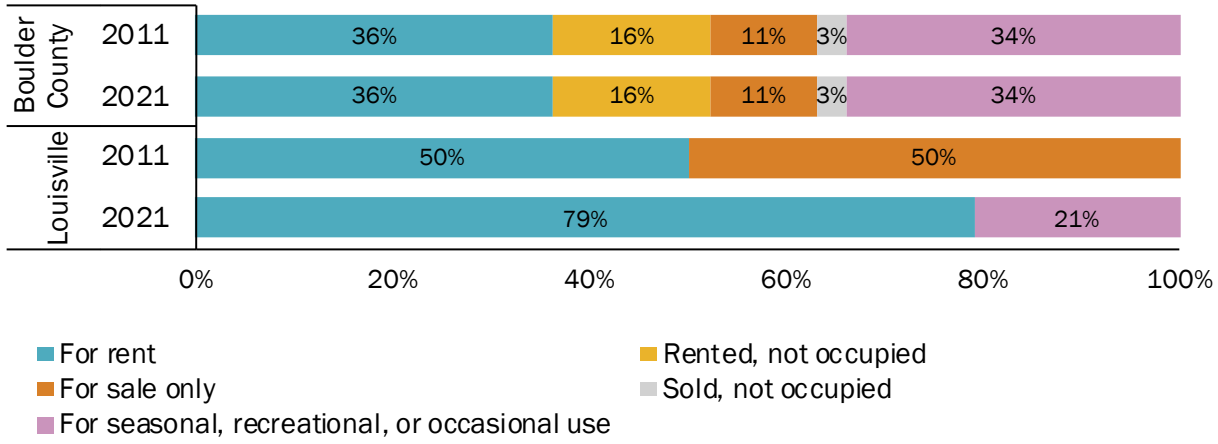
In 2021, of the vacant units reported, 19% of them were due to seasonal, recreational, or occasional use. While this data point is not comprehensive for understanding the intensity of short-term rentals or second and vacation homes, it can be used as an indicator for their presence in Louisville. Please note that while there were no units reported vacant for this reason in 2011, this is likely due to limited data availability rather than a reflection of the housing stock. Several smaller jurisdictions in the area (including Erie and Superior) reported zero vacant seasonal housing units until 2013, after which the share has remained relatively consistent.

Over the same time period, the share of vacant units labeled as "other vacant" in ACS data dropped by 63%. However, the Census changed how it collected its vacancy by reason data in 2012.[9] Notably, it expanded its "other vacant" answer options in order to gather more detailed information, so it is possible than units marked "other vacant" in 2011 would have been classified differently in following years. For this reason, we have calculated the distribution of vacancy by reason in Exhibit 42 below excluding "other vacant" units.

[9] https://www.census.gov/housing/hvs/files/qtr113/PAA-poster.pdf

Exhibit 42: Vacant Units by Reason (Excluding "Other Vacant"), Louisville and Boulder County, 2011-2021

Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



Income Restricted Housing Stock

An important component of any community's housing inventory is the regulated affordable housing stock that is affordable to households earning lower incomes. Regulated affordable housing often has public funding that restricts the maximum incomes of the tenants or restricts the rents that can be charged to ensure that the housing is serving low-income households. This housing is sometimes referred to as government-assisted housing referencing the public funds for the property. These restrictions vary by the type of funding and the affordability level of the property, and typically have a limited duration, in which the property is affordable for a specified period of time. Louisville has 346 affordable units across several properties.

Exhibit 43: Affordable Housing Units, Louisville, 2023

Source: City of Louisville

Property Name	Affordable Units	Population Served	Affordability	Primary Funding Source
Acme Place	4		N/A	BCHA
Hillside Square	13		N/A	HUD PBV
Kestrel Mixed Age	129	Seniors	50% to 60% AMI	Tax Credit
Kestrel Senior Building	71	Seniors	50% to 60% AMI	Tax Credit
Lilac Place	12		N/A	BCHA
Lydia Morgan Senior Housing	30	Seniors	40% to 50% AMI	Tax Credit
Regal Court I	30		N/A	BCHA
Regal Court II	10		N/A	BCHA
Regal Square	30	Seniors	N/A	HUD MF
Sunnyside Place	17	Families	40% to 50% AMI	Tax Credit

Residential Development Trends

This section focuses on understanding trends in residential development over the last decade or so, using ACS data to look at the change in number of housing units compared to other geographies and city permit data to understand trends in the type of housing units developed.

Key findings include:

- Louisville is one of the slower growing geographies in the county, with an 11% growth of housing units from 2011 to 2021.
- The majority (70%) of housing permits issued in recent years have been for single family housing, primarily focused on rebuilding after the 2021 Marshall Fire.
- Residential development in Louisville declined substantially between 2018-2021. The sharp increase in units observed between 2022-2023 is almost entirely due to the permitted of replacement units from the Marshall Fire.

Exhibit 44 shows the change in total housing units from 2011 to 2021. According to ACS data, Louisville experienced similar rate of growth as the County overall, increasing its housing stock by about 11% over the ten-year period. While all comparison cities saw an increase in the total number of housing units over the same time period, Erie experienced the most growth, with a 67% increase in housing units. Boulder and Superior saw the least amount of growth, at just a 4% increase each. Given the increase in the number of high-income households over the time period, the limited amount of new housing is likely also contributing to high housing costs as wealthier households are able to outbid on limited stock.

Exhibit 44: Change in Total Housing Units, Louisville and Comparison Geographies, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021

	2011	2021	# Change	% Change
Erie	6,049	10,085	4,036	67%
Lafayette	10,193	12,944	2,751	27%
Longmont	34,477	40,908	6,431	19%
Louisville	**7,773**	**8,665**	**892**	**11%**
Boulder County	126,444	139,302	12,858	10%
Boulder	43,631	45,304	1,673	4%
Superior	4,597	4,790	193	4%

ACS data is survey based and tends to lag in time, so to supplement housing development trends, ECONorthwest examined the City's building permit data from 2016 to 2023.[10]

[10] City permit data collection changed in 2015, so we have only examined 2016-2023.

From 2015 to 2023, Louisville issued 488 residential building permits, of which 207 (42%) have been issued a Certificate of Occupancy.[11] In total, the City issued 328 permits (70% of total permits) for single-family detached homes, 108 permits (16%) for single-family attached housing (townhomes and plex development), and 31 permits (4%) for multifamily housing. Of permits *issued* from 2015 to 2023, 250 (54%) were permits for Marshall Fire recovery, for which all permits were for single-family detached homes.

Exhibit 45: Louisville Permit Data by Housing Type and Stage of Completion, Louisville, August 2015 - May 2023

Source: City of Louisville

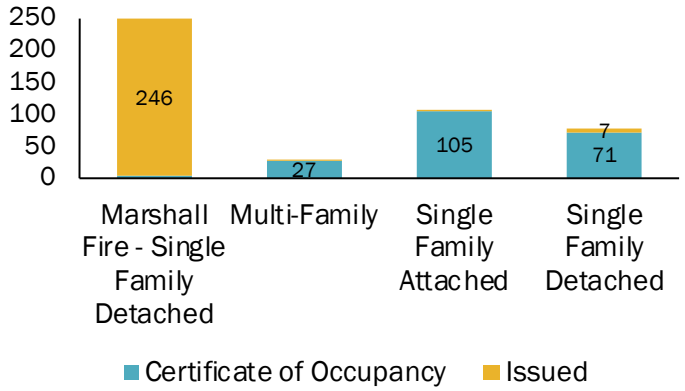
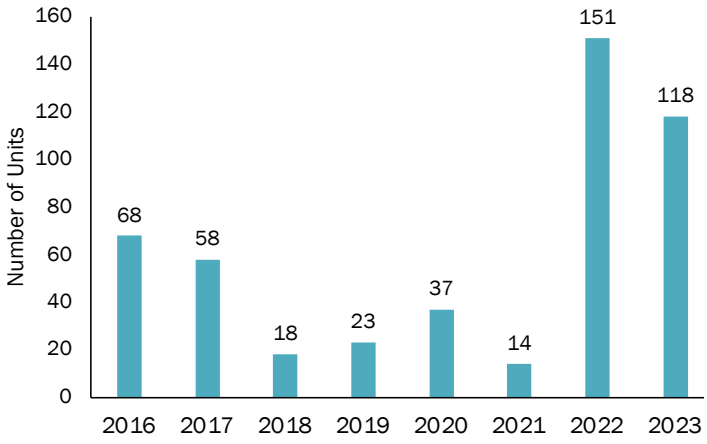


Exhibit 47 shows the total amount of residential units permitted each year between 2016 and May 2023. Residential development in Louisville began to decline substantially between 2018-2021. The sharp increase in units between 2022-2023 is almost entirely due to the permitted of replacement units from the Marshall Fire. 96% of units permitted between 2022-2023 were Marshall Fire - Single Family Detached units.

Exhibit 46: Louisville Annual Residential Permit Data by, Louisville, 2016 - May 2023

Source: City of Louisville



Housing Market Trends

Housing market cost data can provide insights into the attainability of existing housing stock in a city. Key findings include:

- Jurisdictions across Boulder County have experienced significant home price increases in recent years. Louisville has the second highest average home sale price among comparison geographies as well as the second highest rate of home sale price increase.
- Louisville also has the second highest rate of rent increases over the time period, and the third highest rent rates of comparison geographies.

[11] Certificates of Occupancy are granted for commercial, industrial, and multifamily projects. Occupancy is granted (via a completed inspection card) for single family and duplex development.

Ownership Housing

As of 2023, Louisville had an average home sales price of $831,000, second highest behind Boulder. The average home price in Louisville is about $150,000 higher than the County overall.

Exhibit 47: Average Home Sales Price, Louisville and Comparison Geographies, 2023
Source: Redfin

$550K	$580K	$681K	685K	$754K	$831K	$912K
Longmont	Lafayette	Boulder County	Erie	Superior	Louisville	Boulder

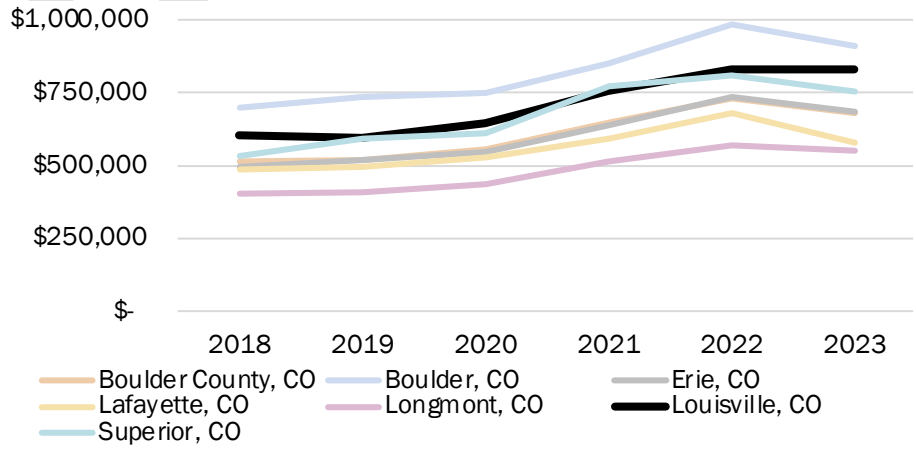
While home sales prices rose dramatically across all comparison jurisdictions in Boulder County from 2012 to 2023, Louisville experienced the second highest rate of increase behind Longmont.[12] Over the time period, the average home price in Louisville increased by about $473,000, or 132%.

Exhibit 48: Change in Average Home Sales Price, Louisville and Comparison Geographies, 2012-2023
Source: Redfin

	2012	2023	$ Change	% Change
Longmont	$226,000	$550,000	$324,000	143%
Louisville	**$358,000**	**$831,000**	**$473,000**	**132%**
Boulder	$420,000	$912,000	$492,000	117%
Erie	$315,000	$685,000	$370,000	117%
Boulder County	$314,000	$681,000	$367,000	110%
Lafayette	$281,000	$580,000	$299,000	107%
Superior	$409,000	$754,000	$387,000	106%

While home prices in all other jurisdictions dropped from 2022 to 2023, Louisville home prices continued to grow, indicating a strong demand relative to other areas in the region.

Exhibit 49: Average Home Sales Price, Louisville and Comparison Geographies, 2018-2023
Source: Redfin



[12] Redfin began collecting housing data in 2012.

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Rental Housing

According to ACS data, the median rent in Louisville was $1,831 in 2021, around $150 higher than Boulder County overall. Of comparison geographies, Longmont has the least expensive median rents, which may reflect its more remote position in the county. Erie has the most expensive rents in the County, as well as the lowest amount of rental housing stock.

Exhibit 50: Median Rents, Louisville and Comparison Geographies, 2021
Source: ACS 5-Year Data Tables, 2017-2021

$1,538	$1,694	$1,711	$1,733	$1,831	$2,162	$2,564
Longmont	Boulder County	Boulder	Lafayette	Louisville	Superior	Erie

Because rents can often increase faster than ACS data is reported, we typically prefer to include an analysis of local rents from multiple data sources. According to CoStar data, the average *multifamily* unit rent in Louisville was $1,715, slightly lower than reported by ACS data.[13] As of 2023, CoStar reported the average rents in Louisville as $1,961, just slightly higher than the County as a whole. Unlike home sales price trends (in which Boulder was the most expensive city), rent trends for comparison geographies more closely reflect median income trends for the respective geographies.

Exhibit 51: Average Multifamily Rents, Louisville and Comparison Geographies, 2023
Source: CoStar

$1,665	$1,867	$1,917	$1,961	$2,078	$2,406	$2,442
Longmont	Lafayette	Boulder County	Louisville	Boulder	Superior	Erie

Like home sales prices, rent rates rose significantly across all geographies over the past decade. According to CoStar data, Louisville multifamily rents increased by $721, or 58%, from 2012 to 2023.

Exhibit 52: Change in Average Multifamily Rents, Louisville and Comparison Geographies, 2012-2023
Source: CoStar

	2012	2023	$ Change	% Change
Superior	$1,507	$2,406	$899	60%
Louisville	**$1,240**	**$1,961**	**$721**	**58%**
Longmont	$1,107	$1,665	$558	50%
Boulder County	$1,310	$1,917	$607	46%
Boulder	$1,470	$2,078	$608	41%
Lafayette	$1,330	$1,867	$537	40%

[13] CoStar reports rents for multifamily rental units (properties with five or more units), whereas ACS includes all housing types in its median rent calculations. While 57% of Louisville renters live in multifamily housing, it is possible that differences in rent rates for single-family or plex housing is also contributing to rent data differences between the two sources.

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Erie	$1,931	$2,442	$511	26%

Housing Attainability

Housing attainability examines the cost of housing relative to household incomes in the area. Key findings include:

- At least 74% of Louisville residents would likely be unable to afford the current average home sales price, with a greater affordability gap for Louisville renters.
- While rates of household cost burden decreased from 2011 to 2021, around 41% of Louisville renters and 16% of Louisville homeowners currently spend more than 30% of household income on housing expenses. Given the dramatic increase in housing costs over the past decade, it is likely because households that were cost-burdened (especially severely cost burdened) in 2011 were eventually priced out of the area and moved to areas with a lower cost of living and higher-earning households have moved into the area.

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Affordable Housing Income Limits

Aligning Housing Types with Incomes

Household Income Level	Physical Type / Tenure of Housing (Building Focused)
100% AMI+ $144k+	Multifamily rentals Multifamily ownership Middle housing ownership Single family ownership
80–100% AMI $115k–144k	Multifamily rentals Multifamily ownership Middle housing (rent/own) Single family (rent/own)
50–80% AMI $72k–115k	Multifamily (rent/own) Micro-unit rentals Middle housing (rent/own) Tiny homes (rent/own) Single family rentals
30–50% AMI $43k–72k	Multifamily rentals Micro-unit rentals Mobile homes
0–30% AMI $0–$43k	Shelters Multifamily rentals Micro-unit rentals Mobile homes

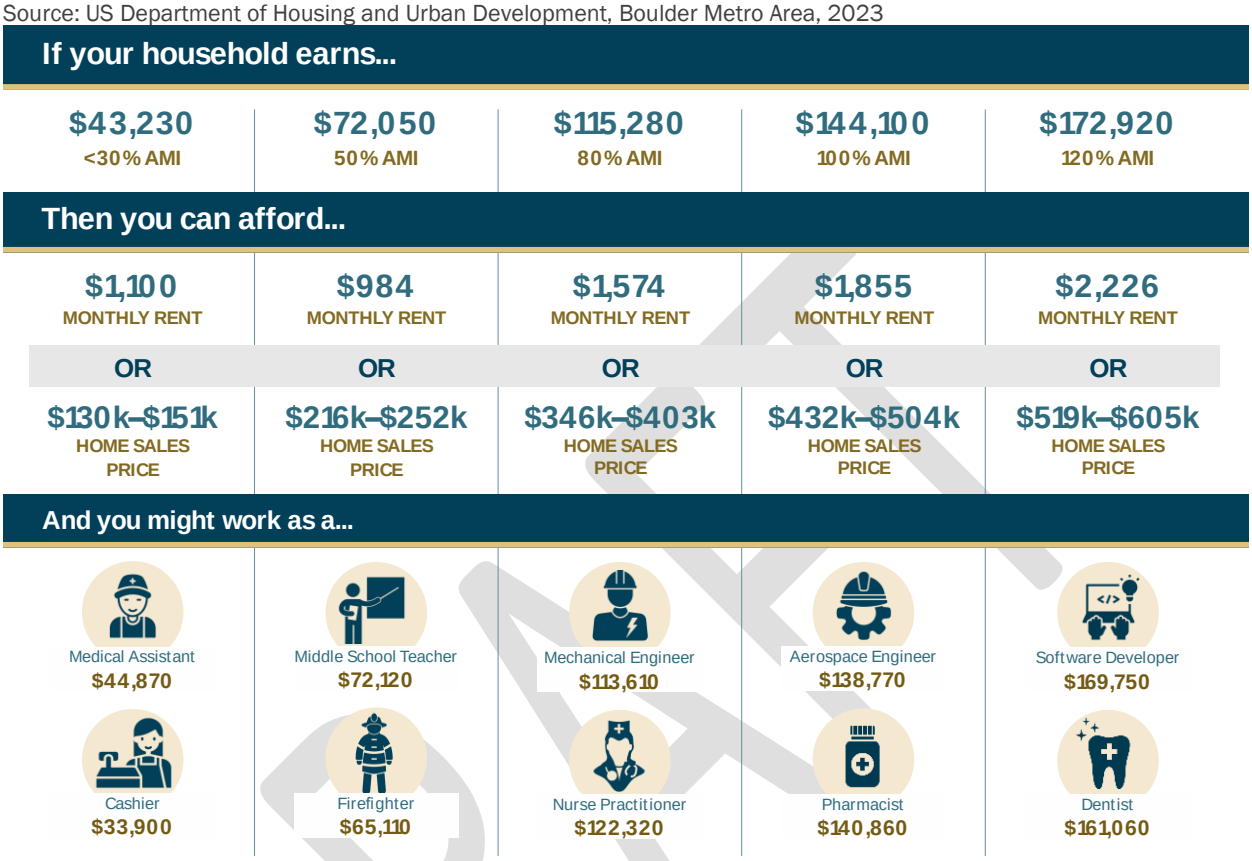
Exhibit 53: AMI by Household Type
Source: ECONorthwest, Department of Housing and Urban Development

The Department of Housing and Urban Development (HUD) sets income limits each year to establish eligibility for its assisted housing programs and to define an area's Median Family Income (MFI). For these calculations, HUD includes Louisville as part of the Boulder metro area, which has a 2023 MFI of $144,100 for a family of four. To compare this number to ACS data, 2021 Louisville median household incomes were slightly higher than the 2021 Boulder metro area MFI ($125,124 to $116,900). However, it is important to note that Median Household Income is not directly comparable to HUD's MFI. HUD's MFI calculation relies on underlying Census data related to family incomes, and the 100% median is set for families of four. Median *household* income is for all households – not just families – and households can have a wide range of compositions (e.g., roommates) compared to families.

Below, Exhibit 54 shows the assumptions of what households in the area can reasonably afford to pay on their housing costs without being cost-burdened, based on the 2023 Boulder metro area MFI.

Exhibit 54: Financially Attainable Housing by Median Family Income (MFI) for a Family of Four, Boulder Metro Area, 2023[14]

Source: US Department of Housing and Urban Development, Boulder Metro Area, 2023



A household would need to earn 145% of the MFI, or around $209,000 to afford the average home sales price in Louisville. Only 26% of Louisville households earn more than $200,000 annually, suggesting at least 74% of Louisville households would not be able to afford the current average home sales price. In addition, Louisville renter incomes are significantly lower than Louisville homeowner incomes (see Exhibit 28). Based on 2021 ACS data, renter median incomes would fall at around 56% of the 2023 MFI (qualifying as just above "very low income" under HUD standards), while the homeowner median income would fall at roughly 111% of the 2023 MFI, indicating that homeownership is likely significantly more out of reach for households that do not already own a home.

Cost Burdened Households

Housing costs are typically the largest portion of a household budget, and typically include mortgage or rent payment, utilities, interest, and insurance. The Department of Housing and Urban Development's guidelines indicate that households paying more than 30 percent of their income on housing experience "cost burden" and households paying more than 50 percent of their income on housing experience "severe cost burden." Using cost burden as an indicator is

[14] Home sales prices may vary with mortgage interest rate fluctuations, any homeowner association costs, or utility fee variations.

one method of determining how well a city is meeting its community need to provide housing that is affordable to all households in a community.

Housing cost burden can put low-income households in vulnerable situations and force them to make trade-offs between housing costs and other essentials like food, medicine, or transportation. This unstable condition can also lead to rental evictions, job instability, school instability for children, and homelessness. Cost burdening for owner-occupied households is less common because mortgage lenders typically ensure that a household can pay its debt obligations before signing off on a loan.

Exhibit 55 shows rates of cost burden by tenure for Louisville. In Louisville, 25% of households are cost burdened, with 14% of households spending greater than 30% of gross income on rent and 9% spending greater than 50%. Renters are much more likely to be cost burdened, with 41% of renter households experiencing cost burden, versus 16% of homeowners.

Exhibit 55: Cost Burden, Louisville, 2021
Source: ACS 5-Year Data Tables, 2017-2021

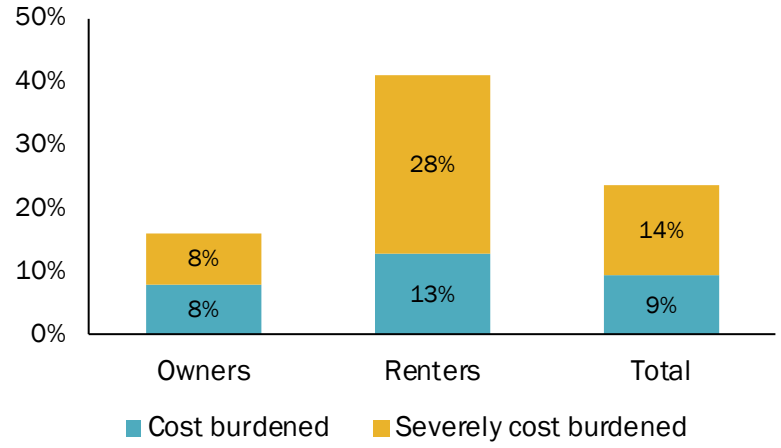


Exhibit 56 shows rates of cost burden for both Louisville and Boulder County. Louisville has slightly lower rates of cost burden compared to the County overall; in Boulder County, 57% of renters are cost burdened (versus 41% in Louisville), and 22% of homeowners are cost burdened (versus 16% of homeowners in Louisville).

