Town of Elizabeth

Board of Trustees Regular Meeting - UPDATED May 8, 2026

Tuesday, May 12, 2026 at 7:00 PM
Town Hall, 151 S. Banner Street

Conferencing Access Information: This is viewing-only access.
Zoom link to view meeting
Join via phone: 1 669 900 9128 **Meeting ID:** 847 0543 4851
Meeting Passcode: 032676

Call to Order

Roll Call

Pledge of Allegiance

Public Comment

This is a meeting of the Board of Trustees held in public. We welcome you here and thank you for your time and concerns. When you are recognized, please stand and state your name and address to the Board. Your comments will be limited to 5 minutes. If many speakers are anticipated, the Mayor may (a) shorten the time limit; (b) ask speakers to limit themselves to new information and points of view not already covered by previous speakers; and/or (c) limit the total time of public comment to allow the Board to proceed to consider items set on the regular meeting agenda. The Board of Trustees may not respond to your comments during this meeting, but rather take your comments and suggestions under advisement and your questions will be directed to the appropriate person or department for follow-up. Personal attacks against Board Members, Administrative Staff, or Employees will not be recognized. If a response from Staff is requested, the Mayor will direct Staff to have a response at the next regularly scheduled Board meeting.

Agenda Changes

Consent Agenda

1. Minutes of the Regular Meeting of April 28, 2026

Presentations

2. 2025 Audit – Kevin Kimball

New Business

3. Discussion and possible action on the appointment of Debbie Kula to the Planning Commission for a term through December 31, 2026 – Alexandra Cramer

4. Discussion and possible action on Resolution 26R14, a Resolution authorizing the Mayor to execute a First Amendment to the License Agreement with Elizabeth Brewing Company regarding the Friday Night Market at Running Creek Park for the Year 2026 – Alexandra Cramer

5. Discussion and possible action on approval of the Intergovernmental Agreement for Waste water Service with Pine Ridge Metro District - Chris Lowe

6. Discussion and possible action regarding the Hillside Paving and Wade Park Project Contract update for increased bid amount to the economy – Mike DeVol

7. Discussion and possible action regarding Addendum of Resolution 23R38 for an Intergovernmental Agreement regarding Water and Wastewater Services between the Town of Elizabeth and the Elizabeth School District — Mike DeVol

Items for Consideration

8. Board Discussion

Management Monitoring Reports

9. Management Monitoring Reports

Board of Trustees Report

10. Board Reports

Adjournment

Action may be taken on any and all items listed on the agenda.
Accommodations for disabilities may be made upon request.

Meeting Protocol and Standards of Conduct

Public Participation

Public comment is encouraged and will be listed as an agenda item at every regular Board meeting.

Each individual wishing to be heard during the public comment period will be given up to three (3) minutes to make a comment.

The public comment period will not be used to make political endorsements or for political campaign purposes.

Questions from the Board will be for clarification purposes only. Public comment will not be used as a time for problem solving or reacting to comments made but, rather, for listening to the comments of citizens without taking any formal action.

The Board may direct the Town Administrator to provide information requested by a speaker during the public comment period.

Speakers are not allowed to make belligerent, accusatory, impertinent, slanderous, threatening, abusive, or disparaging comments.

The Mayor may elect to defer public comment on a specific issue that appears on the regular agenda until that specific item is addressed.

The Mayor may call for order when sidebar conversations occur in the audience. Those conversations are distracting from the Board addressing the topics at hand.

Members of the public who do not follow proper conduct after a warning in a public meeting may be barred from further participation at that meeting or removed from the Board Chambers pursuant to the Elizabeth Municipal Code and Colorado Revised Statutes.

Action may be taken on any and all items listed on the agenda.

Accommodations for disabilities may be made upon request.

Town of Elizabeth

Board of Trustees Regular Meeting UPDATED - Record of Proceedings

Tuesday, April 28, 2026 at 7:00 PM
Town Hall, 151 S. Banner Street

Call to Order

The Regular Meeting of the Board of Trustees for the Town of Elizabeth was called to order on Tuesday, April 28, 2026, at 7:00 pm by Mayor Angela Ternus.