Exhibit 56: Cost Burden Rates, Louisville and Boulder County, 2021
Source: ACS 5-Year Data Tables, 2017-2021

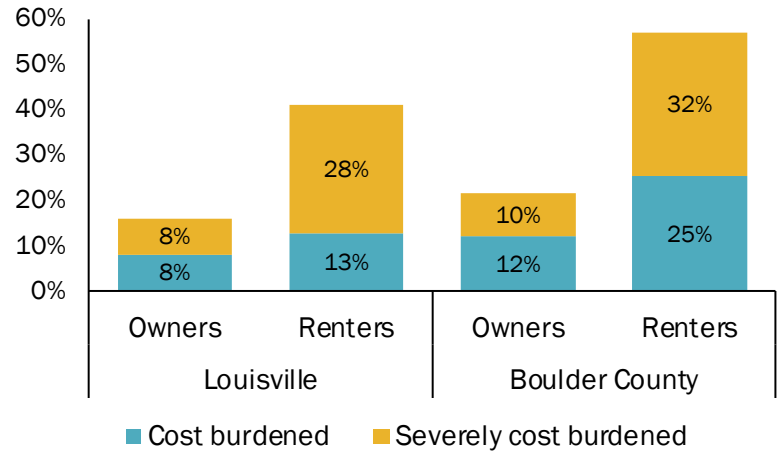
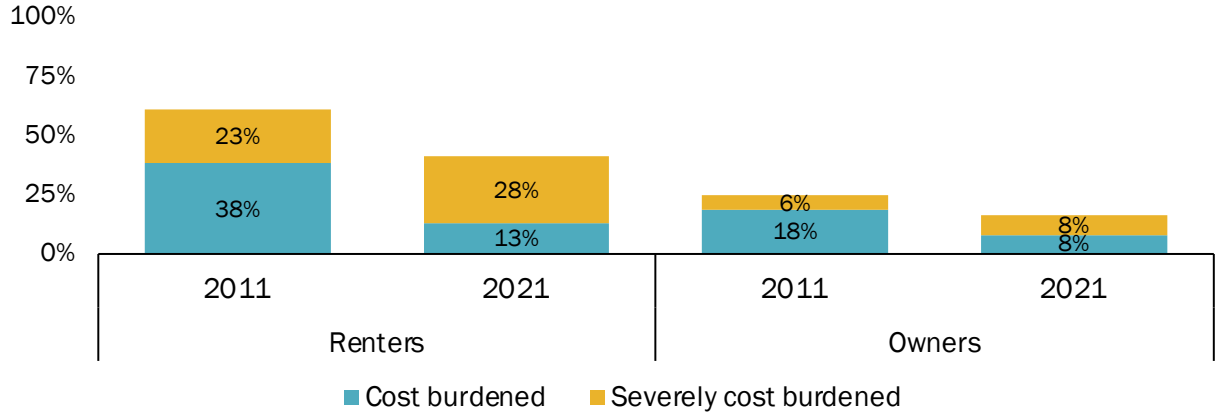


Exhibit 57 shows the change in cost burden rates in Louisville from 2011 to 2021. Rates of severe cost burden decreased significantly over the time period, with a 25% decrease for renters and a 10% decrease for homeowners. Rates of cost burden (spending greater than 30% but less than 50% of household income on rent) increased slightly, with a 5% increase for renters and a 2%

increase for homeowners. Overall, rates of cost burden decreased, from 34% to 25% of total households.

Exhibit 57: Change in Cost Burden, Louisville and Boulder County, 2011-2021
Source: ACS 5-Year Data Tables, 2007-2011, 2017-2021



However, given the dramatic increase in housing costs over the past decade, it is unlikely that the decrease in cost burden is due to an increase in housing affordability. Rather, it is much more likely that households experiencing cost burden (especially severe cost burden) in 2011 were eventually priced out of the area and moved to lower cost of living areas and higher-earning households have moved into the area.

Homelessness in Boulder County

Gathering accurate homelessness data is challenging due to several factors that contribute to its unreliability, including:

- Transient Nature: Homeless populations are often highly mobile, making it difficult to capture an accurate snapshot of the homeless population at any given time.
- Lack of visibility: Many individuals experiencing homelessness do not use official shelters or services, locating in certain places to avoid detection, further complicating data collection efforts.
- Resource Limitations: Conducting comprehensive homelessness counts requires significant resources, including personnel, funding, and time which can also affect the frequency of data collection.
- Lack of Coordination: Homelessness data collection often involves coordination between multiple agencies, local governments, and non-profit organizations. Lack of coordination can lead to incomplete or duplicated data.

These factors, individually and collectively, often result in the underreporting of the homeless population. Exhibit 58 below shows the number of people experiencing homelessness who were

entered into the Boulder County Coordinated Entry system in 2022. Of the 409 individuals entered, 11 of them were located in Louisville.

Exhibit 58: Homelessness by City, Boulder County, 2022

Source: Boulder County Coordinated Entry

City	Number of Houseless People	Percent of Total Houseless Population
Boulder	186	45.4%
Erie	1	0.2%
Lafayette	18	4.4%
Longmont	172	42.1%
Louisville	11	2.7%
Lyons	5	1.2%
Nederland	12	2.9%
Superior	3	0.7%
Other	1	0.2%
Total	**409**	**100%**

Coordinated Entry data will certainly undercount those experiencing homelessness, as those individuals reflected in the Coordinated Entry data are those that actively sought out services. The Metro Denver Homeless Initiative (MDHI) publishes the annual Point-in-Time (PIT) Count. In 2023, the count included 839 people in Boulder County experiencing homelessness on the night of January 30, 2023. Of those 839 people, 71% were sheltered and 29% were unsheltered.[15]

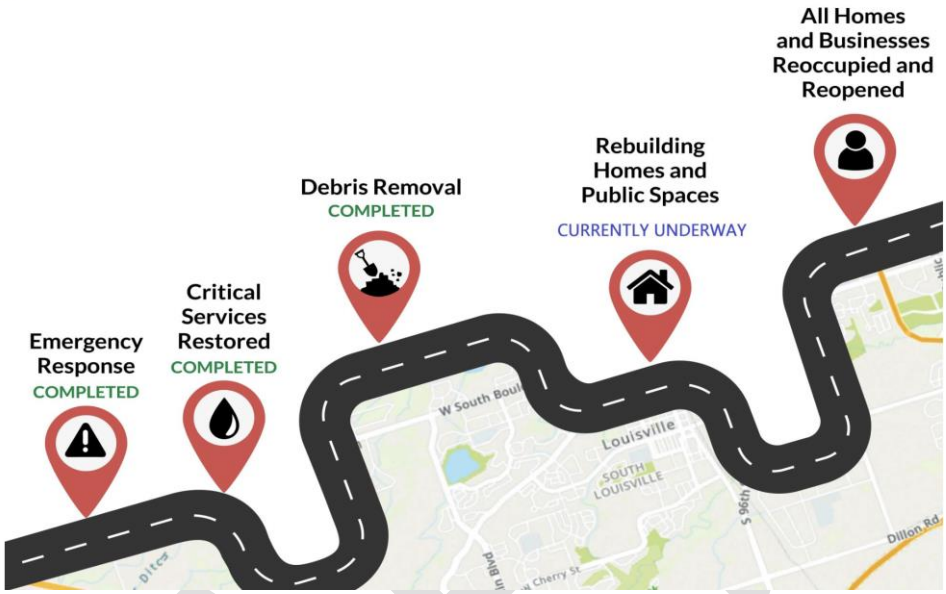
4. Marshall Fire Recovery

In late December 2021, the Marshall Fire destroyed 550 homes in Louisville, or roughly 6.3% of the City's housing stock at the time. In addition to the many negative environmental, economic, and physical and mental health impacts, the loss of housing exacerbated an already constrained and expensive housing market, particularly for lower income residents.

[15] MDHI discourages trending PIT data year-over-year due to the snapshot nature on a single night that can be influenced by variables such as weather, count methods, volunteer engagement, among other factors. Therefore, additional years have not been included in the HNA.

In March of 2022, the City released their Recovery Plan for coordinating the recovery response. This plan established a Recovery Roadmap, which outlined major phases for rebuilding, shown here. The Roadmap is continuously updated online on the City's Louisville Rebuilds website.

Exhibit 59: Louisville Recovery Roadmap
Source: https://www.louisvilleco.gov/living-in-louisville/residents/louisville-rebuilds-marshall-fire-recovery/recovery-roadmap



As of July 2023, 281 housing rebuild permits have been issued and another 35 housing permits are under review. So far, 21 households have been able to move back into their homes.

In March 2023, Louisville and Superior sponsored a Marshall Fire Recovery Advisory Panel by the Urban Land Institute (ULI). This panel provided feedback and recommendations for rebuilding housing and climate resilience, including:

- **Affordable homeownership options:** The Panel found that new construction in Louisville and Superior is priced above what many households in the area could afford and was exacerbated by the loss of housing in the fire. Particularly for "workforce" households, first time home buyers, and seniors, many new homeownership products (especially single-family detached homes) are unattainable. The Panel found that there are opportunities to develop out more "missing middle housing" to offer more attainable homeownership opportunities, including developing deed restricted housing, subdividing existing lots, and supporting the development of accessory dwelling units. In addition, the Panel recommended cities consider implementing developer incentives for missing middle housing, purchase sites for infill housing, and offer first time homeowner financial assistance.

- **Limited rental opportunities:** The Panel found that the loss of housing further constrained an already limited rental stock in the area, leading to rental price gouging. Particularly for lower income residents, there is inadequate attainable rental stock in the areas. To address renter housing needs, the Panel recommended cities implement developer incentives for building rental housing, as well as disaster-related rental housing voucher program for displaced renters.

- **Data availability:** The Panel found there is a lack of data on the socioeconomic characteristics of the displaced neighborhoods following the fire. The Panel recommended cities consult findings from the Marshall Fire Unified Survey Team to better understand the affected residents' needs and tailor rebuilding strategies accordingly.[16]

Initial findings from the Marshall Fire Unified Survey Team revealed disparities in insurance coverage and rebuilding progress across income levels.[17] The survey team found that underinsurance was a significant obstacle for many affected households, with only a small percentage of respondents expected insurance coverage to fully meet their rebuilding costs. The extent of expected insurance coverage correlated with income levels, with higher-income households anticipating higher payouts. This correlation was also reflected in the progress of rebuilding, as those expecting higher insurance coverage were more likely to have received building permits after one year compared to those with lower coverage expectations. This inequity can exacerbate existing inequalities during the rebuilding process, and the survey team recommends the City prioritize programs that offer rebuilding assistance to households with fewer resources.

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[16] This survey effort is being led by a Colorado-based team of researchers based at the University of Colorado's Denver campuses. After the fire, this group of researchers came together out of a shared interest in learning from this event and its aftermath. Researchers around the country were interested in conducting a household survey in the fire-affected communities, so the Marshall Fire Unified Survey Research Team was convened to create one combined survey. The survey is ongoing but has released some initial findings (as of June 2023).

[17] https://www.urban.org/urban-wire/after-marshall-fire-households-fewer-financial-resources-are-falling-behind

5. Housing Demand and Future Needs

The following section details ECONorthwest's calculations of housing need, underproduction, and affordability for Louisville.

Population Forecast Assumption

As documented in the Community Profile of the HNA, local population forecasts are only available at the county-level. In order to forecast future housing needs, an understanding or assumption of how the city ***could*** grow is needed to establish a baseline projection. ECONorthwest developed a population forecast for Louisville based on the Boulder County's population forecast from the Colorado Department of Local Affairs of 389,233 residents by 2047. The population forecast provided by ECONorthwest assumes that Louisville will maintain its current share of Boulder County's total population (6.3%), and would therefore increase its population to about 24,614 residents by 2047. This would mean the city would add another 4,115 residents to its 2023 population (see Exhibit 3).

Future Housing Needs

A key part of the HNA is to gain an understanding about the extent of total housing needed in Louisville and the quantity of new housing needed for different income levels over the next several decades. A significant challenge facing Louisville is to produce enough new housing units to accommodate potential population growth and to provide more affordable housing options that match the needs of current and future residents. ECONorthwest developed a method to help quantify existing and future housing needs for the next two decades that relies on the best available data provided by DOLA, the U.S. Department of Housing and Urban Development (HUD), and the U.S. Census Bureau (including PUMS data).

The method focuses on estimating housing needs based on future housing needed by 2047 and current needs based on housing underproduction.[18] The inclusion of current housing underproduction helps to ensure housing needs targets address current unmet housing needs not provided for in the existing housing inventory.

Total Housing Needed by 2047

The following analysis estimates how much housing is needed based on a method combining current housing underproduction analysis with future housing needs analysis.

[18] DOLA's latest county-level population forecast is for 2047.

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Future Housing Need

First, ECO identified the baseline number of future housing units needed by 2047. This estimate relies on the population forecast provided by ECO and discussed above. The estimate assumes a 2047 population forecast of 24,614, adding approximately 4,115 new people to Louisville by 2047. The quantity of future housing needed was estimated based on the following parameters:

- Total added population: 4,115 new people (based on the ***assumed*** population forecast for 2047).
- DOLA's household size estimate for Louisville is around 2.4 persons per household (slightly lower than ACS estimates), translates into approximately 1,700 additional households.
- This total was multiplied by a factor of 1.1 to bring the estimate of total housing needed by 2047 to 1,870 housing units needed. As note, this method uses a ratio of 1.1 housing units per one household since healthy housing markets allow for a reasonable level of housing vacancy and absorption and second/vacation homes.
- According to 5-year ACS data, between 2010 and 2020, the total number of second/vacation homes in Louisville increased by 125 (either through conversion or new construction), while 1,038 total housing units were added to the city.[19] The ratio of second/vacation homes added to total housing units added over time (125 divided by 1,038) comes to 0.12. This ratio of was then multiplied by the number of expected households, arriving at 205 housing units expected to be lost to second/vacation homes. When combined with the previous growth-based needed housing units, this brings the total to 2,075 new homes needed by 2047.

[19] Assumes 2010 and 2020 DOLA estimates for housing units rather than ACS housing units due to inaccuracies found in the 2020 Census.

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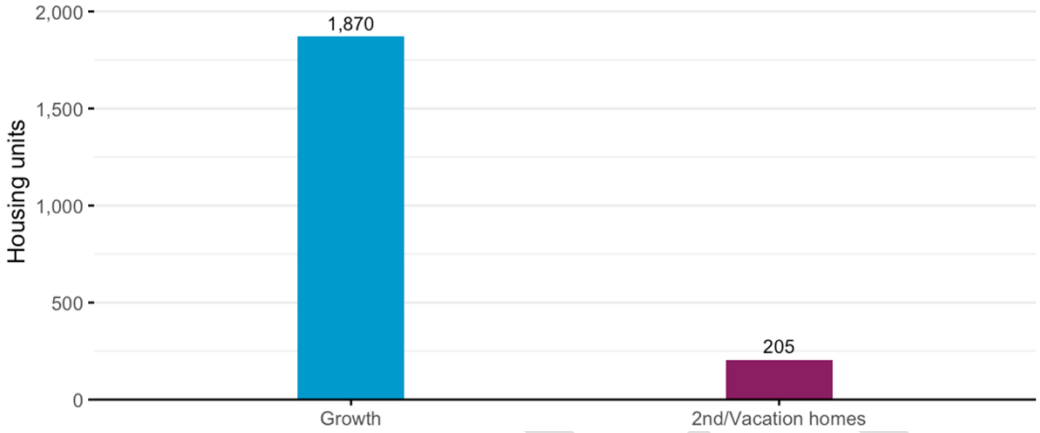
Exhibit 60: Future Housing Need + 2nd/Vacation Homes, Louisville, 2047
Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, ECONorthwest



Housing Underproduction

ECO then determined the extent of current housing underproduction in Louisville. Underproduction was quantified based on the difference between the existing housing stock, minus existing second/vacation homes (U.S. Census ACS data and DOLA housing unit estimates) and 1.1 times the current number of households. This method uses a ratio of 1.1 housing units per one household since healthy housing markets allow for a reasonable level of housing vacancy and absorption and second/vacation homes.[20] Based on ECONorthwest's method, Louisville would need approximately 409 additional new housing units to address current housing underproduction.

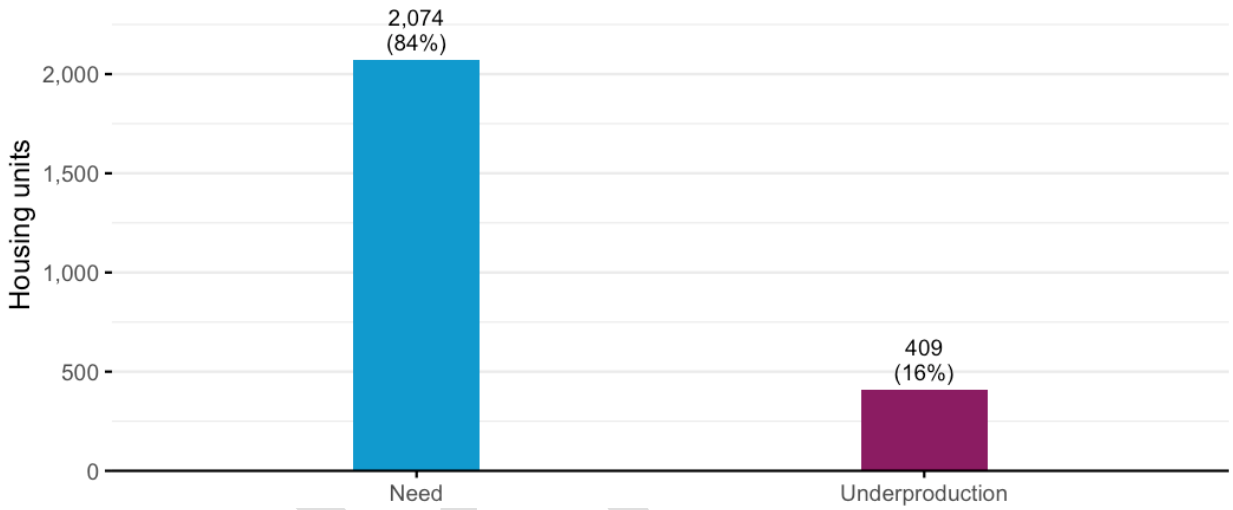
Total Housing Need

Combining the current housing underproduction (409 housing units) with the future housing units needed brings the total to 2,483 new housing units needed by 2047 (see the exhibits below for more detail). On an annual basis this means an average of 96 housing units should be built per year.

Exhibit 61. Illustration of Housing Needs Calculation
Sources: ECONorthwest.

[20] The ratio of 1.1 housing units to households is computed from the US Census estimate for the entire United States in 2019. The analysis uses 2019 as a reference year to avoid the unique nature of COVID-19 on housing production and household formation.

Exhibit 62: Future Housing Need + 2nd/Vacation Homes + Underproduction, Louisville, 2047
Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, ECONorthwest



The Housing Strategy will need to consider how the city can meet the total number of housing units that the assumed population growth with demand. Beyond that, prioritizing housing development can create more opportunities to support the city's workforce by meeting the demand created by employment growth, offer more stability for lower-income residents through affordable housing, meet sustainability and EDI goals (documented in the following chapter), generate a diverse range of households that can support local businesses and facilitate economic development, reduce commute times and even ease traffic congestion.

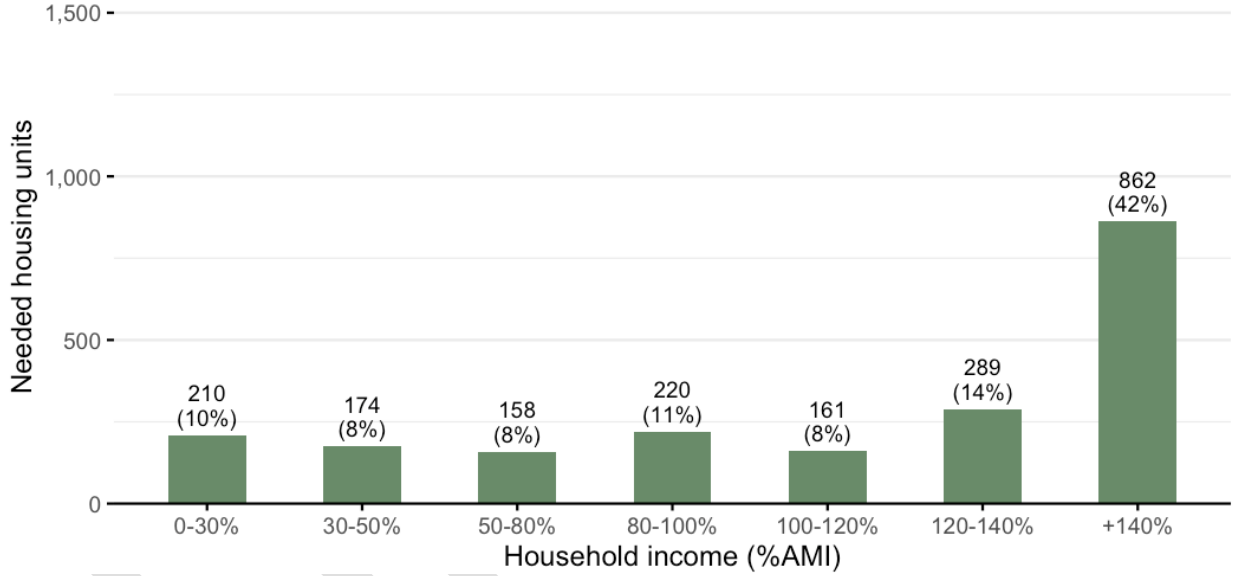
Housing Need by Income

While understanding the total number of housing needs required to meet the City's population forecast is an important step in planning for the future, it's also important to understand how the housing units should be distributed among income earners to ensure there are enough units attainable for each household. The housing need projections by income brackets shown in the exhibit below are derived using the most recent distribution of households by percent of AMI in Louisville. The analysis then accounts for current and future household sizes at the city level to better understand nuances of how housing need by income can shift over time as household sizes change and subsequent changes to housing affordability.

Exhibit 63 shows Louisville's housing needs forecast by income, representing the number of housing units the city should plan to accommodate to meet the needs of each income group. Because forecasting incomes at the household level over time is challenging, this data evaluates housing need assuming current income distributions remain constant. The income breakdown shown below reflects a continued imbalance across income segments in Louisville. However, the forecast housing need by income category is likely to vary depending on future policy choices. If cities do not take meaningful action to increase housing production, and affordability worsens due to demand from higher-income households outpacing supply of total housing units, many low-income households will face displacement and the forecasted need for lower income households would likely be lower. The ultimate income distribution in 2047 will be the result of regional housing trends and policy decisions made at the local level.

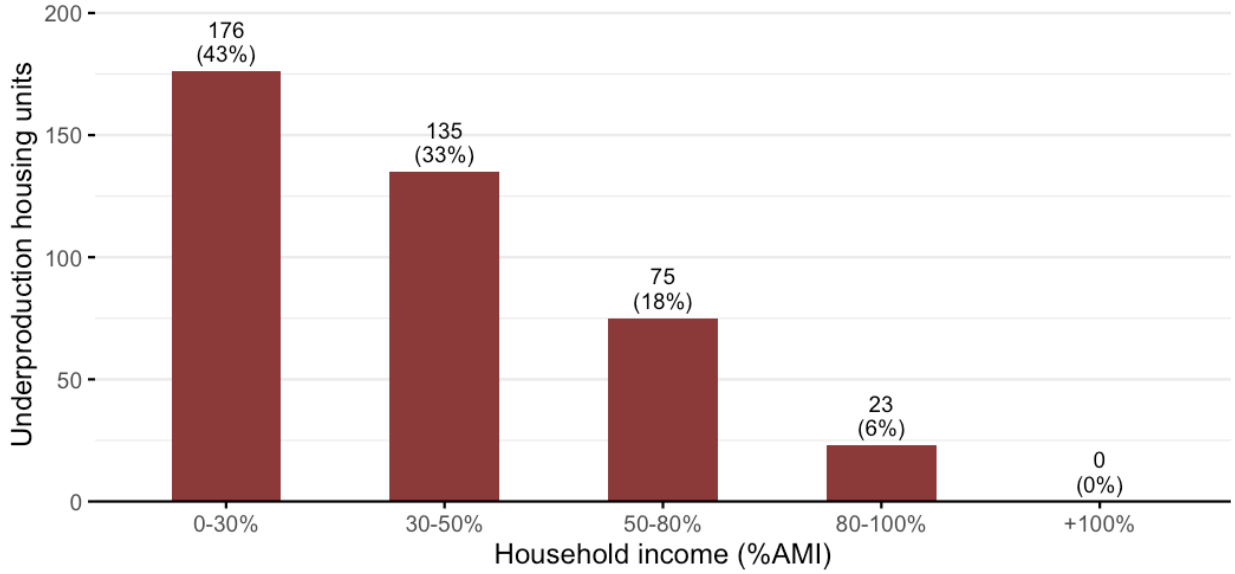
Exhibit 63: Assumed Housing Need by Income Distribution, Louisville, 2047

Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, CHAS 2015-2019, ECONorthwest



We then used a similar methodology seen in Exhibit 63 to combine income data and underproduction units to calculate underproduced units by income group to get a sense of what type of housing is needed in Louisville. For these units, the majority are needed for households earning less than 50% of the Area Median Income.

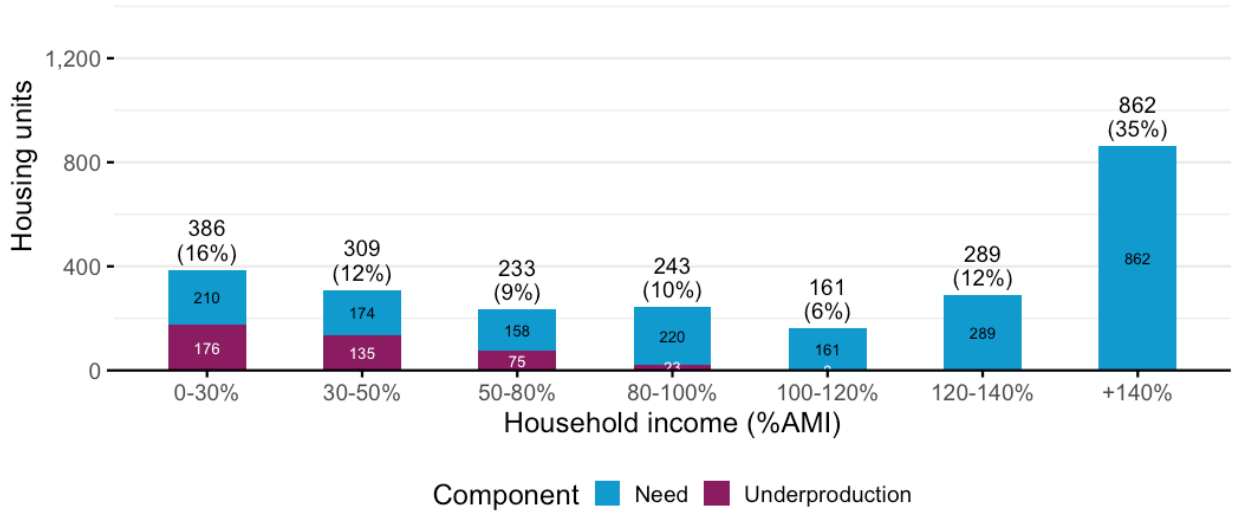
Exhibit 64: Louisville Estimated Underproduction Distributed by Income by 2047
Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, CHAS 2015-2019, ECONorthwest



Source: ACS 5-year 2016-2020, CHAS 2015-2019

Exhibit 65 combines the results of calculated future housing needs and underproduction in Louisville. In total, Louisville will need to plan for 2,483 new homes by 2047 to meet its current and future housing needs. Given that the City is embarking on a comprehensive plan update that will have a 10-year planning horizon, the city will need to specifically plan for an additional 960 housing units over a 10-year period in order to stay on track with the projected 25-year demand assumption.

Exhibit 65: Total Units Needed by 2047, Louisville
Source: DOLA 2047 Boulder County Population, ACS 5-year 2017-2021, CHAS 2015-2019, ECONorthwest



6. Summary of Existing Housing Policies

Recognizing the guidance offered by relevant county and city plans within Louisville's planning context helps set the stage for the Housing Strategy and future policy development. A summary of the city's existing documentation on housing issues and policies is provided in this section. It includes a review of the following county and city plans:

- Comprehensive Plan
- Transportation Master Plan
- Preservation Master Plan
- Downtown Framework Plan
- Louisville EDI Task Force Final Report
- Boulder County Regional Housing Strategy
- Sustainability Action Plan
- Resolution 25, Series 2019: A Resolution Setting Clean Energy and Carbon Emission Reduction Goals

2013 Comprehensive Plan

Louisville is preparing to update its 2013 Comprehensive Plan and the Housing Strategy will play an important role in establishing a foundation for the city's approach to housing during the update. However, the 2013 Comprehensive Plan provides a framework for housing policy that is still very much relevant today and reverberates much of what is document in the HNA and reflected in conversations during community outreach.

- **Planning Context**. The Comprehensive Plan's Planning Context documents how the city's residential housing market is constrained by a scarcity of developable land, largely due to existing zoning and development regulations for both greenfield and infill opportunities. It notes that the market assessment in the comprehensive plan indicates there is significant demand for residential units in Louisville, which has continued to grow since 2013 as documented in the HNA. It suggests that opening up additional areas for residential development, either through rezoning, or revised development regulations, would likely result in additional residential development.
- **Vision Statement and Core Community Values.** Calls on the city to accommodate the needs of all individuals in all stages of life through parks, trails, and roadway design, City services and regulations to ensure they provide an environment which accommodates individual mobility needs, quality of life goals, and housing options.

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Comprehensive Plan Policies Related to Housing

The comprehensive plan outlines explicit policies related to housing in Louisville, which are documented throughout the plan. The most relevant policies are included in the table below.

Overarching Theme	Principle Policy Related to Housing	Specific Policies
Neighborhoods and Housing (NH). The Comprehensive Plan recommends creating plans for each neighborhood and initiating a housing policy conversation in the City to aid in addressing these and other issues.	NH-3. Neighborhood Plans shall be compatible with this Comprehensive Plan and other adopted goals and policies for the City.	Policy NH-3.4: Diverse housing opportunities shall be available for residents of varying income levels.
	NH-4. The character and identity of existing residential neighborhoods should be maintained while allowing for evolution and reinvestment.	Policy NH-4.7: Housing should support vibrant retail and commercial centers that serve local residents
	NH-5. There should be a mix of housing types and pricing to meet changing economic, social, and multi-generational needs of those who reside, and would like to reside, in Louisville.	Policy NH-5.1: Housing should meet the needs of seniors, empty-nesters, disabled, renters, first-time homebuyers and all others by ensuring a variety of housing types, prices, and styles are created and maintained. Policy NH-5.2: The City should continue to work with Boulder County Housing Authority and others to ensure an adequate supply of affordable housing is available in Louisville Policy NH-5.3: Higher density housing should be located primarily in the centers and corridors of the Framework. Policy NH-5.4: Potential measures to increase housing type and price diversity should be evaluated, including allowing accessory dwelling units in established neighborhoods only if the essential character of the neighborhood is can be preserved. Policy NH-5.6: New housing should address defined gaps in the housing market that exist today and into the future. Policy NH-5.7: The City should define standards for low income and affordable housing units, and consider reducing or waiving building permit and impact fees for all qualifying projects.

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	NH-6. The City should define City-wide goals for affordable and low-income housing through a public process.	Policy NH-6.1: The City should determine to what extent it would like to allow, encourage, or incentivize affordable and low-income housing Policy NH-6.2: The City should develop specific and achievable actions to meet the defined goals.
Economic Development (ED) and Fiscal Health (FH). Notes the key role residential development plays in attracting new businesses and retaining existing businesses in the community and that a diverse housing base is a prominent criterion businesses use to evaluate a community. The plan maintains that the relationship between residential diversity, availability and business growth should continue to be fostered in future economic development efforts.	ED-2. The City should direct growth in an economically responsible way in order to maintain high quality amenities and high service levels for residents.	Policy ED-2.2: The City should work to maintain and improve community assets such as the educational, housing, recreational, retail and cultural opportunities that encourage local businesses to remain and expand in Louisville

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2019 Transportation Master Plan

The city's Transportation Master Plan (TMP) looks comprehensively at transportation conditions and options throughout Louisville and region for all modes of transportation. The TMP represents a long-range planning effort that describes baseline conditions of the City's transportation network, establishes eight overarching transportation Goals, and specific transportation Policies, Programs and Projects.

The TMP makes policy connections to housing, particularly around to the relationship between locating affordable housing near multimodal transit opportunities. Affordable housing with no transportation linkages will likely decrease the affordability of that housing while also making multimodal transportation less effective at reaching the people who need it the most. The availability of desirable, affordable housing along the transportation corridors identified in the plan would help the city achieve goals set forth in the TMP.

Housing Related Highlights in the TMP

- Higher density housing, like apartments and townhomes, can be complementary to transit stops and can help reduce reliance on automobiles for trips in areas that are walkable with a variety of uses in close proximity.
- City has recently endorsed the Boulder County Regional Housing Strategy to expand affordable housing options and the plan highlights that access to a vehicle is not always possible for lower income households , so mobility choices and connections to transit and biking are important.
- Finding more ways to limit vehicle travel by providing convenient and viable multimodal alternatives has also been a priority for the City. Providing better access to non-vehicular options can help those who are not able to drive or do not have access to personal vehicles, and can help reduce traffic congestion and vehicle emissions.
- Reduced household spending on transportation costs can offer lower-income households more financial stability.
- Under Policy 3: Transit-Oriented Development (TOD) Guidelines, the TMP recommends that as new development and redevelopment opportunities arise within proximity to transit, the City should consider implementing TOD principles. TOD principles encourage a mixture of uses in close proximity, including housing.

2015 Preservation Master Plan

Louisville's Preservation Master Plan provides a framework for the City's voluntary Historic Preservation Program and serves as a guide for proactive decision-making over the next 20 years. The Plan recommends actions for integrating preservation practices into the City's policies and regulations. The geographic scope of the document is city-wide, providing

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recommendations for areas beyond Downtown and Old Town. Recommended housing-related Louisville Municipal Code modifications for zoning options to support preservation goals include:

- **Accessory Dwelling Units**. Allows for residential use of historic garages and outbuildings - Potential to maximize development of historic site without significant change to massing, scale, and number of buildings.
- **Live-Work Ordinance**. Re-establishes historic pattern of business owners living adjacent to their business and can provide economic incentive to preserve historic storefronts.

1999 Downtown Framework Plan

The Downtown Framework Plan (DFP) provides a description of the key organizational systems influencing downtown. The DFP includes strategies for implementing the overall goals for downtown. The Plan also discusses policies for circulation, land use, public and private parking, public facilities and public and private sector design. Highlights from the plan related to housing include the following:

- The plan includes a vision for downtown Louisville:
  - *That it will be a vital community center for pedestrian-oriented activity, including specialty retail, professional offices and housing that will occur in a manner that is compatible with the traditional scale and character of the area.*
- Identifies the historic mix of residential and commercial uses downtown and an interest in maintaining and promoting that mix of uses. This area of Louisville is desirable specifically due to that mix and the traditional scale and character of the area.
- Contemplates encouraging housing downtown and near downtown overall to support the vibrancy of the downtown area, which relates to the broader Housing Plan goal of providing more housing across the City.
- The Plan provides a specific recommendation to retain existing housing and consider mixed-use buildings.
  - **Goal**: Maintain downtown as a vibrant, mixed-use activity center.
  - **Policy**: Endeavor to retain existing housing in the downtown commercial area as a component in an overall policy of preserving the existing, historic downtown character.
  - **Task**: Explore on-site residential mixed uses downtown.

2021 Louisville EDI Task Force Report

Louisville's Equity, Diversity and Inclusion (EDI) Task Force was asked to identify areas of concern about EDI issues, prioritize the most crucial ones the City can affect through its policy

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choices and offerings and establish goals, objectives and suggestions for addressing the identified issues. The plan's recommendations relate to five key topic areas:

- Safe and welcoming environment (including language justice)
- Housing
- Public accommodation/access to services
- Youth engagement
- Public health

One of the five focus areas identified in the report was to expand housing access for diverse and low-income communities. The report documents that Louisville has an inaccessible housing market. The socio- economic status of communities of color varies widely in Louisville from the working poor to affluent individuals. Engagement efforts found that many minorities felt that housing in Louisville was inaccessible and unaffordable, jeopardizing their ability to remain members of the vibrant community. It was also reported that there are compounding barriers that deter housing access; including a lack of language access for rental applications, the digital divide and access to capital for home ownership.

The report proposes the following *Actions and Desired Future State:*

- Educate the community and City Council about the history of housing in this country and the systemic barriers that continue to impact affordable housing to help eliminate negative perceptions, biases, and misinformation.
- All rental and home paperwork (housing applications, leasing paperwork, loan paperwork, websites, housing information) should be available in Spanish.
- Increase percentage of affordable homes allocated in new developments and hold developers accountable.
- Consider private funds that could be used for undocumented residents, those that are not US Citizens, " DACA-mented," and mixed status households which are often restricted by government funds.
- Assess housing options or programs for foster kids as they age out of the system.
- Assess hiring practices and increase representation to help families navigate housing system.

2017 Boulder County Regional Housing Strategy

The regional housing strategy, Expanding Access to Diverse Housing for Our Community, created in collaboration with nine jurisdictions in Boulder County, recognizes that many interconnected issues and opportunities are important elements of the discussion around solutions to the shared housing affordability crisis.

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The report includes the goal for 12% housing inventory being permanently affordable (800 homes per year for next 15 years as of drafting). It also identifies the need to provide workforce housing and redevelopment needs due to land scarcity for housing development.

2020 Sustainability Action Plan

The city's Sustainability Action Plan (SAP) provides a framework to guide Louisville's vision to create a more sustainable community as well as provide a roadmap for achieving collective goals. The SAP methods to reach goals of reducing Greenhouse Gas (GHG) emissions focus on incentivizing multimodal transportation. The SAP also contemplates a short-term goal of having City staff understand their role in meeting the City's sustainability goals, which directly relates to the need for planning projects and zoning updates to help achieve lowering carbon emissions and reaching SAP goals. The Housing Study serves as an opportunity for staff to help directly further goals from the SAP (outlined below), as strategies in the Housing Plan could help achieve GHG reduction goals through increasing density, focusing housing near transportation centers and corridors, and so forth. Goals from the SAP include:

- Reduce core municipal greenhouse gas emissions annually below the 2016 baseline through 2025.
- Ensure that all departments understand their role in achieving Louisville's climate action and sustainability goals.
- Survey employees to better understand commuting patterns and available commuting solutions.
- Create new programs to mitigate vehicle miles traveled (VMT) such as parking cash-out programs, car-share opportunities, commute challenges with prizes and increased access to pool vehicles.
- Increase modal choice and decrease the single-occupancy vehicle share of local and regional trips.

2019 Resolution Setting Clean Energy and Carbon Emission Reduction Goals

City Resolution No. 25 from 2019 establishes clean energy and carbon emission reduction goals, including the following:

- Meet all of Louisville' s municipal electric needs with 100% carbon -free sources by 2025
- Reduce core municipal GHG emissions annually below the 2016 baseline through 2025
- Generate 75% of Louisville' s residential and commercial/ industrial electric needs from carbon -free sources by 2030
- Reduce core community GHG emissions annually below the 2016 baseline through 2030

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Denser housing, particularly near existing for future transit opportunities can help the city meet its GHG reduction goals adopted in the resolution.

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City of Louisville

COMMUNITY ENGAGEMENT SUMMARY

Housing Plan

April 2023

COMMUNITY ENGAGEMENT SUMMARY

This summary addresses all public engagement completed throughout the *Housing Plan* through April 2023. In this document are methods, results, and analysis of key themes from respondents about the Housing Plan process.

This Summary consists of the following sections:

- How Did We Reach the Louisville Community?
- Public Participation by the Numbers
- Community Input Summary – Housing Needs Assessment Phase (June 2023)
- Community Input Summary – Housing Plan Draft Review Phase (Sept-Oct 2023)

HOW DID WE REACH THE LOUISVILLE COMMUNITY?

The Housing Plan project team used a multifaceted approach to engage with the community. One on one interviews, open houses, community events, social media posts, fliers, community advocates and a project website invited the community into the process. This allowed the project team to gather initial feedback on what the issues and opportunities related to housing were in the community. At the end of the first stage of engagement, consultants ECONorthwest made a presentation to the Planning Commission on June 22, 2023, about the results of the housing needs assessment and community feedback up until that date. The draft plan was written and presented to the community in the following months.

Housing Plan Community Events

Engagement	Dates (2023)	Details
One-on-one interviews	Jun 5th through June 16th @ Louisville Library	Community members, developers, realtors, non-profit organizations, business owners, interest groups and more were invited to participate to gather preliminary feedback to inform the Housing Plan Draft. They participated in 45 min to 1 hour interviews by video conference or in person.
Drop in Public Interviews	June 7th and June 8th from 4-5:30 PM @ Louisville Library	There were two opportunities for drop in interviews in person at the Louisville library for anyone to attend. These drop in interviews were notified to the public through the City's Facebook and Instagram accounts as well as the Housing Plan webpage (EngageLouisvilleco.org). They were also advertised using physical fliers at local community housing like the Kestrel Affordable Housing Complex.

Engagement	Dates (2023)	Details
Open House	June 21st from 6-8PM @ City Hall, Council Chambers	The Open House on June 21st began with a presentation by the primary consultant, ECONorthwest, on the data related to the housing needs assessment. There was an opportunity to submit questions throughout the presentation, which led to a group Q&A session. The public open house was notified to the public through the City's Facebook and Instagram accounts, on the City's event calendar, as well as the Housing Plan website (EngageLouisvilleco.org). It was also advertised using physical fliers at local community housing like the Kestrel Affordable Housing Complex, Louisville Library and the Louisville Recreation Center. The notification strategy also included local community advocates such as a representative of the Kestrel Affordable Housing Complex, and Citizens Action Council who helped spread the word about the event.
Planning Commission	June 22nd	A presentation to the Planning Commission took place on June 22nd to inform the group about the results of the housing needs assessment data and public outreach to date. This meeting was recorded and publicly available on the EngageLouisvilleco.org website and on the City's Youtube account page.
Newsletter	July 12th	A newsletter was sent out to the list of participants who signed up in person and through the website for project updates, by email.
Newsletter	Sep 18th	A newsletter was sent out to the list of participants who signed up in person and through the website for project updates, by email.
Focus Groups	Sep 18th and 20th	Focus groups were conducted to share the draft housing strategy matrix with specific groups to gather feedback. The following groups were convened for 1.5 hours each: Affordable Housing Providers, Renters and Local Employers
Open House	Oct 4th	The Draft Housing Plan strategies were presented to the community in an open house format to receive feedback.

PUBLIC PARTICIPATION BY THE NUMBERS

Public participation for the Housing Plan is summarized in the following table. Overall the outreach process has reached hundreds of members in the community.

Meeting/Event	Date	Attendance/Responses/Number
One-on-one interviews	June 5th through June 16th	**22**
Drop In Interviews	June 7th and 8th	**8**
Open House Attendees	June 21st and Oct 4th	**~110**
Mailing List	Through Sep 21	**58**
Website Total Visits	Through Sep 21	**705**
Newsletters	June and Sep	**2**
Focus Groups	Sep 18 and Sep 20	**3 small groups** (1.5 hours each)

COMMUNITY INPUT SUMMARY – HOUSING NEEDS ASSESMENT PHASE (JUNE 2023)

One On One and Drop In Interviews

The following is an overview of some of the public engagement responses received during the Housing Needs Assessment phase. The following paragraphs do not represent every comment received in the interviews but are meant to be a high-level overview of the recurring themes expressed by multiple community members on questions posed to them by the project team.

What are the biggest issues related to housing that face the Louisville community?

Interviewees expressed concerns about housing affordability, lack of business growth, and reduced diversity within the community. Many current residents are struggling to afford housing and property taxes, whereas new workers and potential residents can't afford to move to the area. Intermediate housing and housing that allows for changes in life circumstance like rentals, condos, or townhomes are lacking, which prevents some demographic groups from being able to live in the City. In the wake of the Marshall Fire, Louisville's residents have experienced

challenges to either rebuild or buy a new home due to increasing costs. There was significant concern over the ability of the workforce (police, teachers, firefighters etc.) to live in Louisville in the future, as many expressed they are being priced out.

It was noted that Louisville has vacant buildings and a lack of commercial and business growth to support the community around it. Additionally, development opportunities in the area feel limited, and infill should be made more of a priority to reduce sprawl and concentrate public service access while integrating housing into live/work areas.

Have you experienced any challenges in finding housing that fits your needs in Louisville or in the region?

As heard throughout the interviews, there was a demonstrated need for more diversity in housing, as many populations cannot afford or access housing in the area. Populations of young families, the workforce, seniors, and diverse income levels experienced challenges finding housing that was accessible and affordable, as well as finding the quality of housing needed. Many expressed that their aging children could not afford to buy starter homes in Louisville to live close to their families.

However, some interviewees did not feel that finding housing in Louisville to meet their needs was an issue. Established residents were typically the ones who expressed this, as they were homeowners who had been in their homes for many years and were not looking to move.

What housing issues might arise in the future if not addressed now?

In the future, interviewees foresaw problems related to maintaining a complete community, where vital public workers and other members of the workforce could live and work in the same place. Additionally, many comments were concerned about a lack of social and economic diversity within Louisville due to market conditions. School enrollment was a dominant issue, as many expressed concern with reduction in enrollment and the challenges of young families with children being able to live in the City.

Many residents were concerned about sustainable growth or implementing growth management practices to maintain Louisville's existing quality of life. Established residents have enjoyed Louisville's peaceful atmosphere, unimpeded access to nature, and small-town character for many years, and would like to see these aspects preserved for the existing and future community.

Overall, there was a need to balance more attainable housing options with commercial development. Concern was expressed about a lack of development of housing. Most interviewees would like to see additional housing production in Louisville to address the above issues.

What types of change would you like to see in the future related to housing?

The main types of housing that were suggested for future development or redevelopment were primarily affordable housing options that match a range of incomes. There was a desire to see increased density and height in appropriate areas around Louisville, coupled with supporting commercial development that serves the needs of the community and adds to its character. Practices that would fit into the character of Louisville would be: maintaining relatively low

height buildings when increasing density, blending new development into existing development, and keeping streets safe for children.

There was support for regulation and rule changes that allow flexible housing options, such as more allowances for rental properties (STRs and Long-Term), allowing for ADUs, and creating more programming to support households that are housing burdened. Short Term rentals saw some support in the interviews as a way for the community to draw in more tourism and be a wealth building mechanism, while others saw short term rentals as harmful to the community and the long term rental market. Interviewees also would like to see the production of smaller single-family homes in the event that more single family home production was appropriate (1,000-2,000 sq ft) options rather than homes above ~2500 sq ft.

Interviewees also expressed that they would like to see diversity within the community increase in the future, both economically and socially.

What should be preserved as change occurs?

As Louisville grows, interviewees wanted to preserve its character as a family-friendly and small-town feeling community. The community values Louisville's active lifestyle, including recreational opportunities, community programming, and open space and parks. The historic character of buildings in Downtown/Old Town were important to preserve, along with the character they add to the built environment.