Roll Call

Present:
Mayor Angela Ternus
Mayor Pro Tem Tracy Hutchins
Trustee Dave Conley
Trustee Michael Schroder
Trustee Steve Gaither
Trustee Tony Atencio
Absent:
Trustee Loren Einspahr

There was a quorum to do business.

Also in Attendance:
Interim Administrator Chris Lowe
Town Clerk Michelle Oeser
Public Works Director Mike DeVol
Police Chief Jeff Engel

Pledge of Allegiance

Mayor Ternus led the Board in the Pledge of Allegiance.

Public Comment

This is a meeting of the Board of Trustees held in public. We welcome you here and thank you for your time and concerns. When you are recognized, please stand and state your name and address to the Board. Your comments will be limited to 5 minutes. If many speakers are anticipated, the Mayor may (a) shorten the time limit; (b) ask speakers to limit themselves to new information and points of view not already covered by previous speakers; and/or (c) limit the total time of public comment to allow the Board to proceed to consider items set on the regular meeting agenda. The Board of Trustees may not respond to your comments during this meeting, but rather take your comments and suggestions under advisement and your questions will be directed to the appropriate person or department for follow-up. Personal attacks against Board Members, Administrative Staff, or Employees will not be recognized. If a response from Staff is requested, the Mayor will direct Staff to have a response at the next regularly scheduled Board meeting.

Paul Schwartzkop - Town of Elizabeth Resident
Peter Hatfield - Town of Elizabeth Resident

Agenda Changes

No changes from Administration.

No changes from the Board.

Agenda set.

Consent Agenda

1. Minutes of the Regular Meeting of April 14, 2026

Motion by Mayor Pro Tem Hutchins, seconded by Trustee Gaither, to approve the Minutes of the Regular Meeting of April 14, 2026.
Voting Yes: Mayor Ternus, Mayor Pro Tem Hutchins, Trustee Conley, Trustee Schroder, Trustee Gaither, Trustee Atencio
Voting No: None

Motion Passed Unanimously (6-0)

Mayor Ternus closed the Regular Meeting and opened the Public Hearing at 7:15 pm.

Public Hearing

2. Dads of Elbert County Special Event Application – Michelle Oeser

Ms. Oeser provided a Staff report.
Justin Hundley spoke as the representative for the applicant.

Mayor Ternus opened the Public Hearing for public comment.
There was no public comment.

Mayor Ternus closed the Public Hearing and reopened the Regular Meeting at 7:23 pm.

New Business

3. Discussion and possible action on the approval of the Dad's of Elbert County Special Event Application – Michelle Oeser

Motion by Trustee Conley, seconded by Trustee Gaither, to approve the Dad's of Elbert County Special Event Application.
Voting Yes: Mayor Ternus, Mayor Pro Tem Hutchins, Trustee Conley, Trustee Schroder, Trustee Gaither, Trustee Atencio
Voting No: None

Motion Passed Unanimously (6-0)

4. Discussion and possible action on Resolution 26R13, a Resolution approving the Professional Services Agreement between the Town and Wags and Walks Colorado Pet Ranch regarding the proving of placement of stray, lost, injured, or impounded dogs for the Town of Elizabeth – Chief Engel

Motion by Trustee Conley, seconded by Trustee Gaither, to approve Resolution 26R13, a Resolution approving the Professional Services Agreement between the Town and Wags and Walks Colorado Pet Ranch regarding the proving of placement of stray, lost, injured, or impounded dogs for the Town of Elizabeth.
Voting Yes: Mayor Ternus, Mayor Pro Tem Hutchins, Trustee Conley, Trustee Schroder, Trustee Gaither, Trustee Atencio
Voting No: None

Motion Passed Unanimously (6-0)

5. Discussion and possible action regarding a contract for the Town Administrator Executive Search Consultant– Michelle Oeser