Many respondents wanted to preserve the aspects of Louisville that initially drew them to the area, including affordable living, a large multigenerational presence, peaceful communities, and a feeling of connection and support between residents. Throughout Louisville's growth, maintaining a sustainable, diverse, and healthy community was important to residents.

What opportunities and ideas related to housing should the new plan integrate?

Throughout the interviews, many participants reiterated similar ideas focused on adaptive reuse and drafting land use code updates for flexible housing. Creating a diverse housing stock that provides accommodations for the workforce, young and senior populations, and families was a priority to allow residents to continue living in Louisville at multiple stages in their lives. Identifying areas to apply adaptive reuse and creating more housing and business opportunities, such as mixed-use areas, for residents would alleviate some housing burdens.

Staying aware of growth patterns, utilizing reliable growth metrics, and remaining responsive and adaptive to rapid growth was important in the interviews to allow Louisville to grow holistically to meet the needs of its community.

What areas of the City can higher density housing fit into the current character?

Some interviewees expressed concern over development of higher density housing in downtown or historic areas. Some community members favored new buildings with heights up to 4-5 stories, while there were many community members who would prefer to keep building heights at 3 stories in established areas.

Those in favor of higher density housing or transit oriented development expressed the following places as opportunity areas.

- McCaslin Corridor, suburban core
- Near HWY 36, next to movie theater
- Davidson Mesa area offices
- South Boulder Rd.
- Courtesy Road
- Higher density housing along Downtown and Main St, Hwy 42 and DELO
- Red Tail Ridge
- Parcel O
- Downtown
- Cannin, south of the railroad tracks

What are the desired housing types that you would like to see in Louisville in the future?

- Townhomes and condos
- Small single family options (200sq ft and under)
- Single Story/Patio/Ranch style homes
- Mixed-use development
- Transit Oriented Development
- Duplexes, Triplexes
- ADUs
- Smaller lot homes near Downtown
- Allowances for STRs, long term rentals
- Multiplexes
- Single-family homes that are attainable for new families

How do the current occupancy restrictions impact you? What do you think the appropriate occupancy limits should be?

Many participants were unaware of the current restriction that says that only 2 unrelated persons can rent out a home in Louisville. Upon learning of the restriction, interviewees expressed the following sentiments.

- Want justification for the decision
- Believes that the restriction contributes to unaffordability
- There were no interviewees that supported an occupancy limit of 2 unrelated persons.

Do you have any additional thoughts?

- Think about what the objectives of the City are in terms of how the City's housing stock can help accomplish those objectives.
- Short Term Rentals – would like to see data to back up any policy.
- Housing should be talked about with transportation and other Comprehensive Plan topics.
- ADA/accessible housing is difficult to find.
- Programs should be designed for most people to improve their lives, sometimes programs can be unintentionally restrictive toward upward mobility.
- Housing standards should incorporate water wise, low impact landscaping.

- Preserve the 12% regional commitment to affordable housing and exceed it, with additional incentives to support its development.
- Reduce parking minimums.

June 21 Open House Results –

The following comments were made by community members and written onto boards at the Open House. These comments were later recorded verbatim by City staff and the consultant team and summarized below.

Sustainability Comments –

- The number of people who live and work here has stayed steady for decades
- We want more affordable options to stay in the community
- Houses are cheaper rentals than apartment buildings
- Louisville should make green building requirements affordable
- RTD Rail
- Reduce parking minimums
- More bus routes
- Consolidate units into singular buildings
- Introduce tax incentives for landlords to rent at affordable rates for teachers, workers etc.
- Integrate a mixture of affordable housing throughout the City
- Build more multifamily near transit oriented development, not separated land use
- Encourage more mixed use
- Encourage walkability and bikeability through density and mixed use
- Let people open small businesses in their homes
- I live here because the traffic is low – how do we preserve this?
- I avoid boulder due to traffic
- Build net zero
- More mixed use so people don't always have to drive
- Commute times in and out of Louisville are carbon intensive
- City subsidized housing for teachers. They do this in Salida
- More density
- Incentivize/require passive house standards for multifamily and single home builds
- Housing should be built for the future, not 1970s approaches
    - Green houses
    - Minimal energy required materials
    - Maximum use of solar
    - Landscaping for minimal water use
    - Use of grey water
- Help mobile home park residents stay here
- More use by right
- Electrification 100%

    - Defining passive
    - Use other communities as examples
- Add housing to tech center
- Circular busses with multifamily
- Incentives for passive energy
- Concern that the net zero requirements for homes and businesses will not achieve the sustainability goals or allow for affordable housing
- Housing should be near transit at the McCaslin corridor
- Consider the environmental impacts of people having to move when they get displaced from Louisville
- Consider costs of moving, waste from moving etc when thinking about how displacement impacts the community and environment.

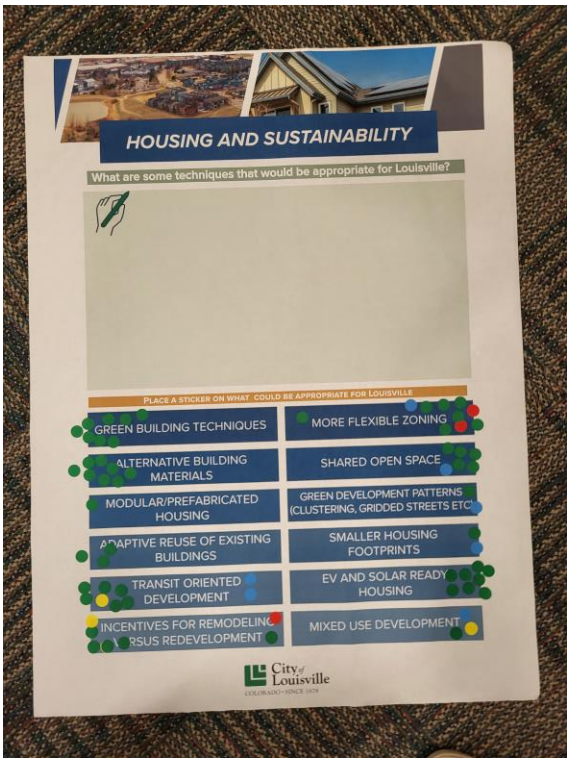


Image of Community Feedback at June 2023 Housing Plan Open House

Affordable Housing Comments –

- Use prop 123 funds to purchase land to add more small housing density
- Additional incentives for multifamily housing near transit
- Preserve some corridor views
- Legalize housing types
- Homes that single middle income earners can afford (townhouses, patio homes etc)
- Permanent affordable housing is an absolute requirement
- Don't clump transferred rights in the same areas to make even high density

- City purchase multifamily units when they sell
- Redevelop commercial vacant property to mixed use
- Add mixed use, reduce units
- Require new development to supply affordable housing
- Eliminate regulations on unrelated people in a unit
- Programs similar to H20 in boulder
- I don't want to see cost of the incentives become offloaded on existing residents
- Quality over quantity, we need to make novelty people will be congregated in not a big box by the highway
- Integration is key, not "other side of tracks" building

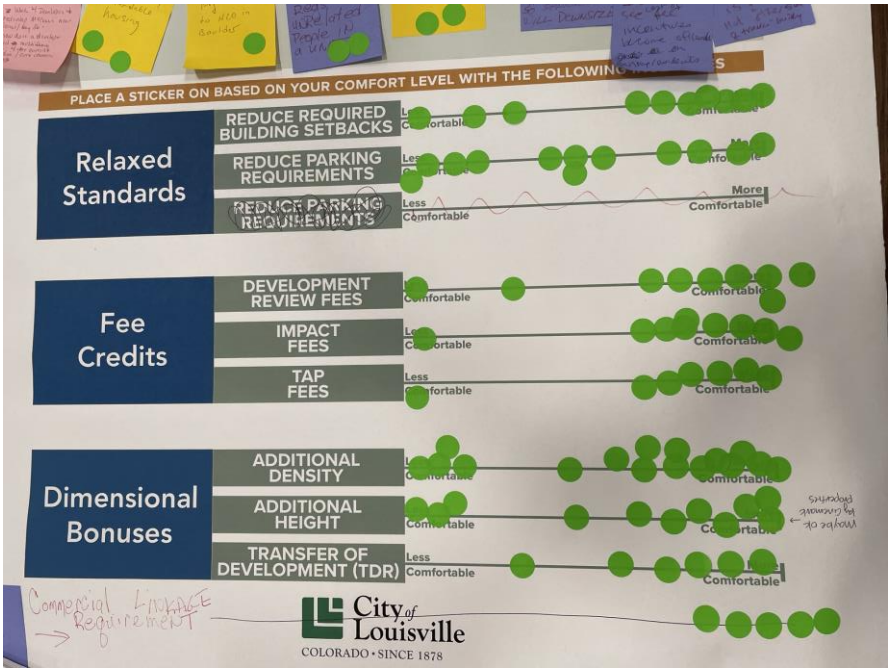


Image of Community Feedback at June 2023 Housing Plan Open House

Visual impact of housing and housing types comments –

- Most of multifamily housing mixed use townhouse apartments should be allowed in a redeveloped McCaslin by the transit corridor
- I don't think ADUs are appropriate in the communities that are developed
- Most of the streets are too narrow to allow for extra parking especially when entry level families have cars for every kid
- What will the size of ADUs be? Revisit the code in Louisville
- How can developers build homes to the net zero code and still make them affordable
    - The people I know who want to move here can not afford to move here
    - Transit/McCaslin should be redeveloped for housing and mixed use
    - Lowes? That whole area is suburban blight

Images of Community Feedback at June 2023 Housing Plan Open House

Fiscal responsibility of housing comments –

- Allow sensible use of special districts
- Prop 123 is important
- Prop 123 money needs to be applied for
- Condo (CDC) is really hard
- New energy code impacts affordability
- We don't really know what the optics are as a non/developer etc but walkability and
- Fire mitigation needs to be talked about
- McCaslin blight needs to be redeveloped for housing near transit
- Net zero is ridiculous
- Development that follows values
- Zoning that supports desired location for housing
- More flexible with development to encourage preservation and create more housing
- Storage/Lowes block – why not housing?
- RTD site zoned for office. Need to think about if office parks will actually happen
- Retail follows rooftops, we need more housing
- Row homes are really difficult and might be something that is helpful
- Comprehensive plan was good but zoning did not implement the vision
- Transit corridors and McCaslin
- Four stories are okay in certain locations
- Regional housing market
- How does Louisville actually compare to Erie?
- More mixed use, ADU, 4plex etc
- ADU requirements?

- Don’t want to become boulder
- Boulder creek homes model, smallest wee cottages in Louisville
- May need zoning change
- Allow high energy bonds, eliminate mill levy to 5g
- Reduce parking requirements near transit
- Shared parking in other large developments
- Need a mix of everything
- Superior downtown small lot development
- Avoid excessive offsite extractions being put on district
- Don’t take forever for approval
- Affordable housing incentives for adus
- Live work in industrial zones
- Horizontal mixed use works as well as vertical mixed use
- Do not offload costs of new housing onto existing residents and overcrowd our library, rec center, open space etc.
- Manufactured home preservation
- 12% affordable goals from 2018. We are way behind
- ADU motives for affordable housing
- Fee waivers
- Fee financing
- TIF/option not required
- Red tail ridge – how do you have unique opportunities for housing
- McCaslin is good for development
- Excessive use of HOAs (especially for ownership of long term infrastructure) is a hidden cost that impacts affordability
- Fee simple development and smaller lot sizes
- Need to update development standards
- Land trust shared equity models
- Allow more middle housing for internal conversion
- ADUs are a part of this
- Higher density at Regal cinema/TOD site
- RTD parking owned by Regal Cinema
- Clear and objective standards
- Parcel O, Sams and Safeway covenant is problematic – it is a URA also
- Supplement a design advice request process so a developer knows what they can do
- We need to plan with our infrastructure in mind

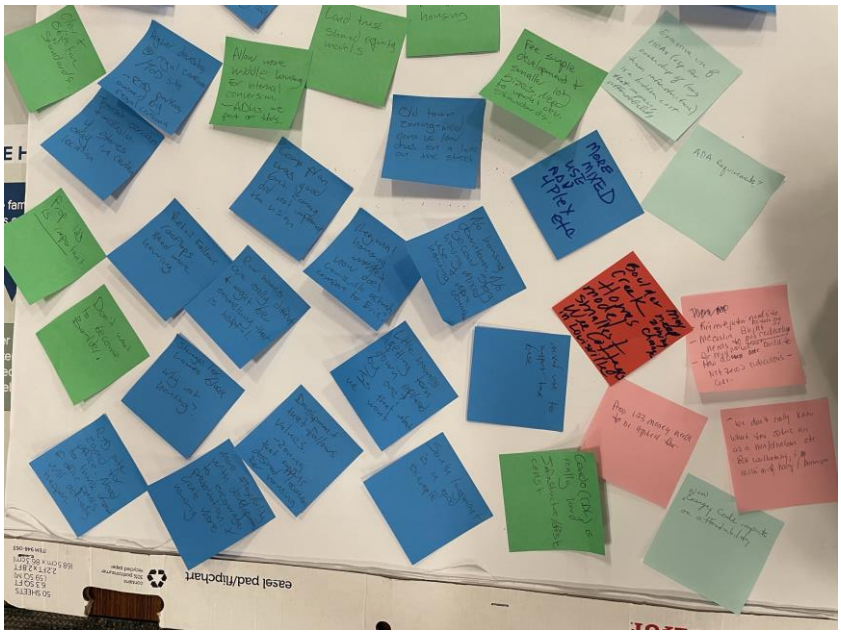


Image of Community Feedback at June 2023 Housing Plan Open House

COMMUNITY INPUT SUMMARY - DRAFT HOUSING PLAN PHASE (SEPT-OCT 2023)

The following phase of engagement was focused on gaining community feedback for a strategy matrix made up of 6 strategies and approximately 30 actions.

- **Focus Groups (conducted on September 18th and 20th):** The following small groups met to share their thoughts on the preliminary housing strategies drafted for the Plan.
    1. Affordable Housing Providers
    2. Local Employers
    3. Renters
- **Open House (conducted on October 4):** A second Open House present to the community the Draft Housing Plan and housing strategies.

Focus Group feedback (Sept 2023)

Affordable Housing Providers

- Add strategy that addresses HOA concerns that make housing unaffordable. HOAs have become too expensive and are continuing to rise while preventing a mixture of housing types and income levels in neighborhoods
- Set priority for MFI ranges that are most in need of assistance in the City for affordable housing
- Establish a homeownership program and hire someone at the City to oversee it
- Add strategy that helps affordable housing providers convert apartments to condos for homeownership options

- Worried about the 7 year rule that allows residents to sue the developer
- Add a strategy or action that connects locals with information and funding
- More avenues for partnerships
- Connect people with funding opportunities
- Create resources that are easily accessible to the community
- Add a strategy that focuses on enforcement.
- Enforce STRs in affordable units so that they are not taken advantage of.
- Hire a dedicated housing staff person on the City's side to support prop 123 efforts and partnership efforts
- Need for dedicated maintenance funding for affordable housing. City could connect people with resources for maintenance funding
- Create detailed records after disasters so that people have access to funding (mobile home parks were not documented thoroughly and insurance wouldn't help the community because they couldn't prove damage origin)
- Keep detailed records and clear tracking systems of deeds so that affordable housing doesn't slip through the cracks and get sold at market prices later
- Include the social costs in market analysis
- Add modular housing to permitting allowances and use table
- Include ADA standards in more housing so people don't have to move if mobility becomes an issue. Include ADA standards in landscaping and surrounding areas as well
- Focus Strategies on streamlining the processes of affordable housing development and open communication channels between the City and housing groups.
- Ensure that the incentives for developers make processes substantially faster and easier so that they are true incentives.
- Allow modular in multifamily zones
- More support for ADUs that can be ownership units rather than rentals
- Give preference for affordable housing units to people who live and work in the same City

Renters

- Add a strategy for design guidelines for new projects so that affordable units fit in and are not discriminated against
- Make sure that the surrounding infrastructure around new housing developments also fits people's needs
- Area around kestrel doesn't have proper crosswalks so it is hard to cross streets
- Make sure that if flexibility is given to developers, that they are given for affordable housing units, not just any development. Developers shouldn't get to "take without giving back to the community what it really needs"
- Disincentivize large expensive home building
- Add strategy that addresses how harmful HOA fees are on the community and finding affordable housing
- Add transitional housing opportunities for people to get on their feet

- Establish more programs for low income people, like financial assistance
- Connect low income folks with existing programs that can provide food, rental and financial assistance in the community
- Create incentives for not just developers to build affordably but individual homeowners as well.
- Don't want people to get resentful that they followed all the rules, while developers get tax breaks and fee reductions
- Make sure that if rents are going up, that the buildings are making the improvements they say they are going to make
- Incentivize tiny homes or ADUs that can be a path to homeownership rather than manufactured homes that can leave people vulnerable to displacement
- Need more homeownership programs that open up the ability for rent to own situations
- The City should address the discrimination against renters and tenants of affordable housing. Help provide support to renters and affordable housing tenants so that the community doesn't make assumptions about them, accepts them and embraces them.
- Kestral housing residents don't feel like they have a voice

Local Employers

- Add design standards so that multifamily housing is attractive with community oriented spaces
- Add strategy/action incorporating EV charging in new housing projects and around town
- Add strategy enforcing STRs because they are hurting the long term rental market
- Modular housing should adhere to quality and design standards to fit with existing character
- Add a strategy/action that relates to the timing of construction to help local businesses
- Construction around businesses hurts them severely. If new housing projects goes in there should be a construction plan to minimize the impact on business access and atmosphere
- If projects are utilizing tax funding, there should be greater transparency with where that money is going and progress updates with the public. Ex. Light rail line funded but not delivered.
- If smaller houses are created, they will be more successful if they are next to a thriving downtown/commercial area
- Expand adaptive reuse to projects outside of downtown
- Include lighting requirements in new housing projects for safety

General Comments from Focus Groups

- McCaslin area would be good for up to 5 stories
- Employees are not difficult to find if you pay them well
- Many employees commute from Denver, Boulder or surrounding areas
- There are no scaled down options for people in Louisville

- The City needs to create both housing and jobs, place housing near existing businesses that may need assistance
- Plan ahead for infrastructure so that consistent road construction doesn't impact businesses
- Prioritize housing near transit or future transit lines
- Require traffic studies before construction and adapt infrastructure accordingly

October 3 Community Open House Strategies Feedback

The following comments were made by community members and written onto boards at the October 3 Open House. These comments were later recorded by staff and the consultant team and summarized below.

Strategy 1 – IDENTIFY OPPORTUNITIES FOR RESIDENTIAL DEVELOPMENT

- 1.1 Establish criteria and identify areas to rezone to support additional residential development - 4 support stickers
- 1.2 Develop standards to encourage and ensure a range of housing types are provided on large greenfield sites - 5 support stickers
  - Comment: We don't need more single family. If we rezone it should be for multifamily and serious consideration should be given to transportation proximity as the only way density should increase. This can lead to reduced GHGs.
  - Comment: There are little to no options for middle class families and children leaving the nest.
- 1.3 Establish cost-sharing opportunities for infrastructure on sites where affordable housing is provided, particularly on large sites that are rezoned for housing - 3 support stickers
  - Comment: This makes sense for grant programs for greater than 120% AMI restricted. Development needs to support public benefits (eg. Safe routes to school, parks etc)
- 1.4 Conduct a market analysis during major planning processes to ensure that proposed future land uses are economically viable – 4 support stickers and 1 caution sticker
  - Comment: This should be a part of the comprehensive plan
  - Comment: This seems like implementation not policy

General Comments about Strategy 1

- We need more mixed use

Strategy 2 - ADOPT CODE ALLOWANCES FOR MORE DIVERSE HOUSING DEVELOPMENT

- 2.1 Conduct a robust code audit to properly evaluate the effectiveness of development regulations and identify existing barriers to housing development – 5 support stickers
- 2.2 Adopt code amendments to reduce barriers to residential development with sensitivity to existing overlays and districts (e.g., historic overlay) – 5 support stickers
- 2.3 Offer a height bonus for projects that pay a higher fee in lieu than currently required under the City's existing inclusionary housing program – 3 support stickers

- 2.4 Explore permitting allowances for cottage housing and detached/attached ADU development, and internal conversions – 7 support stickers
    - Comment: Strategy does not necessarily follow what was heard.
- 2.5 Consider expanding allowances for low-density middle housing into single-family zones – 9 support stickers
- 2.6 Incentivize accessibility and visit ability standards and first floor accessible housing options for seniors – 8 support stickers

General Comments about Strategy 2

- Stop Tearing Down the small cottages downtown
- Please consider the prior old town zoning project. Should provide higher density ADUs, preservation

Strategy 3 – FACILITATE DEVELOPMENT AND PRESERVATION OF INCOME-RESTRICTED HOUSING THROUGH PROP 123

- 3.1 Adopt regulations and programs to better support income-restricted* housing development, particularly in TOD** areas – 2 support stickers
    Comment: Our climate goals need this.
- 3.2 Consider establishing a commercial linkage fee to provide financial support for income-restricted affordable housing projects - 3 support sticker, one caution sticker
- 3.3 Monitoring income-restricted units for expiring subsidies and explore intervention options to maintain affordability - 2 support stickers
- 3.4 Establish a land banking program to support new income-restricted affordable housing projects - 3 support stickers
- 3.5 Adopt the low-income housing property tax exemption to financially support new projects - 3 support stickers
- 3.6 Adopt development fee reductions and/ or exemptions for income-restricted projects - 3 support stickers

Strategy 4 – EVALUATE LAND USE PROCEDURES AND STREAMLINE PROCESSES/STANDARDS

- 4.1 Establish clear and objective development standards - 4 support stickers
    - Comment: My understanding is that the problem with creating true affordable housing developments is lack of money not our process. We could use more income restricted housing.
- 4.2 Establish thresholds for development types that meet objective criteria to be reviewed and permitted administratively - 5 support stickers
- 4.3 - Allow more housing types to be permitted "by-right" to reduce the need for variances or conditional uses processes - 6 support stickers

General Comments about Strategy 4:

- Concerns about parking with additional density.

- There are support for internal conversions with owner occupants for ADUs.
- Keep current setbacks to retain community character.
- Don't want income generating ADUs
- There should be mixed use above the commercial.
- There should be strict regulations on where ADUs can be.
- There should be attached ADUs

Strategy 5 - SUPPORT MORE FLEXIBLE INFILL DEVELOPMENT

- 5.1 Define standards in the downtown for the ground floor requirements and allow commercial or residential above, without a special review process - 4 support stickers
    - Comment: Adus need to include affordable options, not just market rate.
- 5.2 Increase height allowances to 3 stories throughout Downtown for projects that include income-restricted affordable housing units - 4 support stickers
    - Comment: Why not 5 stories?
    - Yes if more than the existing 12% required affordable units.
- 5.3 Allow ADUs* both attached and detached on all single-family lots, City-wide - 8 support stickers, 2 caution stickers
    - Comment: Would neighborhoods have a say in whether ADUs are the best choice for their area?
- 5.4 Expand allowances for more stand-alone residential development in commercial areas - 5 support stickers
- 5.5 Lower the minimum lot size to accommodate more subdivision opportunities on large lots – 6 support stickers
- 5.6 Offer incentives for adaptive reuse projects downtown - 4 support stickers
    - Comment: can the square footage increase of a tear down replacement (code change for infill)

General Comments about Strategy 5:

- All of 5.1-5.6 sound like good ideas. 3 stories downtown should be done with caution.
- Create incentives for income restricted ADUs or ADUs for elderly, disabled or caregivers. Extreme caution that ADUs get built just to make bigger houses with more square footage with guest suites that drive up prices.
- Would it be realistic to consider vacant commercial properties near mccaslin corridor as potential residential or mixed use development?
- There are areas of town that are too small for ADUs
- How do you limit the gentrification of Old Town as small houses are razed and replaced by larger mansions. The average prices rise.

Strategy 6 – SUPPORT THE PRESERVATION OF NATURALLY OCCURRING AFFORDABLE HOUSING

- 6.1 Remove or raise occupancy restrictions - 3 support stickers
- 6.2 Explore programmatic and zoning approaches to preserving manufactured home parks - 2 support stickers

    - Comment: Have right of first refusal for the city to purchase more mobile home land. Allow subdivision and assist mobile home owners to buy their own land.
- 6.3 Establish partnerships with non-profit housing providers, affordable housing providers, and/or religious organizations to support intervention efforts - 1 support sticker
    - Comment: Assume of course this will happen. Pass 1B for funding.
- 6.4 Create a legacy homeownership program- 1 support sticker
    - Comment: Cant hurt but limited effectiveness (1 support sticker)

General Comments about Strategy 6

- Look at the ponderosa model in boulder with regard to building mobile home parks
- Help improve mobile home parks with money.

Housing Plan

City of Louisville

November 2023

Development Feasibility Analysis

Prepared for: City of Louisville

ECONorthwest

ECONOMICS · FINANCE · PLANNING

Development Feasibility Analysis

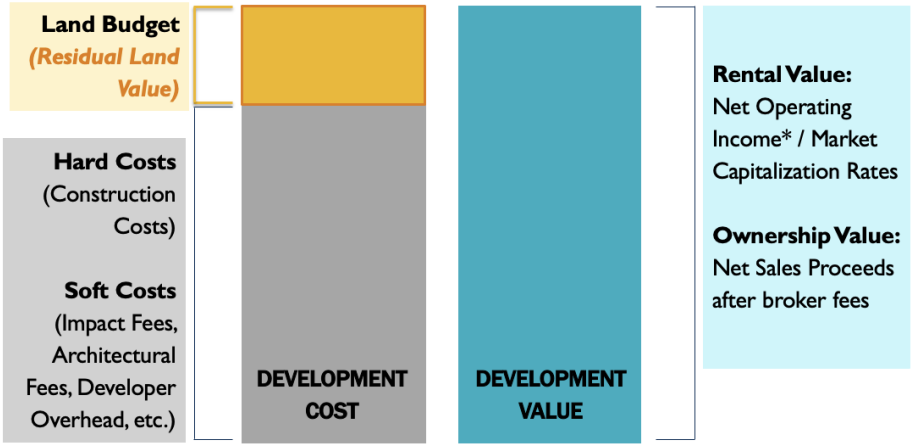
ECONorthwest conducted a development feasibility analysis to:

- Evaluate the feasibility of middle housing types in the City.
- Evaluate the effect of allowing up to four stories for multifamily development in certain areas.

Methods

To model development feasibility, we employed a pro forma model and used a residual land value (RLV) metric, which measures the land budget a developer would be left with after accounting for potential development costs and revenues.

Exhibit 1: Example of Feasible Development using Residual Land Value (RLV) Model
Source: ECONorthwest.



If the RLV is equal to or above land prices in the potential development area, the development is considered feasible at market rate. If the RLV is zero dollars, the development could be feasible if the land were donated for free. However, if the RLV is less than zero, the development is likely infeasible unless a developer receives additional subsidies or incentives. Please note that results from this method describe a general analysis of prototypes and do not consider the many potential unique conditions that could be a factor in development feasibility (e.g., increased predevelopment costs, low land basis from longtime land ownership, etc.). For these reasons, a residual land value analyses should be thought of as a strong indicator of the relative likelihood of development, rather than an absolute measure of return to the investor or developer.

Prototypes

ECONorthwest evaluated the following prototypes:

Exhibit 2: Building Summary Table
Source: ECONorthwest

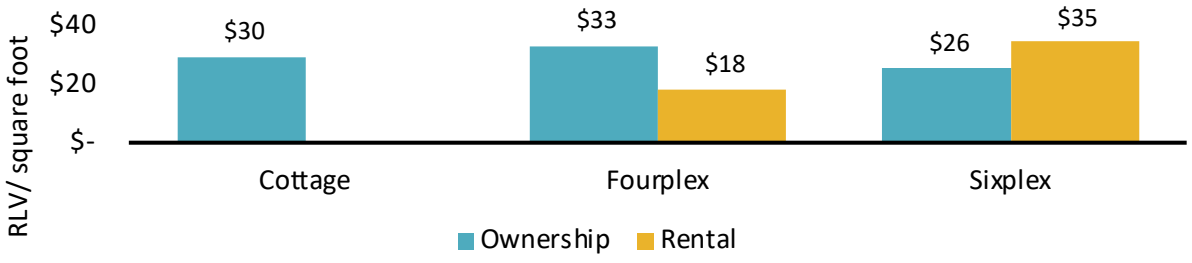
	Cottage	Cottage	Fourplex	Sixplex	3 Story	4 Story	4 Story
Tenure	Ownership	Ownership	Ownership/ Rental	Ownership/ Rental	Rental	Rental	Rental
Recent Development Example	Rogers Farm	Rogers Farm			Delo Apartments	Delo Apartments	Delo Apartments
Total floors	2	2	2	3	3	4	4
Units	6	12	4	6	120	160	160
Lot Size	19,240	38,480	7,059	8,263	107,639	129,028	107,639
Parking	Garage	Garage	Garage	Surface	Surface	Surface	Surface
Parking ratio	2.0	2.0	2.0	2.0	1.4	1.4	1.0
Average unit size	1,000	1,000	1,400	1,200	783	783	783
Unit mix	2 bedrooms	2 bedrooms	2 bedrooms	2 bedrooms	25% studio, 50% 1-bed, 15% 2-bed, 10% 3-bed	25% studio, 50% 1-bed, 15% 2-bed, 10% 3-bed	25% studio, 50% 1-bed, 15% 2-bed, 10% 3-bed
Landscape area	11,440	22,880	1,059	1,239	10,764	12,903	10,764
Impervious coverage	41%	41%	85%	85%	90%	90%	90%
Dwelling Units per Acre	14	14	25	32	49	54	65
Floor Area Ratio	0.31	0.31	0.79	1.03	1.09	1.21	1.45
Sale price:	$700,000	$700,000	$750,000	$650,000	$475,000	$475,000	$450,000
Price per sf	$700.00	$700.00	$535.71	$541.67	$607.03	$607.03	$575.08
Average rent	$0	$0	$3,400	$3,200	$2,100	$2,100	$2,100
Rent per sf	$0	$0	$2.43	$2.67	$2.68	$2.68	$2.68

Results

Middle housing types are likely feasible in Louisville.

All modeled middle housing types produced a positive RLV. Fourplexes (modeled as side-by-side units) are more likely to be for-sale products, while sixplexes (modeled as stacked units) are more likely to be rental products.

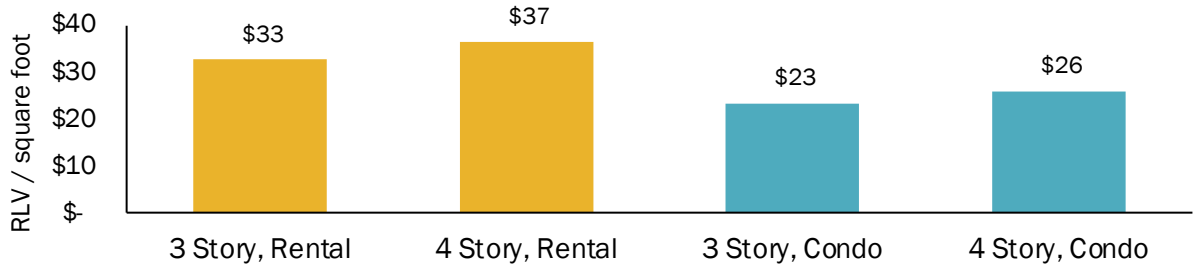
Exhibit 3: Feasibility Results for Middle Housing Types, Louisville, 2023
Source: ECONorthwest



There is value in allowing up to four stories for multifamily development.

For both rental and condominium products, increasing the prototype from three stories to four while holding other building aspects (such as parking ratios) constant resulted in a small increase to residual land value per square foot ($4 for apartments and $3 for condominiums).

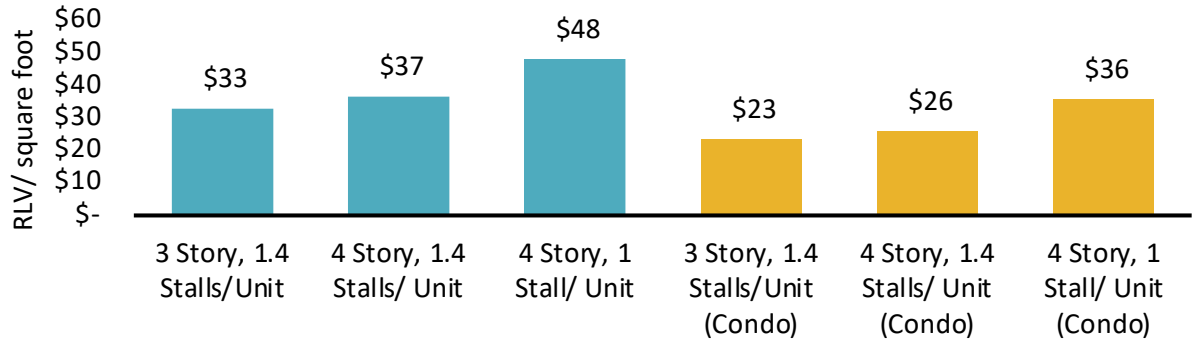
Exhibit 4: Feasibility Results for Three- and Four-Story Multifamily Prototypes, Louisville, 2023
Source: ECONorthwest



Reducing parking requirements increases development feasibility more than adding building height.

We also modeled the four-story multifamily prototype with a reduction in parking from 1.4 stalls per unit to roughly one stall per unit of surface parking. While increasing the prototype from three stories to four stories without a reduction in parking increased the RLV per square foot by $4 for apartments and $3 for condominiums, reducing the parking ratio increased the RLV per square foot by an additional $11 and $10, respectively.

Exhibit 5: Feasibility Results for Three- and Four-Story Multifamily Prototypes with Parking Reduction, Louisville, 2023
Source: ECONorthwest



Increased feasibility for multifamily units could provide an opportunity to increase affordable housing fee-in-lieu option as part of an incentive.

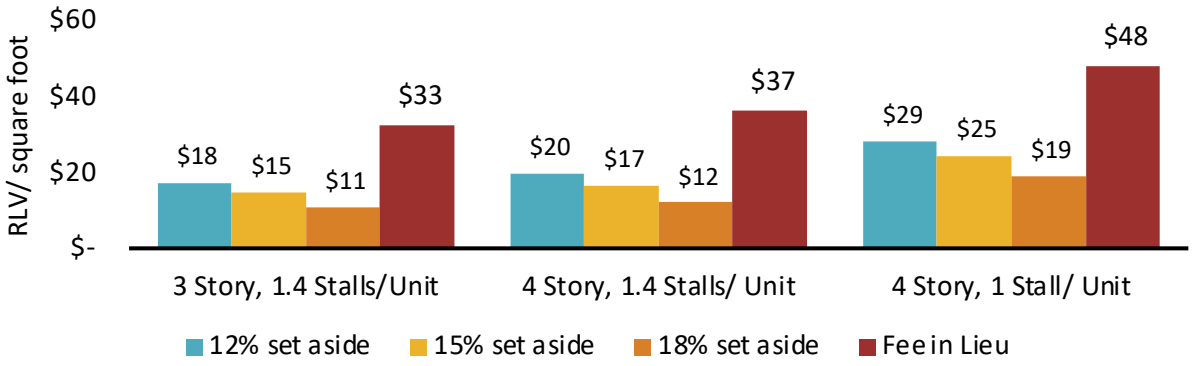
We explored ways that both a developer and the City could benefit from an increase in development value created by zoning changes. To test flexibility around affordable housing fees, we held the residual land value constant to the value of the three-story building and modified the affordable housing fee-in-lieu rate. However, to maintain the development incentive, it is very important to not pick the maximum possible fee. To this end, we propose fee ranges that would still give 30% to 50% of the increased development bonus to the developer. These ranges are shown below.

Exhibit 6: Proposed Fee-in-Lieu Fee Ranges for Development Bonus
Source: ECONorthwest

Building Form	Apartment Fee Range	Condominium Fee Range
3 Stories, 1.4 stalls/ unit (current fee)	$4.72 per sf	
4 Stories, 1.4 stalls/ unit	$6.24-$6.84 per sf	$10.18-$10.56 per sf
4 Stories, 1 stall/ unit	$10.04-$12.17 per sf	$12.90-$14.36 per sf

In addition, we tested three different set-asides for affordable housing: 12% (current requirement), 15%, and 18% of units, maintaining current target affordability depth requirements. Results are shown below.

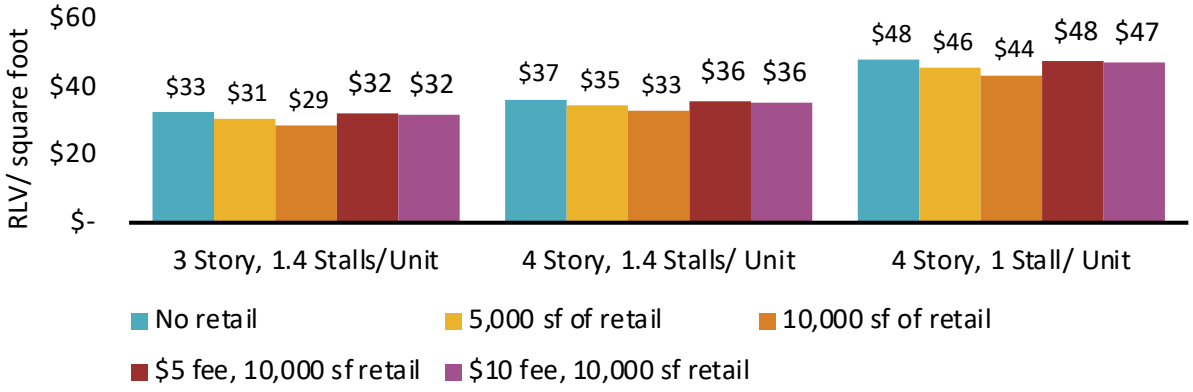
Exhibit 7: Feasibility Results for Affordable Housing Sensitivity Testing
Source: ECONorthwest



Including commercial space in a mixed-use building has a small negative impact to development feasibility.

We also explored the impact of either including commercial retail onsite or paying a fee in lieu of onsite commercial space. First, we tested the impact of including 5,000 and 10,000 square feet of retail onsite, which had a negative impact on the RLV of $2 and $4 per square foot, respectively. Next, we tested an in-lieu fee of both $5 and $10 per square foot for 10,000 square feet of retail space, which had a very small negative impact of less than $1 per square foot.

Exhibit 8: Feasibility Results for On-Site and Fee-In-Lieu Commercial Retail
Source: ECONorthwest



Housing Plan
City Council

May 7, 2024

Purpose

- Share draft of Louisville's first Housing Plan
- Consideration of City Council adoption

Presentation Topics

- Project overview and recent City efforts to address affordability
- Housing Plan "orientation"
- Housing Plan content highlights:
  - Goals, strategies, actions
  - Integration with Comprehensive Plan

City of Louisville

Project Overview

- City awarded grant from state (2021)
- EcoNW consultants
- Select Milestones:
  - Planning Commission (June, October, November 2023)
  - City Council (September 2023)
  - Public Open Houses (June, October 2023)
  - Focus Group Meetings (Sept 2023)

COLORADO
Department of Local Affairs

ECOnorthwest

City of Louisville

City Recent Steps to Address Housing Affordability

- 12% Commitment with Boulder County Partnership by 2035 (2017)
- Inclusionary Housing Ordinance (2021)
- Proposition 123 Funding Eligibility (2023)
- Boulder County IGA to Share Resources (2024)

City of Louisville

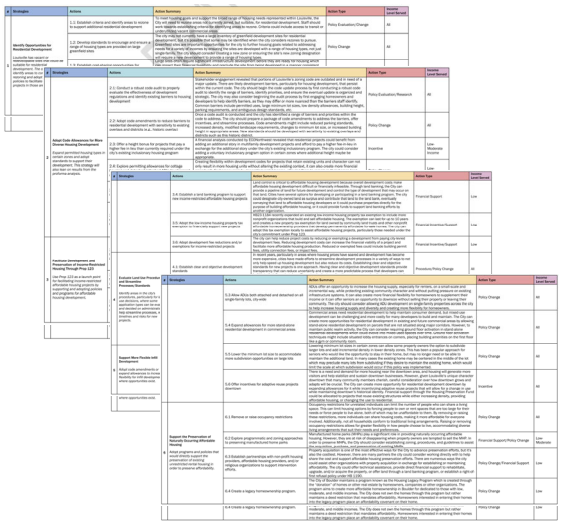
Need for the Housing Plan

- City lacks comprehensive strategy, recent needs assessment, and policy articulation related to housing affordability
- Important foundation for future funding opportunities, land use decisions, comprehensive plan, etc.
- Aligns with and promotes other City goals related to sustainability, equity, transportation, historic preservation, etc.

City of Louisville

City Council Recent Input (Sept 2023)

- Reviewed first draft of 6 potential strategies, 29 actions
- Support for action items but need to consolidate and better organize/prioritize
- Support for allowing more residential and different housing types in appropriate locations that balances with other community values



City of Louisville

Housing Plan Document Orientation

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DRAFT

City of Louisville

Housing Plan Document Orientation

Housing Plan Goals, Strategies & Actions

This Housing Plan creates a roadmap for developing programs and policies over the next 5+ years that aim to better support existing and future Louisville residents. This Plan is guided by three core goals for strategy development and progress tracking. Further, these clear and measurable goals serve as a guidepost for evaluating outcomes over time.

Goal 1: Increase Residential Development in Louisville

Goal 2: Expand Access to Affordable Housing

Goal 3: Diversify Louisville's Housing Stock

The goals help to frame the 3 key strategies that include specific actions for the City to take in the near and long term as it aims to increase access and opportunity for residents in Louisville.

STRATEGY 1

Targeted Policy and Zoning Code Changes to Reduce Barriers for Residential Development

Targeted actions to help provide relief while the City works on broader policy updates during the comprehensive plan process, or soon after.

STRATEGY 2

Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing

A toolbox for easing financial burdens or generating revenue to provide more direct financial support for new income-restricted residential projects.

STRATEGY 3

Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types

Comprehensive actions to modernize the City's approach to zoning and land use policy related to residential development.

Louisville Housing Plan
Planning Commission Review Draft 4/11/24
Executive Summary 4

Summary Matrix of Housing Strategies and Actions

STRATEGIES	ACTIONS	HOUSING GOALS	SUMMARY	ACTION TYPE	HOUSING PRODUCTION	LEVEL OF EFFORT	COST	TIMELINE
1. Targeted Policy and Zoning Code Amendments to Reduce Barriers for Residential Development	1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development		Rezone areas not currently zoned, but suitable, for residential development and conduct a market analysis to inform major land use changes to ensure they're economically viable.	Policy Change		Medium	$	Near Term
	1.2: Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required		Add a voluntary inclusionary program option in certain zones where additional height may be appropriate.	Incentive/Policy Change		Low-Medium	$	Near Term
	1.3: Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects		Reduce development costs by reducing development fees to help increase the financial viability of a project and facilitate more affordable housing production.	Incentive		Medium	$ $ $	Near Term
	1.4: Evaluate Allowing ADUs Both Attached and Detached On Single-Family Lots		Evaluate allowing ADU development on single-family properties across the city to help increase housing supply and diversity and create more flexibility for homeowners.	Policy Change		Medium	$	Near Term
2. Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing	2.1: Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided		Develop cost-sharing opportunities for infrastructure development to ease the financial impact on new projects, particularly those that provide affordable housing or meet other established housing goals.	Policy Change/Financial Support/Partnerships		High	$ $ $	Long Term
	2.2: Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally		Adopt the low-income housing property tax exemption locally to assist income-restricted affordable housing projects, particularly those needed under the city's commitment under Prop 123.	Incentive		Low-Medium	$ $	Long Term
	2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects		Adopt a commercial linkage fee to provide direct financial support to gap finance new income-restricted housing projects or provide funding to maintain affordability in existing developments.	Policy Change/Financial Support		Medium	$ $	Long Term
	2.4 Consider Offering a Fee Option for Mandatory Onsite Commercial Requirements with Mixed Use Residential		Create a program that offers a fee option for on-site commercial requirements with residential development to increase feasibility and reduce barriers for new residential projects. Collected fees can help support income-restricted housing projects or other housing assistance programs the city may offer.	Policy Change/Financial Support		Medium	$	Mid Term
	2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing		Explore program options for preserving manufactured home parks, establishing legacy homeownership, and monitoring expiring subsidies for existing income-restricted housing stock.	Policy Change/Financial Support	N/A (focused on preservation of existing units)	High	$ $	Mid Term
	2.6 Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing		Acquire property, offer technical assistance, or provide other direct financial support to housing partners working on the preservation and development of income-restricted housing.	Partnerships		Medium-High	$ $ $ (depending on method chosen)	Near Term
3. Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types	3.1 Create More Predictability for Residential Development Related to City Processes and Regulations		Adopt zoning code amendments that are clear and objective, and allow appropriate residential projects to be allowed "by-right" and reviewed administratively.	Policy Change		High	$ $	Mid Term
	3.2 Expand Allowances for More Housing Types		Allow stand-alone residential development in commercial areas, middle housing in low-density and single-family zones, and remove or raise occupancy restrictions.	Policy Change		Medium	$ $	Mid Term
	3.3 Modernize Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development		Conduct an audit of existing zoning code to evaluate effectiveness of existing regulations and identify barriers to housing development; adopt standards and incentives that allow for and encourage increased height and residential development above commercial downtown; lower minimum lot sizes, require and incentivize a range of housing types on greenfield sites; adopt incentives programs for accessible and visitable housing units for seniors and for income-restricted housing in TOD areas.	Policy Change		Medium-High	$ $	Mid Term

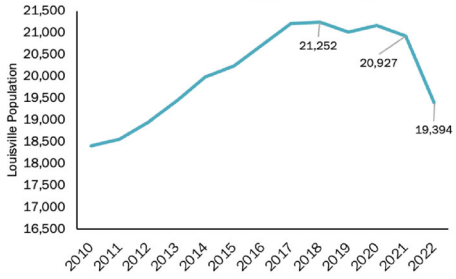
Louisville Housing Plan
Planning Commission Draft 4/11/24
Part 4: Housing Strategies and Actions 29

City of Louisville

Housing Issues Identified in Plan

- Median home price $896,000
- Only 26% of Louisville households could afford this despite having among highest incomes in Boulder County
- 24% of Louisville households cost burdened
- Louisville household incomes and prices rising among fastest in Boulder County
- Population and school enrollment recently plateaued

Exhibit 1: Louisville Population Growth, 2011-2022
Source: DOLA



City of Louisville

Housing Issues Identified in Plan

If your household earns...				
$43,230 <30% AMI	$72,050 50% AMI	$115,280 80% AMI	$144,100 100% AMI	$172,920 120% AMI
Then you can afford...				
$1,100 MONTHLY RENT	$984 MONTHLY RENT	$1,574 MONTHLY RENT	$1,855 MONTHLY RENT	$2,226 MONTHLY RENT
OR	OR	OR	OR	OR
$130k–$151k HOME SALES PRICE	$216k–$252k HOME SALES PRICE	$346k–$403k HOME SALES PRICE	$432k–$504k HOME SALES PRICE	$519k–$605k HOME SALES PRICE
And you might work as a...				
Medical Assistant $44,870	Middle School Teacher $72,120	Mechanical Engineer $113,610	Aerospace Engineer $138,770	Software Developer $169,750
Cashier $33,900	Firefighter $65,110	Nurse Practitioner $122,320	Pharmacist $140,860	Dentist $161,060

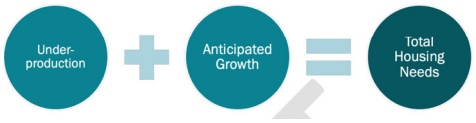
City of Louisville

Future Population Assumptions

- No future housing unit targets in Housing Plan
- Assumptions based objectively on Louisville maintaining its current share of housing units in Boulder County for next 20+ years
- Analysis showed a future need for 2,483 additional housing units in Louisville by 2047
- Goals, strategies, and actions hold true regardless of # of future housing unit assumptions

Exhibit 23. Illustration of Housing Needs Calculation

Sources: ECONorthwest.