Motion by Trustee Conley, seconded by Trustee Schroder, to approve a contract for the Town Administrator Executive Search with Duffy Consultant Group, with a $30,000 not to exceed clause, and giving authority for the Mayor to sign the contract once approved by the Town Attorney.
Voting Yes: Mayor Ternus, Mayor Pro Tem Hutchins, Trustee Conley, Trustee Schroder, Trustee Atencio
Voting No: Trustee Gaither

Motion Unanimously (5-1)

Management Monitoring Reports

6. Management Monitoring Reports

- Interim Town Administrator Chris Lowe:
  - Discussion on how to add items to the agenda.
  - Discussion on adding an agenda line item - Items for Consideration.
  - Discussion on opening the community garden.
- Police Chief Jeff Engel:
  - Discussion on Police Officers and take home vehicles.
  - Elizabeth Police Officers assisted the Elberty County Sheriff with a homicide.
  - Elizabeth Police Department is working on crash reduction strategies for Highway 86.
  - The Annual Police report will be presented to the Board at the next meeting.
  - Discussion on E-bikes in Town.
- Public Works Director Mike DeVol:
  - Discussion on completion of the trail project and final reporting to the State.
  - Discussion on upkeep of the Boy Scout trail benches, and the possibility of installing shade covers along the trail.
  - Discussion on the split rail fence surrounding the detention pond.
  - Discussion on trees for Running Creek Park.
  - Discussion on the Town's Clean-Up Day.
- Town Clerk Michelle Oeser:
  - Discussion about in-kind sponsorship for the Library Foundation Brewfest event.
  - Discussion about in-kind sponsorship for the Meet on Main Street Event.
  - Discussion on Food Truck Parking at the Gesin Lot.
  - Trustee Schroder inquired about the Colorado Municipal League Conference.
  - Mayor Ternus said that people attending the Elbert County Chamber Business Expo were interested in the Alzheimer's discussion being presented at the next Senior Luncheon.
  - Discussion on the possible cancellation of the Fundraising Flower Sale this year.

Board of Trustees Report

7. Board Reports

- Trustee Tony Antenico:
  - Follow-up discussion on the topic of senior transportation grant opportunities.
- Mayor Angela Ternus
  - Thanked Mayor Pro Tem Hutchins, and Trustee Antencio for helping at the Business Expo.

Adjournment

Motion by Mayor Pro Tem Hutchins, seconded by Trustee Atencio, to adjourn the meeting at 8:13 PM.
Voting Yes: Mayor Ternus, Mayor Pro Tem Hutchins, Trustee Conley, Trustee Schroder, Trustee Gaither, Trustee Atencio
Voting No: None

Motion Passed Unanimously (6-0)

______________________________	______________________________
Town Clerk Michelle Oeser	Mayor Angela Ternus

TOWN OF ELIZABETH, COLORADO

FINANCIAL STATEMENTS
DECEMBER 31, 2025

TABLE OF CONTENTS

TABLE OF CONTENTS – (CONTINUED)

SUPPLEMENTARY INFORMATION

THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Board of Trustees
Town of Elizabeth
Elizabeth, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Elizabeth (the Town) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Elizabeth, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and GASB required pension schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison schedules and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules and local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Greenwood Village, Colorado
April 30, 2026

Town of Elizabeth, Colorado's (the Town) discussion and analysis offers readers of the Town's financial statements a narrative overview and analysis of the Town's financial activities for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2025 by $60,336,111. Of this amount, $33,427,248 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens, creditors, and enterprise fund customers.

- The Town's total net position increased by $6,176,001 over the previous year. The increase was a result of capital contributions conveyed to the Town, tax revenues and utility revenues collected sufficient to cover operating expenses.

- At December 31, 2025, the Town's governmental fund balance sheet reported a combined ending fund balance of $21,359,154, a decrease of $384,434 when compared to the prior year.

- The General Fund reported a fund balance of $4,486,435, an increase of $552,314 from the prior fiscal year.

- The Town's total outstanding long-term debt decreased by $532,209 in fiscal year 2025 as a result of principal payments made on outstanding loans and bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (such as, uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government, community development, public safety, and public works. The Town's business-type activities include a water and wastewater utility system.

Fund financial statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains four individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Capital Improvement Fund, Capital Improvements Fund, and the Street Maintenance Fund. The General Fund, Street Capital Improvement Fund, and the Capital Improvements Fund are all considered to be major funds in the current year.

The Town adopts an annual appropriated budget for all funds, as required by State Statues. Budgetary comparison statements have been provided for governmental funds to demonstrate compliance with the budget.

Proprietary funds. The Town maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for its water and wastewater utility system.

Financial statements of proprietary fund provide the same type of information as the government- wide financial statements, but in greater detail. The proprietary fund financial statements provide information for the Town's water and wastewater, facility.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning budgetary comparison information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indication of a government's financial position. The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $60,336,111 at the close of the most recent fiscal year, representing an increase in total net position for the year amounting to $6,176,001.

One of the largest portions of the Town's net position (43%) reflects its investment in capital assets (for example, land, buildings, infrastructure, and machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

Town of Elizabeth Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 24,733,851	$ 23,094,925	$ 11,140,994	$ 9,661,926	$ 35,874,845	$ 32,756,851
Capital assets	18,639,464	13,989,485	10,526,523	10,388,781	29,165,987	24,378,266
Total assets	43,373,315	37,084,410	21,667,517	20,050,707	65,040,832	57,135,117
Deferred Outflows of Resources						
Loss on refunding	23,784	35,676	-	-	23,784	35,676
Related to pensions	353,828	396,948	-	-	353,828	396,948
Total deferred outflows	377,612	432,624	-	-	377,612	432,624
Liabilities						
Current liabilities	2,506,128	500,958	372,031	188,573	2,878,159	689,531
Long-term liabilities	1,104,465	1,565,816	172,912	231,640	1,277,377	1,797,456
Total liabilities	3,610,593	2,066,774	544,943	420,213	4,155,536	2,486,987
Deferred inflows of resources						
Related to pensions	55,924	66,857	-	-	55,924	66,857
Deferred property taxes	870,873	853,787	-	-	870,873	853,787
Total deferred inflows	926,797	920,644	-	-	926,797	920,644
Net position:						
Net investment in capital assets	15,688,873	12,554,485	10,383,328	10,178,377	26,072,201	22,732,862
Restricted	763,114	717,702	73,548	73,294	836,662	790,996
Unrestricted	22,761,550	21,257,429	10,665,698	9,378,823	33,427,248	30,636,252
Total net position	$ 39,213,537	$ 34,529,616	$ 21,122,574	$ 19,630,494	$ 60,336,111	$ 54,160,110

An additional portion of the Town's net position (1%) represents resources that are subject to restrictions on how they may be used, most of which are restrictions imposed from external sources. The remaining (55%) of total net position, $33,427,248, represents unrestricted net position that may be used to meet the government's ongoing obligations to citizens, creditors, and customers within the respective governmental and business-type activities.

At the end of the current fiscal year, as in the prior year, the Town is able to report positive balances in all three categories of net position as a whole and individually within the governmental and business-type activities. Unrestricted net position increased by $2,790,996 compared with the prior year, largely due to increase in revenues associated with increase in tax collections and continued positive performance with investments. The Town's finances are strong, sound, and stable because of solid, dedicated and committed financial management.