City of Louisville

Housing Needs Identified in Plan

More…

- Diverse housing stock
- Senior housing options
- Rental/ownership opportunities for younger residents and families
- Income restricted units
- Housing that supports the local workforce

City of Louisville

Community Input Themes

- Reinforced need to address this issue
- Support for a broader range of housing types to support workforce housing, equity, environmental sustainability, etc.
- Support for allowing more residential in appropriate locations where currently prohibited

City of Louisville

Housing Goals, Strategies, and Actions

3 Goals Tied to Needs Assessment

↕

3 Strategies Tied to Goals

↕

13 Actions Tied to Strategies and Goals

City of Louisville

Housing Goals

Goal 1: Increase Residential Development Opportunities in Louisville

Goal 2: Expand Access to Affordable Housing

Goal 3: Diversify Louisville's Housing Stock

City of Louisville

Housing Strategies

STRATEGY 1

- Targeted Policy and Zoning Code Changes to Reduce Barriers for Residential Development

STRATEGY 2

- Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing

STRATEGY 3

- Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types

City of Louisville

Housing Actions

Summary Matrix of Housing Strategies and Actions

STRATEGIES	ACTIONS	HOUSING GOALS	SUMMARY	ACTION TYPE	HOUSING PRODUCTION	LEVEL OF EFFORT	COST	TIMELINE
1. Targeted Policy and Zoning Code Amendments to Reduce Barriers for Residential Development	1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development		Rezone areas not currently zoned, but suitable, for residential development and conduct a market analysis to inform major land use changes to ensure they're economically viable.	Policy Change		Medium	$	Near Term
	1.2: Consider Offering a Height Bonus or Additional Density for Projects that Pay a Higher Fee in Lieu than Required		Add a voluntary inclusionary program option in certain zones where additional height may be appropriate.	Incentive/Policy Change		Low-Medium	$	Near Term
	1.3: Evaluate Development Fee Reductions and/or Exemptions for Income-Restricted Projects		Reduce development costs by reducing development fees to help increase the financial viability of a project and facilitate more affordable housing production.	Incentive		Medium	$ $ $	Near Term
	1.4: Evaluate Allowing ADUs Both Attached and Detached On Single-Family Lots		Evaluate allowing ADU development on single-family properties across the city to help increase housing supply and diversity and create more flexibility for homeowners.	Policy Change		Medium	$	Near Term
2. Leverage Funding Opportunities and Partnerships to Support Income-Restricted Affordable Housing	2.1: Evaluate Cost-Sharing Opportunities for Infrastructure on Sites Where Affordable Housing is Provided		Develop cost-sharing opportunities for infrastructure development to ease the financial impact on new projects, particularly those that provide affordable housing or meet other established housing goals.	Policy Change/Financial Support/Partnerships		High	$ $ $	Long Term
	2.2: Evaluate Adopting the Low-Income Housing Property Tax Exemption Locally		Adopt the low-income housing property tax exemption locally to assist income-restricted affordable housing projects, particularly those needed under the city's commitment under Prop 123.	Incentive		Low-Medium	$ $	Long Term
	2.3 Consider Establishing a Commercial Linkage Fee for Income-Restricted Affordable Housing Projects		Adopt a commercial linkage fee to provide direct financial support to gap finance new income-restricted housing projects or provide funding to maintain affordability in existing developments.	Policy Change/Financial Support		Medium	$ $	Long Term
	2.4 Consider Offering a Fee Option for Mandatory Onsite Commercial Requirements with Mixed Use Residential		Create a program that offers a fee option for on-site commercial requirements with residential development to increase feasibility and reduce barriers for new residential projects. Collected fees can help support income-restricted housing projects or other housing assistance programs the city may offer.	Policy Change/Financial Support		Medium	$	Mid Term
	2.5 Evaluate Adopting Programs and Policies that Support Existing Income-Restricted and Naturally Occurring Affordable Housing		Explore program options for preserving manufactured home parks, establishing legacy homeownership, and monitoring expiring subsidies for existing income-restricted housing stock.	Policy Change/Financial Support	N/A (focused on preservation of existing units)	High	$ $	Mid Term
	2.6 Establish and Strengthen Partnerships to Support Preserved and New Income-Restricted Affordable Housing		Acquire property, offer technical assistance, or provide other direct financial support to housing partners working on the preservation and development of income-restricted housing.	Partnerships		Medium-High	$ $ $ (depending on method chosen)	Near Term
3. Comprehensive Policy and Zoning Code Changes to Better Support Residential Development and Allow for More Diverse Housing Types	3.1 Create More Predictability for Residential Development Related to City Processes and Regulations		Adopt zoning code amendments that are clear and objective, and allow appropriate residential projects to be allowed "by-right" and reviewed administratively.	Policy Change		High	$ $	Mid Term
	3.2 Expand Allowances for More Housing Types		Allow stand-alone residential development in commercial areas, middle housing in low-density and single-family zones, and remove or raise occupancy restrictions.	Policy Change		Medium	$ $	Mid Term
	3.3 Modernize Development and Design Standards to Incentivize and Remove Barriers to Appropriate Residential Development		Conduct an audit of existing zoning code to evaluate effectiveness of existing regulations and identify barriers to housing development; adopt standards and incentives that allow for and encourage increased height and residential development above commercial downtown; lower minimum lot sizes, require and incentivize a range of housing types on greenfield sites; adopt incentives programs for accessible and visitable housing units for seniors and for income-restricted housing in TOD areas.	Policy Change		Medium-High	$ $	Mid Term

Housing Actions

Action 1.1: Establish Criteria and Identify Areas for Zoning Changes to Support Additional Residential Development

RATIONALE

The City must expand its residential capacity that is currently restricted by zoning to meet the diverse housing needs of both the current and future Louisville population. There are currently some areas where residential development may be appropriate, but it is currently prohibited or restricted. With the post-Covid downturn in the commercial real estate market, especially in Louisville, the demand for commercial land has lessened while a clear and pressing demand for residential land has emerged. These opportunity areas include but are not limited to vacant or underutilized areas with nonresidential zoning along the McCaslin and South Boulder Road corridors.

Housing Goals

DESCRIPTION

Established criteria can offer transparency, foster more strategic thinking around long-term economic vitality and infrastructure investments, and may help reconcile competing policy goals. With the upcoming comprehensive plan update and its community process, the City should develop criteria and identify lands to rezone for residential uses.

The city should also consider conducting market assessments in areas where major land use changes are considered. This analysis will help provide insights into the feasibility of various potential uses for an area, as well as identify potential risks and challenges that could impact development feasibility and market viability. This analysis can also identify an appropriate balance of residential and commercial uses (e.g., retail, office, light industrial) in the opportunity areas to support the economic vitality of the commercial areas that need residential nearby to thrive.

EXAMPLE CRITERIA FOR ZONE CHANGES TO RESIDENTIAL

- Access to public transit, bicycle, and pedestrian facilities
- Adequately served by infrastructure (water, sewer, streets, etc.)
- Near existing or future resident services (retail, community centers, etc.)
- Larger parcels > 1 acre
- High recent vacancy rates
- Large, underutilized parking areas

Action 1.1 Relevant Key Themes from Housing Plan Community Engagement

- Comprehensive plan in 2013 was beneficial in some ways, but zoning did not implement the vision.
- Retail follows rooftops so we need more housing to support retail.

ACTION 1.1 BENEFITS SUMMARY

ACTION TYPE	INCOME LEVEL SERVED	GEOGRAPHIC SCALE	HOUSING PRODUCTION	LEVEL OF INVESTMENT
Policy Change	All	City-Wide	🏘🏘🏘	$

Action 3.2 Expand Allowances for More Housing Types

RATIONALE

About 70% of Louisville's housing stock are single family detached units, one of the highest rates in Boulder County. Most of the City's zone districts acknowledge single family and multiunit dwellings as the only two residential land uses. Expanding allowances for all types of housing will help create more affordable homeownership and rental opportunities.

Housing Goals

DESCRIPTION

The City can approach expanding allowances for more housing types in several ways. This action focuses on more nuanced approaches to expanding allowances for certain housing types, including multifamily development in commercial zones, promoting "middle housing", internal conversions of appropriate single-family buildings into additional units, and changing occupancy requirements that might inhibit residents from forming a household and reducing housing costs.

Summary of Action 3.2 Potential Items

POTENTIAL ACTIONS	SUMMARY	CONSIDERATIONS & APPROACHES
Evaluate Allowing More Middle Housing Types in Low-Density and Single-Family Zones	Evaluate expanding allowances for middle housing types into single-family zone districts to increase their feasibility and foster more inclusive neighborhoods in appropriate locations. Middle housing can include a range of housing types from multiunit to townhomes and smaller detached single-family units that are compatible with neighborhood scale and character.	Current opportunities for middle housing in Louisville largely only exist within the RM and RH zone districts.
Consider Allowing Stand-Alone Residential Development in Appropriate Commercial Areas	Consider opportunities to allow stand-alone residential development in commercial zones to expand residential capacity and increase housing production. Currently, large areas of Louisville with commercial zoning prohibit residential uses while other areas mandate a mix of residential and nonresidential uses within each project. This ties closely to Action 1.1 related to developing criteria for such potential zoning changes.	Consider allowing stand-alone multifamily development throughout designated commercial zones while preserving the economic vitality of key commercial corridors. Consider limiting ground floor commercial requirements to only parcels with frontage along specific commercial corridors in certain zones. This will allow multifamily development more broadly while protecting sites that are most conducive to commercial development and key pedestrian-oriented commercial areas (including downtown) from developing with entirely residential uses. If street-level activation is a concern with this approach, consider requiring ground floor activation requirements in stand-alone residential developments.

City of Louisville

Integration with Comprehensive Plan

- Housing Plan goals and strategies will be reflected in broader goals and strategies in Comprehensive Plan
- Examples of Housing Plan action items to be advanced:
  - Land use changes to allow more residential in some locations
  - Where increased residential density and height may be appropriate
  - Refining approach for creating more predictability in zoning code

LOUISVILLE COMPREHENSIVE PLAN

City of Louisville

Next Steps

- Adopted Housing Plan guides work plan, housing decisions
- Comprehensive Plan will use Housing Plan direction to develop future land use and development scenarios, actions the City should take

LOUISVILLE
COMPREHENSIVE PLAN

City of Louisville

Staff recommends approval of a resolution to adopt the Louisville Housing Plan

City of Louisville

SUBJECT: **2024 BUDGET AMENDMENT**

i. **RESOLUTION NO. 23, SERIES 2024 – A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE GENERAL FUND, CONSERVATION TRUST - LOTTERY FUND, PEG FUND, HISTORIC RESERVATION FUND, RECREATION FUND, ARPA FUND, OPEN SPACE FUND, PARKS FUND, CAPITAL PROJECTS FUND, RECREATION CONSTRUCTION FUND, WATER UTILITY FUND, WASTEWATER UTILITY FUND, STORM WATER UTILITY FUND, GOLF COURSE FUND, TECHNOLOGY MANAGEMENT FUND AND FLEET MANAGEMENT FUND FOR CARRY FORWARD OF APPROPRIATIONS AND ADDITIONAL APPROPRIATIONS WITHIN SUCH FUNDS AND ADJUSTING BUDGETED REVENUE IN THE GENERAL FUND, CAPITAL PROJECTS FUND, DEBT SERVICE REC CENTER FUND, AND GOLF COURSE FUND**

ii. **RESOLUTION NO. 24, SERIES 2024 – A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE LOUISVILLE REVITALIZATION COMMISSION**

DATE: **MAY 7, 2024**

PRESENTED BY: **RYDER BAILEY, CPA, FINANCE DIRECTOR**

SUMMARY:
Staff is seeking the Council's approval of the Second Amendment to the 2024 City and Revitalization Commission Budgets. This information was presented and recommended for approval by the City Finance Committee on April 18, with minor adjustments summarized below. Attached to this communication are Appendices (A-E) to the proposed Resolutions. The amendment contains five general sections/purposes, which can be summarized as Capital Carryforward of prior year appropriations, previously approved Council Capital and Operational Adjustments since the 2024 Budget Adoption, City Manager recommended appropriation adjustments, Adjustments to City Sources/Revenue, and Carryforward of LRC appropriations, all of which correspond to the following appendices:

A. Carry-forward unused appropriations from 2023 to 2024 for capital projects that Council approved for 2023 but, for various reasons, need to extend into 2024. Staff is requesting unspent budgets for certain projects not completed or equipment not

purchased in 2023 to be added to the 2024 budget. The total amount of this portion of the expenditure amendment is $22,908,492. Broken out by Fund as follows;

a. Fund 101 – General Fund - $294,580
b. Fund 202 – Conservation Trust - $415,000
c. Fund 205 – PEG Fee - $25,000
d. Fund 207 – Historical Preservation - $60,850
e. Fund 208 – Recreation Center- $115,100
f. Fund 210 – Open Space - $274,030
g. Fund 211 – Parks - $254,387
h. Fund 301 – Capital - $11,460,002
i. Fund 501 – Utilities/Water - $2,755,848
j. Fund 502 – Utilities/Waste Water - $5,167,974
k. Fund 503 – Utilities/Storm - $1,669,626
l. Fund 520 – Golf - $5,000
m. Fund 602 – Technology - $16,849
n. Fund 603 – Fleet - $394,245

Total -$22,908,492

*- Line item detail of this Section can be found in Appendix A

B. Adopt previous Council approved operational and capital appropriation adjustments to the 2024 expenditure budget for items that staff did not anticipate, or were not measurable, at the time Council adopted the original 2024 budget last November. The total amount of this portion of the expenditure amendment is $2,474,738.

a. Fund 101 – General - $59,137
b. Fund 208 – Recreation - $225,000
c. Fund 301 – Capital - $829,977
d. Fund 501 – Utilities/Water - $590,349
e. Fund 502 – Utilities/Waste Water - $424,214
f. Fund 503 – Utilities/Storm - $346,061

Total - $2,474,738

*- Line item detail of this Section can be found in Appendix B

C. Adopt other City Manager Recommended operating appropriation adjustments to 2024 expenditures for Open Space expansions, Comprehensive Plan Outreach, various Grants, adjustments to Golf to better align with trends, and administrative fund close out entries. The total amount of this portion of the expenditure amendment is $598,636.

a. Fund 101 – General - $63,086
b. Fund 209 – ARPA - $120,000
c. Fund 210 – Open Space - $257,000
d. Fund 211 – Parks - $50,000

e. Fund 301 – Capital - $10,000
f. Fund 303 – Rec Center Bond - $5,000
g. Fund 520 – Golf - $93,550
Total - $598,636

*- Line item detail of this Section can be found in Appendix C

D. Adopt Sources/ Revenue adjustments to the 2024 Budget. The total amount of this portion of the expenditure amendment is $8,386,758.
   a. Fund 101 – General - $398,958
   b. Fund 301 – Capital - $7,845,800
   c. Fund 402 – Rec Center Debt - $5,000
   d. Fund 520 – Golf - $137,000
   Total -$8,386,758

*- Line item detail of this Section can be found in Appendix D

E. Carry-forward unused appropriations from 2023 to 2024 for Louisville Revitalization Commission (LRC) that LRC and Council approved for 2023 but, for various reasons, need to extend into 2024.
   a. Fund 221* – Urban Revitalization District - $2,205,017
   Total -$2,205,017

*- Line item detail of this Section can be found in Appendix E

Note: The proposed LRC budget amendment was reviewed and approved by the LRC at their April 17th meeting.

SUMMARY OF ADJUSTMENTS SINCE THE APRIL 18th, FINANCE COMMITTEE MEETING:

The Finance Committee recommended that the Trails Master Plan not be entirely funded by the Open Space Fund. In working with Parks Department, 50% of the Trails Master Plans cost is being proposed to be allocated to the Parks Fund.

Other Adjustments from Materials presented to Finance Committee are summarized below;

- Removed incremental Library Superior - IGA Revenue and Expenditures, approximately $83,800, previously within Appendices C and D, at the Town of Superior's Request.

RECOMMENDATION:
Council is being asked to approve the proposed budget amendments to the Budget Year 2024 necessary to complete budgeted and existing Capital projects and Department Operational functions and goals.

FISCAL IMPACT:
The proposed budget amendment increases the City expenditure budget by $25,981,866, offset by additional revenues in the amount of $8,386,758, for a net impact to all City funds of $17,595,108.

The proposed budget amendment increases the LRC 2024 by $2,205,017 to $4,574,297.

The fiscal impact of the proposed amendment is summarized by Fund and found on Attachment (3) titled 'Summary Detail of the Impacts to the City's 2024 Budget'.

Upon approval of this adjustment, all funds with reserve requirements are to remain in full compliance with Reserve Policies.

ATTACHMENTS

1. Resolution No. 23, Series 2024 – Citywide
    a. Appendices A - D
2. Resolution No. 24, Series 2024 – Louisville Revitalization Commission
    a. Appendix E
3. Summary Detail of the Impacts to the City's 2024 Budget
4. Presentation

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

RESOLUTION NO. 23
SERIES 2024

A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE GENERAL FUND, CONSERVATION TRUST - LOTTERY FUND, PEG FUND, HISTORIC RESERVATION FUND, RECREATION FUND, ARPA FUND, OPEN SPACE FUND, PARKS FUND, CAPITAL PROJECTS FUND, RECREATION CONSTRUCTION FUND, WATER UTILITY FUND, WASTEWATER UTILITY FUND, STORM WATER UTILITY FUND, GOLF COURSE FUND, TECHNOLOGY MANAGEMENT FUND AND FLEET MANAGEMENT FUND FOR CARRY FORWARD OF APPROPRIATIONS AND ADDITIONAL APPROPRIATIONS WITHIN SUCH FUNDS AND ADJUSTING BUDGETED REVENUE IN THE GENERAL FUND, CAPITAL PROJECTS FUND, DEBT SERVICE REC CENTER FUND, AND GOLF COURSE FUND

WHEREAS, the need exists to amend the 2024 budget by amending appropriations in the General Fund, Conservation Trust – Lottery Fund, PEG Fund, Historic Preservation Fund, Recreation Fund, Open Space Fund, Parks Fund, Capital Projects Fund, Recreation Construction Fund, Water Utility Fund, Wastewater Utility Fund, Storm Water Utility Fund, Golf Course Fund, Fleet Management Fund and Technology Management Fund and adjusting the budget revenue in the General Fund, Capital Fund, Debt Service Recreation Center Fund, and Golf Course Fund; and

WHEREAS, the need to amend the 2024 budget arises:

1. To carryforward unused appropriations from 2023 to 2024 for projects that Council approved for 2023 but, for various reasons, needed to extend into 2024;
2. To adopt other operating and capital adjustments to the 2024 expenditure budget for previously Council approved items since Council adopted the original 2024 budget;
3. To adopt other operating adjustments to the 2024 expenditure budget recommended by the City Manager;

WHEREAS, funding for any increase in appropriations will come from new/increased revenue or from fund reserves.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

SECTION 1. That the 2024 General Fund appropriation be increased by $416,803, from $28,185,229 to $28,602,031.

SECTION 2. That the 2024 Conservation Trust – Lottery Fund appropriation be increased by $415,000, from $300,100 to $715,100.

SECTION 3. That the 2024 PEG Fee Fund appropriation be increased by $25,000, from $25,050 to $50,050.

SECTION 4. That the 2024 Historic Preservation Fund appropriation be increased by $60,850, from $660,153 to $721,003.

SECTION 5. That the 2024 Recreation Fund appropriation be increased by $340,100, from $6,444,931 to $6,785,031.

SECTION 6. That the 2024 ARPA Fund appropriation be increased by $120,000, from $0 to $120,000.

SECTION 7. That the 2024 Open Space Fund appropriation be increased by $531,030, from $2,141,969 to $2,672,999.

SECTION 8. That the 2024 Parks Fund appropriation be increased by $304,837, from $3,471,560 to $3,775,947.

SECTION 9. That the 2024 Capital Projects Fund appropriation be increased by $12,999,979, from $21,029,188 to $33,329,167.

SECTION 10. That the 2024 Recreation Construction Fund appropriation be increased by $5,000, from $0 to $5,000.

SECTION 11. That the 2024 Water Utility Fund appropriation be increased by $3,346,197, from $20,085,609 to $23,431,806.

SECTION 12. That the 2024 Wastewater Utility Fund appropriation be increased by $5,592,188, from $5,071,607 to $10,663,795

SECTION 13. That the 2024 Storm Water Utility Fund appropriation be increased by $2,015,687, from $1,077,840 to $3,093,527.

SECTION 14. That the 2024 Golf Course Fund appropriation be decreased by $98,550, from $2,574,923 to $2,673,473.

SECTION 15. That the 2024 Technology Management Fund appropriation be increased by $16,849, from $75,750 to $92,599.

SECTION 16. That the 2024 Fleet Management Fund appropriation be increased by $394,245, from $265,250 to $659,495.

SECTION 17. That the 2024 General Fund revenue budget be increased by $398,958, from $26,245,805 to $26,644,763.

SECTION 18. That the 2024 Capital Fund revenue budget be increased by $7,845,800, from $15,850,367 to $23,696,167.

SECTION 19. That the 2024 Recreation Center Bond Fund revenue budget be increased by $5,000, from $1,336,670 to $1,341,670.

SECTION 20. That the 2024 Golf Course Fund revenue budget be increased by $137,000, from $2,520,220 to $2,657,220.

PASSED AND ADOPTED this 7th day of May, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

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Meredyth Muth, City Clerk

Appendix A
City of Louisville, Colorado
2024 Budget Amendment Detail
Changes to 2024 Expenditure Budget - Carry Forward

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
101515-540910	Prof Serv-Consulting	150,000	278,580	428,580	Comp Plan, Housing Study, Redtail Ridge Consult
101730-530820	Public Art	25,000	16,000	41,000	Carryforward Resilience Sculpture funds
101 Total			**294,580**		
202511-630048	Playgrounds	200,000	400,000	600,000	Multiple Playgrounds projects in design phase
202511-660015	Wayfinding & Signs	100,000	15,000	115,000	Signage fabrication/installation bids go out Q1 24
202 Total			**415,000**		
205910-990301	Transfer to Capital Fund	-	**50,000**	50,000	Council AV project - Scheduled for May - Xfer to Capital Fund
205120-600008	PEG Expenses - City	25,000	(25,000)	-	Council AV project - Scheduled for May - Shift budget to Xfer
205 Total			**25,000**		
207542-620113	Historical Museum Structural	-	60,850	60,850	Plans have been received and are ready for RFP
207 Total			**60,850**		
208535-620139	Miracote Deck	-	40,000	40,000	Carry forward project, may request for additional funds in 2024
208539-620142	Locker Room Upgrades	11,000	46,200	57,200	Carry forward project
208539-640156	Recreation Center Cameras	-	3,900	3,900	Most Cameras have been installed
208539-640157	Recreation Center HVAC Replace	720,000	25,000	745,000	Decarbonization Budget for LRC HVAC replacement.
208 Total			**115,100**		
210524-660081	Trail Improvements	-	40,000	40,000	OS Staff to order animal resistant trash cans
210524-660279	Soft Surface Trail Mgmt Plan	-	71,335	71,335	To be used for upcoming Hecla Lake trail project
210528-660277	104th Empire Trail & Shoulder	-	162,695	162,695	Remaining work, weed mgmt to close County permit
210 Total			**274,030**		
211511-630071	Parks Signs	-	29,888	29,888	Carryforward for fabrication and installation
211511-630101	Irrig Replacements & Improvs	345,000	133,479	478,479	Irrigation clocks, software upgrade, backflow cages
211511-630157	Park Site Furnishing Replacement	-	1,500	1,500	Amenity supplies
211511-630162	Comm Park Irrig Replacement	-	1,621	1,621	Remaining warranty work
211511-640000	Motor Vehicle/Road Equipment	-	48,000	48,000	Purchase of replacement trucks.
211511-660292	Public Landscape Improvements	39,900	39,900	79,800	Spring 2024 nursery stock is being held for early Q3.
211 Total			**254,387**		
301103-620133	Building Energy Efficiency	-	370,462	370,462	Efficiency upgrades city-wide 2024 w/ Decarbonization Plan.
301103-630167	Municipal Electrification	1,500,000	1,481,584	2,981,584	Carry forward to 2024.
301103-660025	Streetlights	-	107,058	107,058	Streetlight upgrades
301103-660293	Downtown Streetlight Conversion	-	480,000	480,000	Installation complete. Finalizing closeout. URD Funded.
301173-650058	City-Wide Telephone Syst Upgr		77,954	77,954	Final phase of project, will implement E-fax solution
301173-650099	Storage, Server, Backup Refres	-	2,789	2,789	Working on implementing new servers at City Hall
301173-650103	City-Wide Security Additions	-	27,580	27,580	Create a cyber security incident response plan
301173-660258	Middle Mile Fiber	54,000	40,221	94,221	Have to wait until the ground thaws.
301191-620134	City Hall Elevator Modernization	-	135,000	135,000	2024 depending on materials lead time
301191-620144	City Services Roof Repair	-	35,000	35,000	Carry forward to 2024
301211-620116	Police Dept Basement Restroom	-	137,257	137,257	Corrective work on AC-ventilation unit
301211-640145	Taser Replacements	-	29,816	29,816	Delivery of new devices, should arrive by Q2 2024
301211-650106	Bi-Directional 700-800 Amplifier	-	187,000	187,000	Police/Courts - Pending completion of HVAC install
301211-650107	Communication Equip for EOC	-	29,500	29,500	Emergency Operations Center in Police and Courts
301219-620120	Police Dept Electrical Work	-	20,083	20,083	Basement finish in Police and Courts
301311-660202	Railroad Quiet Zones	-	7,050	7,050	Project completed, waiting on CDOT notice
301312-640001	Machinery & Equipment	-	32,720	32,720	Carry forward to 2024
301312-660012	Pavement Booster Program	6,536,000	251,100	6,787,100	Waiting on signing, striping, and downtown patios
301312-660222	SH42 Corridor Improvements	3,000,000	4,880,608	7,880,608	Multi-Year contract with KH. Project has a CF Grant associated.
301312-660280	Street Lighting Safety Upgrade	-	32,289	32,289	Project in early stages
301313-630140	Downtown Tree Grate Conduit Re	181,400	420,800	602,200	Downtown vision plan
301313-630143	Median Landscape Reno	680,000	150,581	830,581	Phase one closing out, 2024 phase two in design
301313-640000	Additions to Fleet - Parks (40%)	-	32,000	32,000	Replacements trucks, should arrive by Q3 2024
301313-660103	Median Improvements (& Playground	-	125,064	125,064	In progress, contract services should wrap up Q3 24
301313-660254	Utility Undergrounding	-	1,180,000	1,180,000	Carry forward to 2024- has a Xcel/URD grant associated with this
301314-640001	Machinery & Equipment	20,000	31,746	51,746	Snow plow moldboard replacement, order placed
301511-630048	Playgrounds (60%)	300,000	594,115	894,115	In design, Anticipated construction start is Q3 24
301511-630101	Irrig Replacements & Improvs	345,000	107,168	452,168	Purchase infrastructure materials + protection items
301511-630118	Tennis Court Renovation	-	61,831	61,831	75 % of work is done, remainder due in Spring of 24
301511-660292	Public Landscape Improvements	17,100	17,100	34,200	Nursery stock material being held for install Q3 24
301524-660290	Open Space/Trail Improvements	-	32,374	32,374	Carry forward funds for Hecla Lake Q4 2024
301537-620132	Golf Maint. Facility Improvements	-	122,790	122,790	In progress with $50k design contract
301537-630168	Short Game Area Upgrade	36,250	5,000	41,250	Continuing the initial phase
301537-670000	Water Rights	-	120,000	120,000	Transfer of water rights to occur in 2024
301551-620138	Children's Activity Room Improve	-	31,600	31,600	Project Awarded in Jan 2024. Work has not started.
301551-640158	Water Heater Replacement	25,000	5,000	30,000	Will be incorporated into Decarb Scope
301552-620113	Historical Museum Structural	-	15,760	15,760	On Hold per Museum Request.
301553-620145	Fire Detection System	-	30,000	30,000	For Arts Center -Not Started - will carry forward to 2024
301651-630137	Dwntn Patio Prog Expansion	-	12,000	12,000	Carry forward project to 2024
301 Total			**11,460,002**		

Appendix A
City of Louisville, Colorado
2024 Budget Amendment Detail
Changes to 2024 Expenditure Budget - Carry Forward

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
501498-620146	NWTP HVAC Replacement	-	35,000	35,000	On hold while assessments are made to Facility
501498-640001	Machinery & Equipment	-	38,050	38,050	Purchases in process, waiting delivery and billing
501498-640148	Chemical Mixing Equip Replace	-	13,604	13,604	Final payment to equipment supplier
501498-660141	Filter Media Replacemnt-No WTP	-	616,000	616,000	Bid Advertised
501498-660182	Water Line Replacement	724,500	201,551	926,051	Excepted to finish Q3, 2024
501499-620119	Utilities Electrical Assessmen	-	172,316	172,316	Finishing lighting improvement scope currently
501499-630146	Marshall Lake Sediment Control	-	350,000	350,000	Project is in coordination with FRICO; Delayed
501499-660236	SBR Ditch Lining	-	27,977	27,977	Waiting for weather to improve to finish
501499-660289	Raw Water Infrastructure	-	500,000	500,000	Carry forward and planned for 2024
501499-660295	SCWTP Residual Management	5,200,000	682,738	5,882,738	Finishing Feasibility Study and moving to design
501461-540190	Prof Serv-Lead/Copper	60,000	40,000	100,000	Watering Testing
501461-550020	Parts/Repairs/Maint-Equip	190,000	78,613	268,613	Chemical Pumps
501 Total			**2,755,848**		
502498-640000	WWTP Vehicle & Equipment Replacer	65,000	27,000	92,000	Purchases in process awaiting delivery and billing
502498-660183	Sewer Utility Lines	-	151,627	151,627	Work on this project is complete.
502498-660296	CTC Lift Station Improvements	-	175,265	175,265	Pump bypass installation this year
502498-660297	Sewer Pipeline Rehab/Replace	540,500	151,082	691,582	Work is in progress on this project
502499-640001	Machinery & Equipment	-	80,350	80,350	Remaining funds for a Forklift
502499-640149	Secondary Process Probes	-	50,000	50,000	Carry forward to 2024, compiling quotes
502499-660284	Utility Master Plan (50%)	-	37,015	37,015	Draft report under review.
502499-660285	WWTP Solids Handling Upgrade	-	4,441,425	4,441,425	CMAR pre-construction phase in process
502499-660298	Fiber Optic Loop City Rd/Redtail	-	54,210	54,210	Waiting on Red Tail development
502 Total			**5,167,974**		
503499-630096	Detention Pond Maintenance	-	458,784	458,784	Project consists of 23 and 24
503499-630150	Drainageway A1 at Garfield & C	-	882,824	882,824	Pushed to Q4 2023 through Q2 2024
503499-660287	Storm Water Quality Master Plan	-	328,019	328,019	Design work in progress, to be completed Q1 2024
503 Total			**1,669,626**		
520799-630168	Short Game Area Upgrade	36,250	5,000	41,250	Still in initial phase
520 Total			**5,000**		
602120-650115	PW Electronic Review Conversio	-	16,849	16,849	Deployment of hardware to PW Engineering group
602 Total			**16,849**		
603211-640000	Motor Vehicle/Road Equipment	165,000	113,550	278,550	5 New vehicles (Including EV)
603312-640000	Motor Vehicle/Road Equipment	-	55,555	55,555	Preparing Bids.
603511-640000	Motor Vehicle/Road Equipment	99,750	225,139	324,889	3 trucks remaining, should arrive by Q3 2024
603 Total			**394,245**		
201910-990210	Transfer to Open Space	331,814	274,030	605,844	Transferring Fund Balance to OS Fund for Carry Forward Projects
201910-990211	Transfer to Parks	796,175	254,387	1,050,562	Transferring Fund Balance to Parks Fund for Carry Forward Projects
210001-980201	Transfer from OS&P Fund	331,814	(274,030)	57,784	Transferring Fund Balance from OS&P to OS Fund for Carry Forward Projects
211001-980201	Transfer from OS&P Fund	796,175	(254,387)	541,788	Transferring Fund Balance from OS&P to Parks Fund for Carry Forward Projects
Transfer Total			-		
Totals			**22,908,492**		

Appendix B
City of Louisville, Colorado
2024 Budget Amendment Detail
Changes to 2024 Expenditure Budget - Items Previously Approved by Council

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
101110-532909	Marshall Fire - Services	-	15,000	15,000	FEMA Consultant (Carlisle Thompson LLC)
101110-532909	Marshall Fire - Services	-	44,137	44,137	Engineering On Call (Otak)
101 Total			**59,137**		
208539-990306	Transfer to Cap Proj From Rec	-	200,000	200,000	Broncos Proceeds - transfer to Cap Proj Fund for Playground Equipment (budgeted in Fund 301)
208724-522500	Non-Capital Furn/Equip/Tools	1,660	25,000	26,660	Broncos Proceeds funded projects at Rec Center
208 Total			**225,000**		
301173-650120	Replace Networking Switches	100,000	20,000	120,000	Replacement of Networking Switches (also corrected object code from 650058 to 650120)
301314-640001	Machinery & Equipment	20,000	52,874	72,874	Three Plow Attachments
301511-630048	Playgrounds	300,000	700,000	1,000,000	Broncos Proceeds - transfer to Cap Proj Fund for Playground Equipment (budgeted in Fund 301) $200k and GOCO Grant $500k
301537-630115	Cart Paths	141,000	57,103	198,103	Golf Cart Paths - assumes Council approval during Consent Agenda on May 7th.
301 Total			**829,977**		
501498-640000	Motor Vehicle/Road Equipment	50,000	511,349	561,349	Hydro excavating and sewer cleaning truck
501499-650015	Computer-Hardware	-	79,000	79,000	SCADA system support for utility tech upgrades
501 Total			**590,349**		
502498-640000	Motor Vehicle/Road Equipment	65,000	424,214	489,214	Hydro excavating and sewer cleaning truck
502 Total			**424,214**		
503432-532909	Marshall Fire - Services	-	163,000	163,000	Insurance funded Storm line jetting & FEMA Approved Repairs
503499-630150	Drainageway A1 at Garfield & C	-	80,000	80,000	4th Amendment between COL and Mile High Flood District
503499-640000	Motor Vehicle/Road Equipment	-	103,061	103,061	Hydro excavating and sewer cleaning truck
503 Total			**346,061**		
Totals			**2,474,738**		

Appendix C
City of Louisville, Colorado
2024 Budget Amendment Detail
Changes to 2024 Expenditure Budget - CMO Recommendations

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
101515-532010	Public Education & Outreach	8,000	25,000	33,000	Addtl. funding for Comp Plan and Hist. Presrvation outreach
101446-538420	Contributions & Grants	-	5,000	5,000	Grant funded support Lsvl muni kitchens move from disposable to reusable
101610-538395	Museum Grant Expense	-	33,086	33,086	Scientific and Cultural Facilities District Grant
101 Total			**63,086**		
209910-990101	Trf to General Fund	-	120,000	120,000	Fund Balance / Close out ARPA Fund
209 Total			**120,000**		
210750-540900	Prof Serv-Other		60,000		Vegetation Survey of all Open Space properties
210750-540900	Prof Serv-Other	240,000	50,000	350,000	Trails Master Plan - OS Funded %
210522-640001	Machinery & Equipment		20,000	20,000	Equipment
210524-660081	Trail Improvements		100,000	100,000	Hecla Phase 1
210750-522500	Non-Capital Furn/Equip/Tools	5,900	20,000	25,900	Work station and office improvements for new OS Staff
210524-660081	Trail Improvements	-	7,000	7,000	Trash Cans along Trails
210 Total			**257,000**		
211751-540900	Prof Serv-Other	268,000	50,000	318,000	Trails Master Plan - Parks Funded %
211 Total			**50,000**		
301103-630167	Municipal Electrification	1,500,000	10,000	1,510,000	Grant funded (RAQC) - Parks Electric Equipment
301 Total			**10,000**		
303910-990402	Trf to Rec Ctr Debt Service	-	5,000	5,000	Fund Balance / Close out Rec Ctr Bond Fund
303 Total			**5,000**		
520711-540415	Prof Serv-Bank Charges	36,000	24,000	60,000	Bank / Credit Card Fees - adjust to align with trends
520712-521100	Computer Supplies-Software	1,050	41,950	43,000	TopTracer annual fee
520712-521130	Golf Course Software Subscript	30,000	(12,000)	18,000	Dept amend request based on trends
520712-528250	Range Supplies	2,000	4,600	6,600	Dept amend request based on trends
520712-529100	Resale Merchandise	130,000	30,000	160,000	Adequate floor stock keeps us competitive and increases our opportunities to expand our sales in the golf shop
520712-547040	Prof Serv - Golf Contractors	85,000	5,000	90,000	Dept amend request based on trends
520 Total			**93,550**		
201910-990210	Transfer to Open Space	-	7,000	7,000	Transfering to OS Fund - Trail Trash Cans
210001-980201	Transfer from OS&P Fund	-	(7,000)	(7,000)	Transfering from OS&P to OS Fund - Trail Trash Cans
201910-990211	Transfer to Parks	-	50,000	50,000	Transfering to Parks Fund - % of Trail MP
211001-980201	Transfer from OS&P Fund	-	(50,000)	(50,000)	Transfering from OS&P to Parks Fund - % of Trail MP
Transfer Total		-	-		
Totals			**598,636**		

Appendix D
City of Louisville, Colorado
2024 Budget Amendment Detail
Changes to 2024 Revenue Budget

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
101001-433000	Grant Revenues	140,000	10,000	150,000	Urban Land Institute Grant - Recovery & Resilience Grant
101010-434300	BC Sustainability Grant	45,000	5,000	50,000	Grant awarded to support the transition of Louisville municipal kitchens away from disposable products to a reusable, circular system.
101021-433000	Grant Revenues	-	230,872	230,872	Colorado Dept of Human Services - Mental Health Co-Responder Program Grant RFA #: RFP IBEH 2024000106
101055-432570	State Grant Museum	-	33,086	33,086	Scientific and Cultural Facilities District Grant
101001-980209	Transfer from ARPA Fund	-	120,000	120,000	Close out of ARPA fund - interest earned
101 Total			**398,958**		
301001-433000	Grant		10,000		Grant RAQC - for Parks Electric Equipment
301001-433000	Grant	-	993,000		Xcel Energy Contribution for Utility Line Undergrounding (301313-660254)
301001-433000	Grant	-	803,000		CDOT - South Boulder Road Grant
301001-433000	Grant	6,975,417	4,400,000	13,181,417	DRCOG/CDOT Grant (301312-660222)
301001-432500	State Grant - GOCO	-	500,000	500,000	GOCO State Grant for Parks Playgrounds
301001-464111	Capital Contribution from URD	72,000	889,800	961,800	Carryforward Capital Contribution from URD
301001-980205	Transfer from PEG to Cap Proj		50,000		Council AV project - Scheduled for May
301001-980208	Transfer from Rec to Cap Proj	-	200,000		Broncos Proceeds - transfer to Cap Proj Fund for Playground Equipment (budgeted in Fund 301)
301 Total			**7,845,800**		
402001-980303	Tfer from Rec Ctr Bond Fund	-	5,000		Closing out Fund 303, transferring remaining funds (interest) into Rec Center Debt Service Fund
402 Total			**5,000**		
520053-447120	Golf Cart Rentals	286,000	49,000	335,000	Dept Amendment Request based upon revenue trends
520053-447130	Driving Range Fees	158,000	42,000	200,000	Dept Amendment Request based upon revenue trends
520053-447180	Golf Lesson Fees	154,000	46,000	200,000	Dept Amendment Request based upon revenue trends
520 Total			**137,000**		
Totals			**8,386,758**		

RESOLUTION NO. 24
SERIES 2024

A RESOLUTION AMENDING THE 2024 BUDGET BY AMENDING APPROPRIATIONS IN THE LOUSIVILLE REVITALIZATION COMMISSION

WHEREAS, the need exists to amend the 2024 budget by amending appropriations in the Louisville Revitalization Commission; and

WHEREAS, the need to amend the 2024 budget arises:

1. To carryforward unused appropriations from 2023 to 2024 for projects that Council approved for 2023 but, for various reasons, needed to extend into 2024;

WHEREAS, funding for any increase in appropriations will come from new/increased revenue or from fund reserves.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

SECTION 1. That the 2024 Louisville Revitalization Commission appropriation be increased by $2,205,017, from $2,369,280 to $4,574,297.

PASSED AND ADOPTED this 7th day of May, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

Appendix E
City of Louisville, Colorado
2024 Budget Amendment Detail
Adjustments to 2024 Urban Revitalization Budget

Account Number	Account Description	Current Budget	Proposed Amendment	Proposed Budget	Comments/Notes
221120-532303	Commission and Board URA Proje	-	50,000	50,000	Carryforward of 2023 Commission and Board funded Projects
221120-532313	Cap Contr - COL - Undergroundg	-	187,000	187,000	Carryforward of 2023 COL Funded Capital Project
221120-532319	Cap Cont - COL - Downtown Stre	-	480,000	480,000	Carryforward of 2023 COL Funded Capital Project
221120-532321	Cap Cont - COL - Electric Vehi	-	26,500	26,500	Carryforward of 2023 COL Funded Capital Project
221120-532322	Cap Cont - COL - Downtown Cond	-	268,300	268,300	Carryforward of 2023 COL Funded Capital Project
221120-537212	Assist Agreement - 950 Spruc	-	980,916	980,916	Carryforward of 2023 Assistance Agreement 950 Spruce
221120-630015	Payments from Construction Acct - DELO	-	212,301	212,301	Carryforward of 2023 Budget
221 Total			**2,205,017**		
Totals			**2,205,017**		

Attachment 3 - Summary of Revenue, Expenditures and Changes to Fund Balances

City of Louisville, Colorado
Summary of Revenue, Expenditures, and Changes to Fund Balances
All Funds

Fund Number	Fund Description	2024 Budget Beginning Fund Balance	2024 Budget Revenue & Other Sources	2024 Budget Expenditures & Other Uses		2024 Budget Ending Fund Balance	2024 Budget Amount of Change	2024 Budget Percent of Change	UPDATED - CASH BASIS (UNAUDITED) Cash Basis Beginning Fund Balance	Amendment Revenue & Other Sources	Amendment Expenditures & Other Uses	Projected Ending Fund Balance	Variance Ending Fund Balance	% of Ending Fund Balance / Working Capital
101	**General**	**$ 9,608,703**	**$ 26,245,805**	**$ 26,767,519**	*[1]*	**9,086,990**	**$ (521,714)**	**-5%**	**15,255,657**	**398,958**	**416,803**	**$ 14,716,099**	**$ 5,629,109**	**54%**
	Special Revenue Funds:													
201	Open Space & Parks	1,856,853	4,235,540	5,074,709	*[2]*	1,017,684	(839,169)	-45%	2,616,853	-	585,417	$ 1,192,267	$ 174,583	21%
202	Conservation Trust - Lottery	383,222	311,100	300,100		394,222	11,000	3%	860,218	-	415,000	$ 456,218	$ 61,996	
203	Cemetery Perpetual Care	755,443	45,770	17,080		784,133	28,690	4%	799,521	-	-	$ 828,211	$ 44,078	
204	Cemetery	101,583	215,160	224,478		92,265	(9,318)	-9%	185,354	-	-	$ 176,036	$ 83,771	78%
205	PEG Fees	31,751	16,240	25,050		22,941	(8,810)	-28%	51,431	-	25,000	$ 17,621	$ (5,320)	
206	Parking Improvement	93,799	50	50		93,799	-	0%	98,170	-	-	$ 98,170	$ 4,371	
207	Historic Preservation	3,629,248	1,059,350	660,153		4,028,445	399,197	11%	3,367,141	-	60,850	$ 3,705,488	$ (322,957)	
208	Recreation	2,484,634	5,741,730	6,177,931	*[3]*	2,048,434	(436,201)	-18%	4,441,591	-	340,100	$ 3,665,290	$ 1,616,857	56%
209	Amercian Rescue Plan Act	112,053	-	-		112,053	-		114,972	-	120,000	$ (5,028)	$ (117,081)	
210	Open Space	-	-	-		-			-	281,030	531,030			
211	Parks	-	-	-		-			-	304,387	304,387			
	Total Special Revenue Funds	**9,448,586**	**11,624,940**	**12,479,551**		**8,593,976**	**(854,611)**	**-9%**	**12,535,251**	**585,417**	**2,381,784**	**10,134,274**	**1,540,298**	
	Capital Project Funds:													
301	Capital Projects	7,755,034	15,850,367	21,029,188		2,576,213	(5,178,821)	-67%	15,338,714	7,845,800	12,299,979	$ 5,705,714	$ 3,129,501	
302	Impact Fee	203,982	326,040	313,040		216,982	13,000	6%	210,435	-	-	$ 223,435	$ 6,454	
303	Recreation Center Construction	(878)	-	-		(878)	-		3,650	-	5,000	$ (1,350)	$ (472)	
	Total Capital Project Funds	**7,958,138**	**16,176,407**	**21,342,228**		**2,792,317**	**(5,165,821)**	**-65%**	**15,552,799**	**7,845,800**	**12,304,979**	**5,927,799**	**3,135,482**	
	Debt Service Funds:													
402	Recreation Center Debt Service	1,138,866	1,336,670	1,740,600		734,936	(403,930)	-35%	1,204,624	5,000	-	$ 805,694	$ 70,758	
	Total Debt Service Funds	**1,138,866**	**1,336,670**	**1,740,600**		**734,936**	**(403,930)**	**-35%**	**1,204,624**	**5,000**	**-**	**805,694**	**70,758**	
	Enterprise Funds (WC Basis):													
501	Water Utility	17,394,115	7,964,460	19,739,459	*[4]*	5,619,116	(11,774,999)	-68%	18,824,261	-	3,346,197	$ 3,703,065	$ (1,916,051)	
502	Wastewater Utility	535,629	5,190,760	4,858,047	*[5]*	868,342	332,713	62%	6,033,488	-	5,592,188	$ 774,013	$ (94,329)	52%
503	Stormwater Utility	840,376	1,413,450	1,042,870	*[6]*	1,210,956	370,580	44%	3,072,365	-	2,015,687	$ 1,427,258	$ 216,302	
510	Solid Waste & Recycling Utility	360,699	1,804,990	1,797,584		368,105	7,406	2%	343,237	-	-	$ 350,643	$ (17,462)	
520	Golf Course	588,547	2,520,220	2,476,243	*[7]*	632,524	43,977	7%	1,239,323	137,000	98,550	$ 1,321,750	$ 689,226	51%
	Total Enterprise Funds	**19,719,366**	**18,893,880**	**29,914,203**		**8,699,043**	**(11,020,323)**	**-56%**	**29,512,674**	**137,000**	**11,052,622**	**7,576,729**	**(1,122,314)**	
	Internal Service Funds (WC Basis):													
602	Technology Management	**65,971**	**57,010**	**75,750**		**47,231**	(18,740)	-28%	98,026	-	16,849	$ 62,437	$ 15,206	
603	Fleet Management	**222,398**	**348,740**	**265,250**		**305,888**	83,490	38%	688,385	-	394,245	$ 377,630	$ 71,742	
	Total Internal Service Funds	**288,369**	**405,750**	**341,000**		**353,119**	**64,750**	**22%**	**786,411**	**-**	**411,094**	**440,067**	**86,948**	
	Total All Funds	**$ 48,162,028**	**$ 74,683,452**	**$ 92,585,100**		**$ 30,260,380**	**$ (17,901,648)**	**-37%**	**$ 74,847,417**	**$ 8,972,175**	**$ 26,567,282**	**$ 39,600,661**	**$ 9,340,281**	

[1] Projected Expenditures Include a Projected Operational "Turnback" of 5.5% , which = 1,417,710
[2] Projected Expenditures Include a Projected Operational "Turnback" of 6.0% , which = 288,820
[3] Projected Expenditures Include a Projected Operational "Turnback" of 5.0% , which = 267,000
[4] Projected Expenditures Include a Projected Operational "Turnback" of 7.0% , which = 346,150
[5] Projected Expenditures Include a Projected Operational "Turnback" of 7.0% , which = 213,560
[6] Projected Expenditures Include a Projected Operational "Turnback" of 7.0% , which = 34,970
[7] Projected Expenditures Include a Projected Operational "Turnback" of 4.0% , which = 98,680

Harper Lake

City of Louisville

Budget Amendment City and LRC 2024 Budgets

Ryder Bailey, CPA
Finance Director
May 7th, 2024

City of Louisville

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

- Staff is seeking City Council's approval of the Second Budget Amendment to the 2024 City and First Budget Amendment to the Revitalization Commission's Adopted Budgets.
- The Budget Amendment is largely administrative and is primarily driven by the timing of large capital and utility projects.
- Financial Staff "batches" budget amendments from previously heard and approved Council items.