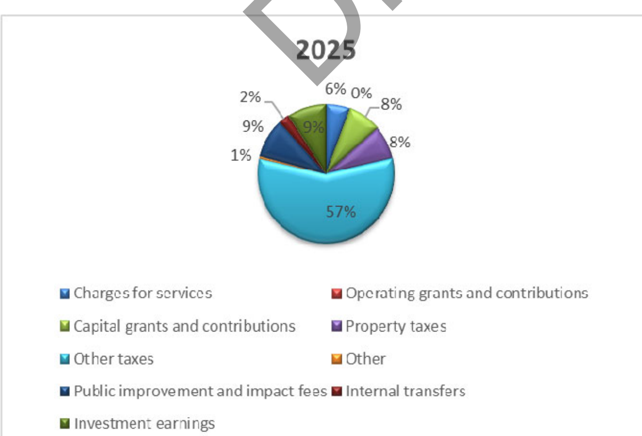
The changes in net position displayed subsequently shows the governmental and business-type activities during the previous two fiscal years. The increase in net position for each year represents the extent to which expenses were less than revenues during the year.

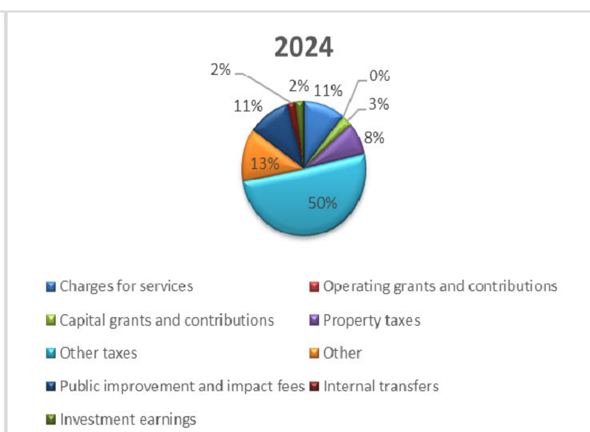
Town of Elizabeth Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 561,625	$ 1,025,332	$ 1,912,872	$ 1,793,064	$ 2,474,497	$ 2,818,396
Operating grants and contributions	19,685	-	-	-	19,685	-
Capital grants and contributions	794,346	277,842	1,324,005	2,701,883	2,118,351	2,979,725
General revenues:						
Property taxes	782,103	735,118	-	-	782,103	735,118
Other taxes	5,740,112	4,780,509	-	-	5,740,112	4,780,509
Public improvement and impact fees	917,949	1,200,004	-	-	917,949	1,200,004
Investment earnings	935,303	1,042,317	431,678	435,884	1,366,981	1,478,201
Internal balances	250,000	200,000	(250,000)	(200,000)	-	-
Other	60,140	209,336	59,470	87,965	119,610	297,301
Total revenues	10,061,263	9,470,458	3,478,025	4,818,796	13,539,288	14,289,254
Expenses:						
General government	1,241,879	1,129,152	-	-	1,241,879	1,129,152
Community development	442,199	684,376	-	-	442,199	684,376
Public Safety	1,992,913	1,811,534	-	-	1,992,913	1,811,534
Public works	1,648,665	1,943,105	-	-	1,648,665	1,943,105
Interest and fiscal charges	51,686	64,546	-	-	51,686	64,546
Water and sewer	-	-	1,985,945	1,775,138	1,985,945	1,775,138
Total expenses	5,377,342	5,632,713	1,985,945	1,775,138	7,363,287	7,407,851
Change in net position	4,683,921	3,837,745	1,492,080	3,043,658	6,176,001	6,881,403
Net position, January 1,	34,529,616	30,691,871	19,630,494	16,586,836	54,160,110	47,278,707
Net position, December 31,	$ 39,213,537	$ 34,529,616	$ 21,122,574	$ 19,630,494	$ 60,336,111	$ 54,160,110

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the Town's activities for fiscal years 2025 and 2024.

Governmental Revenues





As portrayed above and discussed earlier, the Town is heavily reliant on sales and use taxes as well as property taxes to support governmental operations. These tax revenue streams accounted for 65% of total revenues as compared to 58% in the prior year. One of the other largest categorical increases was capital grants and contributions related to state construction grants awarded to the Town in 2025.