City of Louisville

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

- Today's amendment can be broken out into the following categories;
  - Capital Project Carry-forward (driven by timing),
  - Previously Approved Council Adjustments to Operational Budgets and Capital Projects since Budget Adoption,
  - City Manager Recommended Adjustments;
    - Including Open Space Tax Funded Enhancements;
  - Adjustments to Sources/Revenues; and
  - Carry-forward adjustments to the LRC Budget.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

- Resolution Nos. 23 & 24 are the official amending documents and present the amendments by fund, the City's legal level of budgetary control.
- The bodies of the Resolutions present the budget changes by Fund totals.
- Appendices A - E to the Resolutions present the amendment by line item account, the greatest level of amendment detail.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

- Included within the Council Communication (Attachment 3) is a Summary of the Impacts to the Revenue, Expenditures, and Changes to Fund Balances for each individual fund, assuming the proposed amendments are approved.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

A. The total amount of Carry-forward appropriations from 2023 to 2024 for capital projects that Council approved for 2023 but, for various reasons, need to extend into 2024. this portion of the expenditure amendment is $22,908,492.

Broken out by Fund as follows;

a. Fund 101 – General Fund - $294,580
b. Fund 202 – Conservation Trust - $415,000
c. Fund 205 – PEG Fee - $25,000
d. Fund 207 – Historical Preservation - $60,850
e. Fund 208 – Recreation Center- $115,100
f. Fund 210 – Open Space - $274,030
g. Fund 211 – Parks - $254,387
h. Fund 301 – Capital - $11,460,002
i. Fund 501 – Utilities/Water - $2,755,848
j. Fund 502 – Utilities/Waste Water - $5,167,974
k. Fund 503 – Utilities/Storm - $1,669,626
l. Fund 520 – Golf - $5,000
m. Fund 602 – Technology - $16,849
n. Fund 603 – Fleet - $394,245

Total -$22,908,492

*Detail can be found in Attachment – Appendix A.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

B. The total amount of previously approved Council operational and capital appropriation adjustments to the 2024 budget for items were not part of the originally adopted 2024 budget last November is $2,474,738.

Broken out by Fund as follows;

a. Fund 101 – General - $59,137
b. Fund 208 – Recreation - $225,000
c. Fund 301 – Capital - $829,977
d. Fund 501 – Utilities/Water - $590,349
e. Fund 502 – Utilities/Waste Water - $424,214
f. Fund 503 – Utilities/Storm - $346,061

Total - $2,474,738

*Detail can be found in Attachment – Appendix B.

City of Louisville

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

C. The total amount of City Manager Recommended appropriation adjustments to 2024 operating expenditures for items such as Open Space Tax funded expansions, Comprehensive Plan Outreach, recognition of Grants, adjustments to Golf to better align with trends, and other administrative entries is $598,636.

Broken out by Fund as follows;

a. Fund 101 – General - $63,086
b. Fund 209 – ARPA - $120,000
c. Fund 210 – Open Space - $257,000
d. Fund 211 – Parks - $50,000
e. Fund 301 – Capital - $10,000
f. Fund 303 – Rec Center Bond - $5,000
g. Fund 520 – Golf - $93,550

Total - $598,636

*Detail can be found in Attachment – Appendix C.

City of Louisville

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

C. (continued) A subset contained within Appendix C, the City Manager is Recommending the following appropriation adjustments to 2024 Open Space operating expenditures for items funded by the Open Space Tax;

i. Vegetation Survey of all Open Space properties
ii. Trails Master Plan – (50% OS, 50% Parks)
iii. Equipment for trail corridor and disturbed land restoration
iv. Hecla Phase 1 (restore pipeline corridor, trail border restoration, fencing around habitat viewing area and restoration)
v. Work station and office improvements for new OS staff

*Detail can be found in Attachment – Appendix C.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

D. The total amount Sources/Revenue adjustments to the 2024 Budget is $8,386,758.

Broken out by Fund as follows;

a. Fund 101 – General - $398,958
b. Fund 301 – Capital - $7,845,800
c. Fund 402 – Rec Center Debt - $5,000
d. Fund 520 – Golf - $137,000

Total -$8,386,758

*Detail can be found in Attachment – Appendix D.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impacts:

E. The total amount of Carry-forward appropriations for Louisville Revitalization Commission (LRC) that LRC and Council approved for 2023 but, for various reasons, need to extend into 2024.

Broken out by Fund as follows;

Fund 221* – Urban Revitalization District - $2,205,017
Total -$2,205,017

*Detail can be found in Attachment – Appendix E.

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Impacts to Financial Reserves:

- Upon budget amendment adoption, all funds with reserve requirements are projected to remain in full compliance with the City's Reserve Policies.

Fund	Minimum Reserve Met (15%)	Target Reserve Met (25%)
General Fund	√	√
Open Space Fund	√	n/a
Parks Fund	√	n/a
Cemetery Fund	√	n/a
Combined Utility Funds	n/a	√
Recreation Fund	√	n/a
Golf Course Fund	√	n/a

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

Fiscal Impact by Aggregated Fund Type:

Fund Group	Revenue Amendment	Expenditure Amendment
General Fund	$398,958	$416,803
Special Revenue Funds	-	1,796,368
Capital Project Funds	7,845,800	12,304,979
Debt Service Funds	5,000	-
Utility and Golf Funds	137,000	11,052,622
Internal Service Funds	-	411,094
LRC Fund*	-	2,205,017
Total	$8,386,758	$28,186,883

City of Louisville

Budget Amendment – Res. Nos. 23 & 24 Amending the 2024 City and LRC Budgets

The Finance Committee reviewed and recommended approval of a preliminary draft of the proposed amendment at their April 18th meeting, with the caveat of identifying another funding source for a portion of the Trails Master Plan.

Staff's Recommendation is for Council to approve the Proposed Amendment to the 2024 City and Louisville Revitalization Commission's Budget.

Thank you, City Staff is available to answer questions.

City of Louisville

SUBJECT: **ORDINANCE NO. 1872, SERIES 2024 – AN ORDINANCE AMENDING CHAPTER 2.17 OF THE LOUISVILLE MUNICIPAL CODE – 2ND READING – PUBLIC HEARING (advertised *Daily Camera* 4/21/24)**

DATE: **MAY 7, 2024**

PRESENTED BY: **MEREDYTH MUTH, CITY CLERK**

SUMMARY:
In 2023, the Colorado Legislature passed HB 1245 which made changes to the requirements under the Fair Campaign Practices Act for Municipal Elections. The changes took place on January 1 of this year and include the following:

- Established contribution limits for municipal office:
  - maximum of $400 in aggregate contributions from an individual to any one City Council candidate;
  - maximum of $4000 in aggregate from a small donor committee to any one City Council candidate
- Established new filing dates for campaign finance disclosure reports
- Changed the retention requirements for campaign finance reports from one year to ten years
- Requires municipalities to post campaign finance reports on their websites

As a home rule municipality, the City has the option of adopting its own fair campaign election regulations. Staff has concerns about the updated filing dates and retention requirements in the new regulations. The City Council discussed these changes in January and directed staff to bring back an ordinance for consideration that would create campaign finance rules specific to Louisville.

If approved, this ordinance would amend the local campaign finance rules in the following ways:

Reporting Deadlines
The ordinance would establish reporting deadlines for campaign finance disclosures that are specific to Louisville. These deadlines will require reporting three times prior to election day, once after the election, and annually thereafter for any campaign committee that does not terminate following the election.

Retention of Campaign Finance Reports
The ordinance would establish a two-year retention length for campaign finance reports from candidates who are not elected and for those candidates that are elected reports

would be kept for two years after the candidate leaves office.

Duties of the City Clerk
The ordinance would codify existing practices of the City Clerk as it relates to campaign finance reporting including:

- Retaining copies of campaign finance reports as noted above
- Posting campaign finance reports on the website for public viewing
- Notifying candidates of any failure to submit campaign reports. (Once that notice is sent from the Clerk, the onus is on the candidate to ensure they submit requisite reports.)
- Clarifying that the Clerk is not required to verify the accuracy of information in reports in the absence of a third-party complaint.

Nothing in this ordinance would change the existing process for how the City Clerk investigates third-party complaints including notices of violations, hearings, and penalties.

Municipal Campaign Contribution Limits
The ordinance would establish campaign finance donation limits for those running for municipal office. Staff has NOT included a specific donation limit in the ordinance, but rather has left that blank for the City Council to determine.

As noted above, the State limits are:

- maximum of $400 in aggregate contributions from an individual to any one City Council candidate
- maximum of $4000 in aggregate from a small donor committee to any one City Council candidate

For reference here is what some other municipalities use:

- Boulder: $100 per candidate
- Broomfield: $2,500 for Mayor, $1,250 for Councilmembers
- Golden: $1,000 for Mayor, $500 for Councilmembers from any district, and $250 for Councilmembers from any ward
- Longmont: $290 per candidate (adjusted for inflation every two years)

On second reading on May 7 the City Council will have to determine what limits, if any, it would like to include in the ordinance.

FISCAL IMPACT:
None at this time unless the City Council chooses to change any process that would require additional staff time.

RECOMMENDATION:
Approve the ordinance with any donation limits the Council agrees on.

ATTACHMENT(S):
1. Ordinance

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

ORDINANCE NO. 1872
SERIES 2024

AN ORDINANCE AMENDING CHAPTER 2.17 OF THE LOUISVILLE CONCERNING MUNICIPAL CAMPAIGN FINANCE REGULATIONS

WHEREAS, the City of Louisville is a Colorado home rule municipal corporation duly organized and existing under laws of the State of Colorado and the City Charter; and

WHEREAS, the City Council previously adopted Chapter 2.17 of the Louisville Municipal Code, which explicitly adopted the provisions of Article XXVIII of the Colorado Constitution, entitled Campaign and Political Finance, and C.R.S. Title 1, Article 45, entitled the Fair Campaign Practices Act ("FCPA"); and

WHEREAS, pursuant to its home rule authority and State law, including C.R.S. § 1-45-116, the City may adopt local campaign finance rules that supersede the FCPA; and

WHEREAS, City Council finds it to be in the best interest of the City to adopt certain amendments to the FCPA as provided herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Chapter 2.17 of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

Chapter 2.17
Municipal Campaign Finance

Sec. 2.17.010. Definitions
Sec. 2.17.020. Applicable law for campaign finance in City elections
Sec. 2.17.030 Reporting deadlines for campaign finance disclosures
Sec. 2.17.040 Municipal campaign contribution limits
Sec. 2.17.050 Duties of City Clerk
Sec. 2.17.0~~3~~60 Third party complaints
Sec. 2.17.0~~4~~70 Enforcement by City Clerk
Sec. 2.17.0~~5~~80 Rules and regulations

Sec. 2.17.010. Definitions.

For the purposes of this Chapter the following terms, phrases, words, and their derivatives shall have the meanings given in this section:

Article XXVIII shall mean Article XXVIII of the Colorado Constitution, entitled Campaign and Political Finance, as amended from time to time.

Candidate shall mean any person who seeks nomination or election to the office of City Council at any election. A person is a candidate if the person has filed a nominating petition with the City Clerk for the office of City Council. Candidate shall also mean any elected official who is the subject of recall proceedings pursuant to the City Charter.

City Clerk shall mean the City Clerk of the City of Louisville or that person's designee.

FCPA shall mean the Fair Campaign Practices Act, C.R.S. Section 1-45-101, *et seq*., as amended from time to time.

Sec. 2.17.020. Applicable law for campaign finance in City elections.

Article XXVIII and the FCPA shall apply to and govern all City elections except to the extent that a direct and irreconcilable conflict with the provisions of this Chapter exists, in which case the provisions of this Chapter shall prevail.

Sec. 2.17.030. Reporting deadlines for campaign finance disclosures.

The reports required by C.R.S. § 1-45-108 shall be filed with the City Clerk on the fiftieth (50th) and twenty-fifth (25th) days prior to the City election; the Friday before the City election; thirty (30) days after the City election; and on each December 1 until the committee files a termination report with the City Clerk. If the reporting day is on a weekend or a legal holiday, the report shall be filed by the close of the next business day.

Sec. 2.17.040. Municipal campaign contribution limits.

A. No person or political committee shall make aggregate contributions of more than $_____ to any one candidate committee during an election cycle.

B. No small donor committee shall make contributions of more than $_____ to any one candidate committee during an election cycle.

C. No candidate committee shall accept any contributions from any person, political committee or small donor committee that have an aggregate amount or value in excess of the amounts listed in Subsections A or B. Any contribution or portion thereof that exceeds the limits in Subsections A or B shall be returned to the contributor within seventy-two hours of receipt.

D. The limits imposed in this Section shall not apply to contribution of a candidate's personal funds to the candidate's own campaign.

Sec. 2.17.050. Duties of the City Clerk.

The City Clerk shall:

A. Develop a filing and indexing system consistent with the purposes of the FCPA and this Chapter.

B. Keep a copy of any report or statement required to be filed by the FCPA and this Chapter for a period of two years from the date of filing. In the case of candidates who were elected, each such candidate's reports and filings shall be kept until two years after the candidate leaves office.

C. Make reports and statements required to be filed under the FCPA and this Chapter publicly available on the City's website or for in-person public inspection. The City Clerk may charge applicable copying and research and retrieval fees when such reports are requested through an open records request.

D. Upon request by the Secretary of State or in response to any order issued by a court of competent jurisdiction, transmit records and statements filed under the FCPA and this Chapter to the Secretary of State or as otherwise directed by court order.

E. Notify any candidate who has failed, or whose candidate committee has failed, to fully comply with the provisions of this Chapter. The City Clerk's notification obligations shall be deemed fulfilled if the City Clerk sends written notice to the candidate's designated e-mail address or mailing address.

F. Process complaints of apparent or possible violations of Article XXVIII, the FCPA or this Chapter according to Section 2.17.060 of this Code.

G. The City Clerk shall not be required to verify the accuracy of any information contained in reports filed pursuant to the FCPA and this Chapter.

Sec. 2.17.~~030~~ 060. Third party complaints.

A. Any person who believes a violation of Article XXVIII, ~~or~~ the FCPA or this Chapter has occurred related to a City election may file a written complaint with the City Clerk.

B. Complaints must be filed no later than ninety (90) calendar days after the complainant knew or should have known by the exercise of reasonable diligence of the alleged violation.

C. A written complaint filed with the City Clerk shall include the following information:

1. The name, address, e-mail address, telephone number and signature of the complainant (if the complainant is represented by counsel, include the counsel's name, address, e-mail address, telephone number and signature).

2. The name and, if known, the telephone number and address of the person alleged to have committed a violation (the "respondent").

3. The particulars of the violation and any available documentation or evidence supporting the allegation.

D. If an incomplete complaint is received, the date on which the originally filed complaint was received is considered the filed date if a complete copy is received within three (3) business days of notification from the City Clerk that the complaint was incomplete.

E. If the City Clerk determines that the complaint was not timely filed, has not specifically identified a violation of Article XXVIII, ~~or~~ the FCPA or this Chapter, or that the complainant did not assert facts or provide information sufficient to support the alleged violations, the City Clerk will dismiss the complaint and notify the complainant and respondent of the reasons for dismissal. The City Clerk's dismissal is a final decision, and subject to review under Rule 106 of the Colorado Rules of Civil Procedure.

F. If the complaint is not dismissed pursuant to Subsection E, the City Clerk shall issue notice to the respondent by personal service, regular mail or electronic mail. The notice of violation shall:

1. Cite the section or sections of Article XXVIII, ~~or~~ the FCPA or this Chapter the person allegedly violated and a general description of the violation.

2. Allow seven (7) business days for the correction of the violation or submission of a written statement explaining the reason that supports a conclusion that a violation was not committed.

3. Set forth the applicable civil fine for each violation, except that no such fine shall be due or payable if the person cures the violation within seven (7) business days of the date of the notice of violation.

4. Allow fourteen (14) business days for submission of a written request for an informal hearing before a hearing officer.

G. In the event the violation cannot be cured by complying with the reporting requirements in Article XXVIII, ~~or~~ the FCPA or this Chapter, the person shall propose an alternative resolution to cure the violation to the City Clerk. The

City Clerk shall have the discretion to accept, recommend an alternative, or decline the proposed alternative resolution. Acceptance of an alternative resolution by the City Clerk is deemed to be a cure of the violation if made within seven (7) business days of the date of the notice of violation.

H. If the person fails to cure or otherwise remedy the violation, the person shall within fourteen (14) days of the date of the notice of violation either pay the fine or contest the violation by submitting to the City Clerk a written request for hearing.

I. Upon timely receipt of a written request for a hearing, the City Clerk shall forward the request to a hearing officer to hear and determine the complaint.

J. An informal hearing shall be scheduled as soon as practicable but, unless an enlargement of time is granted, the hearing shall be held within thirty (30) days of the referral of the complaint to the hearing officer. Upon written motion, the hearing officer may grant the respondent a continuance upon a showing of good cause.

K. Notice of the hearing and any applicable rules governing the hearing process shall be sent to the complainant and to the respondent, who shall also receive a copy of the entire complaint received by the City Clerk within two (2) business days of the date of the referral to the hearing office.

L. Upon the request of either party, the hearing officer may issue an administrative subpoena requiring the attendance of a witness or party in relation to an alleged campaign finance violation, which shall be served on the party to whom it is directed by the requesting party pursuant to Rule 4 of the Colorado Rules of Civil Procedure. It shall be unlawful for a witness or party to fail to comply with such subpoena, and any person convicted of a violation hereof shall be punished in accordance with Section 1.28.010 of this Code.

M. At the hearing, the complainant and the respondent shall be allowed to be heard. The complainant shall have the burden of proof by proving the alleged violation by a preponderance of the evidence.

N. Following the hearing, the hearing officer shall issue a decision within fourteen (14) business days. The decision may be issued orally at the conclusion of the hearing or may be issued in writing, at the discretion of the hearing officer.

O. If the hearing officer determines that a violation has occurred, the hearing officer's decision shall include any appropriate order, sanction or relief authorized hereunder and may include, without limitation, sanctions as follows:

1. Impose the civil penalties set forth in Subsection P; except the hearing officer may increase or reduce the penalties upon a finding of good

cause or excusable neglect based on evidence presented at the hearing.

2. Order disclosure of the source and amount of any undisclosed contributions or expenditures.

3. Order the return to the donor of any contribution made which was the subject of the violation.

P. Civil fines for violations of Article XXVIII, ~~or~~ the FCPA or this Chapter, are set forth below. Candidates shall be personally liable for fines imposed against the candidate's committee. In no event shall the maximum total combined fines for all violations of this section by a single person, candidate, or committee during a single election cycle exceed $999.00.

1. Failure to file a report required by Article XXVIII or the FCPA, other than independent expenditures, if not cured within seven business days of notice of violation issued by the City Clerk: $400.00

2. Failure to file a report for independent expenditures: $200.00

3. After notification by the City Clerk, failure to cure a report/violation within the specified time period: $499.00

4. Accepting a contribution prohibited by Article XXVIII, ~~or~~ the FCPA or this Chapter: $400; except that it shall not be considered a violation if the contribution is returned within 72 hours of its receipt. Each prohibited contribution accepted shall be a separate violation.

5. Acting as a conduit in violation of Article XXVIII or the FCPA,: $400.00 for each violation

6. Failing to disclose a contribution or expenditure, including obligations entered into by the committee: $100.00 for each violation

7. Failure to timely file a candidate affidavit: $100.00

8. Failure to file a candidate committee, political committee or issue committee statement of registration: $100.00

9. Failure to deposit funds in a separate account in a financial institution: $100.00

10. Accepting coin or currency in excess of the limits set by Article XXVIII or the FCPA: $50.00 for each violation

11. Use of unexpended campaign funds in violation of Article XXVIII

or the FCPA: $400.00

12. Encouraging withdrawal from a campaign: $499.00

13. Any violation of Article XXVIII, ~~or~~ the FCPA or this Chapter, not otherwise set forth herein: $100.00 per violation

Q. The City Clerk shall reconcile all fines issued during an election cycle, including any judgment entered by the hearing officer, and adjust the amount due such that no single person, candidate, or committee owes more than $999.00 during a single election cycle.

R. If the civil fine is not paid when due or upon entry of a civil judgement by the hearing officer, the City may commence procedures to collect the fine, including commencement of a civil action to collect the fine. A person found to be in violation of this Chapter shall be responsible for all costs of collection, including reasonable attorney fees.

S. All decisions by the hearing officer shall be final subject only to judicial review pursuant to Rule 106 of the Colorado Rules of Civil Procedure.

Sec. 2.17.~~040~~ 070. Enforcement by City Clerk.

If the City Clerk believes that a violation of the Article XXVIII, ~~or~~ the FCPA or this Chapter has occurred, the City Clerk may commence enforcement proceedings in accordance with the procedures set forth in Section ~~2.17.030~~ 2.17.060 of this Code.

Sec. 2.17.~~050~~ 080. Rules and regulations.

The City Clerk is authorized to adopt such rules and regulations consistent with the provisions hereof as may be required to implement this Chapter.

Section 2. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 3. The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, PASSED ON FIRST READING, AND ORDERED PUBLISHED this _____ day of _____, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk

APPROVED AS TO FORM:

_____
Kelly PC, City Attorney

PASSED AND ADOPTED ON SECOND AND FINAL READING, this _____ day of _____, 2024.

_____
Christopher M. Leh, Mayor

ATTEST:

_____
Meredyth Muth, City Clerk