Governmental Functional Expenses

Total expenses for governmental activities was $5,377,342 in 2025 when compared to the 2024 balance of $5,632,713. Public safety was the largest operating service for 2025 for the Town. Total public safety expenses was $1,992,913 in 2025 as compared to $1,811,534 in 2024. Public works was the second largest functional expense in 2025 with total expenses of $1,648,665 as compared to $1,943,105 in 2024.

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2025, the Town's governmental funds reported combined fund balances of $21,359,154, a decrease of $384,434 compared with the prior year balances. There is $3,622,695 of unassigned fund balance, which is available for spending at the Town's discretion. The remainder of fund balance falls into the categories of either nonspendable, restricted, committed or assigned.

These categories indicate that the funds are not available for new spending because they have already been designated for a specific purpose either by action of the Town, statutory or debt-based requirements.

The General Fund is the chief operating fund of the Town. At December 31, 2025, total fund balance in the General Fund was $4,486,435. As a measure of the General Fund's liquidity, the total fund balance amount exceeds total general fund expenditures at December 31, 2025. The fund balance of the General Fund increased by $552,314 during the current fiscal year due to transfers from other funds.

The Street Capital Improvement Fund has a total fund balance of $2,967,928, of which $301,299 is restricted for debt service. The fund balance of the Street Capital Improvement Fund decreased by $2,333,801 due to capital outlay incurred for the Mainstreet construction projects. The main sources of revenue in 2025 were sales tax and capital improvement grants.

The Capital Improvements Fund has a total fund balance of $12,406,821. The $1,098,530 increase in fund balance for the year is due to sales tax and use tax revenue collections being higher than expenditures.

The Street Maintenance Fund has a total committed fund balance of $1,497,970. This fund balance increased $298,523 during the current fiscal year as the road and bridge taxes, sales taxes and other revenues were higher than total capital outlay incurred.

Proprietary Funds. The Town's Water and Wastewater proprietary fund provides the same type of information found in the government-wide financial statements, but in greater detail. At December 31, 2025, total net position amounted to $21,122,574 for the enterprise fund, increased $1,492,080 from the prior year. Operating revenues increased 7%, or $119,808, compared to fiscal year 2025 due to an increase usage by customers within the Town and a mid year increase to base rates. Operating expenditures had an increase of $210,807, which is directly related to an increase in salaries and maintenance on the system during 2025.

General Fund Budgetary Highlights

A budget to actual schedule is provided for the General Fund in the Required Supplementary Information section of the financial statements.

There were positive revenue variances totaling $449,804 across all revenue streams. Expenditures for general government, public safety, public works, and community development were under budget by a total of $135,168 due mostly to less outsourced services costs compared to budget.

Capital Assets and Debt Administration

Capital Assets – The Town's investment in capital assets for its governmental and business -type activities as of December 31, 2025, amounts to $26,072,201 (net of accumulated depreciation and related debt). This investment in capital assets includes land, infrastructure, buildings and improvements, vehicles and equipment, and plant facilities. The overall net increase in the Town's capital assets for the current fiscal year was 20% due to acquisition and construction of assets. Major capital asset events in the current fiscal year included the following:

- The Mainstreet Streetscape project ~ $3.7 million
- The Depot Parking Lot construction ~ $1.39 million
- Acquisition of land on Mainstreet ~ $200,000
- Water tank and waterline improvements ~ $505,000

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 2,671,436	$ 2,470,757	$ 358,630	$ 358,630	$ 3,030,066	$ 2,829,387
Construction in progress	3,698,850	-	933,950	791,618	4,632,800	791,618
Land improvements	1,392,781	1,476,598	-	-	1,392,781	1,476,598
Infrastructure	9,690,782	8,806,491	-	-	9,690,782	8,806,491
Buildings and improvements	521,942	496,288	-	-	521,942	496,288
Vehicles and equipment	663,673	739,351	-	-	663,673	739,351
Plant and equipment	-	-	6,220,404	6,540,735	6,220,404	6,540,735
Plant and improvements	-	-	3,013,539	2,697,798	3,013,539	2,697,798
	$ 18,639,464	$ 13,989,485	$ 10,526,523	$ 10,388,781	$ 29,165,987	$ 24,378,266

Long-term debt: At the end of the current fiscal year, the Town had total debt outstanding of $1,113,195 comprised of bonded debt backed by the full faith and credit of the Town. See footnote 5 for additional information on long term debt held by the Town.

Economic Factors and Next Year's Budget and Rates

- Taxable property valuation decreased from $67.685 million in 2024 to $67.140 million in 2025, which was offset by an increase in mills from to 12.614 in 2024 to 12.971 in 2025. 2025 valuation is based on collections to be received by the Town in 2026.

- Sales tax revenue represents the Town's largest and most flexible revenue source. Due to Elizabeth's small commercial base and its proximity to larger retail centers, this revenue stream remains sensitive to external economic shifts and consumer spending patterns. Sales tax revenues were approximately $780,000 higher than budgeted amounts in 2025.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Town Management.

BASIC FINANCIAL STATEMENTS

TOWN OF ELIZABETH
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	$ 22,193,601	$ 10,877,055	$ 33,070,656
Cash and investments - restricted	471,080	74,436	545,516
Accounts receivable	1,193,115	189,154	1,382,269
Property taxes receivable	870,873	-	870,873
Prepaid items	5,182	349	5,531
Capital assets, not depreciated	6,370,286	1,292,580	7,662,866
Capital assets, net of depreciation	12,269,178	9,233,943	21,503,121
Total Assets	43,373,315	21,667,517	65,040,832
Deferred Outflows of Resources			
Loss on refunding	23,784	-	23,784
Related to pension	353,828	-	353,828
Total Deferred Outflows of Resources	377,612	-	377,612
Liabilities			
Accounts payable and accrued liabilities	2,259,523	296,281	2,555,804
Accrued interest payable	2,304	888	3,192
Unearned revenue	66,050	-	66,050
Deposits	178,251	74,862	253,113
Noncurrent liabilities:			
Due within one year	493,446	72,456	565,902
Due in more than one year	611,019	100,456	711,475
Total Liabilities	3,610,593	544,943	4,155,536
Deferred Inflows of Resources			
Related to pension	55,924	-	55,924
Unavailable property taxes	870,873	-	870,873
Total Deferred Outflows of Resources	926,797	-	926,797
Net Position			
Net investment in capital assets	15,688,873	10,383,328	26,072,201
Restricted			
Emergency reserves	294,338	-	294,338
Debt service	298,995	73,548	372,543
Conservation trust	169,781	-	169,781
Unrestricted	22,761,550	10,665,698	33,427,248
Total Net Position	$ 39,213,537	$ 21,122,574	$ 60,336,111

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental Activities:							
General government	$ 1,241,879	$ 403,079	$ 19,685	$ -	$ (819,115)	$ -	$ (819,115)
Community development	442,199	-	-	-	(442,199)	-	(442,199)
Public safety	1,992,913	158,546	-	-	(1,834,367)	-	(1,834,367)
Public works	1,648,665	-	-	794,346	(854,319)	-	(854,319)
Interest and fiscal charges	51,686	-	-	-	(51,686)	-	(51,686)
Total governmental activities	5,377,342	561,625	19,685	794,346	(4,001,686)	-	(4,001,686)
Business-Type Activities:							
Water and wastewater	1,985,945	1,912,872	-	1,324,005	-	1,250,932	1,250,932
Total business-type activities	1,985,945	1,912,872	-	1,324,005	-	1,250,932	1,250,932
Total primary government	7,363,287	2,474,497	19,685	2,118,351	(4,001,686)	1,250,932	(2,750,754)
GENERAL REVENUES:							
Sales and use taxes					5,295,656	-	5,295,656
Property taxes					782,103	-	782,103
Specific ownership taxes					110,107	-	110,107
Other taxes					334,349	-	334,349
Public improvement fees					863,052	-	863,052
Impact fees					54,897	-	54,897
Investment earnings					935,303	431,678	1,366,981
Miscellaneous					60,140	59,470	119,610
Internal balances					250,000	(250,000)	-
Total general revenues					8,685,607	241,148	8,926,755
Change in net position					4,683,921	1,492,080	6,176,001
Net position - beginning					34,529,616	19,630,494	54,160,110
Net position - ending					$ 39,213,537	$ 21,122,574	$ 60,336,111

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
GOVERNMENTAL FUNDS – BALANCE SHEET
DECEMBER 31, 2025

				Non-Major	
	General	Street Capital Improvement	Capital Improvements	Street Maintenance	Total Governmental Funds
Assets					
Cash and investments	$ 4,371,269	$ 4,342,869	$ 12,054,974	$ 1,424,489	$ 22,193,601
Cash and investments - restricted	169,781	301,299	-	-	471,080
Accounts receivable	397,525	315,851	350,945	128,794	1,193,115
Property taxes receivable	870,873	-	-	-	870,873
Prepaid items	2,778	-	2,404	-	5,182
Total assets	$ 5,812,226	$ 4,960,019	$ 12,408,323	$ 1,553,283	$ 24,733,851
Liabilities, Deferred inflows of resources and fund balance					
Liabilities:					
Accounts payable and retainage	$ 33,318	$ 1,980,591	$ 1,502	$ 36,386	$ 2,051,797
Accrued liabilities	198,799	-	-	8,927	207,726
Unearned revenue	44,550	11,500	-	10,000	66,050
Escrow deposits	178,251	-	-	-	178,251
Total liabilities	454,918	1,992,091	1,502	55,313	2,503,824
Deferred inflows of resources					
Unavailable property taxes	870,873	-	-	-	870,873
Total deferred inflows of resources	870,873	-	-	-	870,873
Fund balance:					
Nonspendable					
Prepaid items	2,778	-	2,404	-	5,182
Restricted					
Emergencies	294,338	-	-	-	294,338
Debt service	-	301,299	-	-	301,299
Conservation trust	169,781	-	-	-	169,781
Committed					
Street maintenance	-	-	-	1,497,970	1,497,970
Street improvements	-	2,666,629	-	-	2,666,629
Impact fee funded improvements	396,843	-	-	-	396,843
Capital improvements	-	-	12,404,417	-	12,404,417
Unassigned	3,622,695	-	-	-	3,622,695
Total fund balances	4,486,435	2,967,928	12,406,821	1,497,970	21,359,154
Total liabilities, deferred inflows of resources and fund balances	$ 5,812,226	$ 4,960,019	$ 12,408,323	$ 1,553,283	$ 24,733,851

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Total fund balance, governmental funds	$	21,359,154
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.		18,639,464
Long-term liabilities, including net pension liabilities, loans payable are not due and payable in the current period, and therefore, are not reported in governmental funds.		
Bonds payable		(970,000)
Accrued interest		(2,304)
Compensated absences		(134,465)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Related to pension		353,828
Loss on refunding		23,784
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Related to pension		(55,924)
Total net position of governmental activities	$	39,213,537

TOWN OF ELIZABETH
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

				Non-Major	
Revenues	General	Street Capital Improvement	Capital Improvements	Street Maintenance	Total Governmental Funds
Taxes	$ 2,087,429	$ 1,802,445	$ 2,002,827	$ 295,165	$ 6,187,866
Public improvement fees	838,023	-	-	25,029	863,052
Impact fees	54,897	-	-	-	54,897
Licenses and permits	403,079	-	-	-	403,079
Intergovernmental	19,685	794,346	-	334,349	1,148,380
Charges for services	158,546	-	-	-	158,546
Investment earnings	206,413	203,271	472,788	52,831	935,303
Miscellaneous	60,140	-	-	-	60,140
Total revenues	3,828,212	2,800,062	2,475,615	707,374	9,811,263
Expenditures					
Current:					
General government	1,199,405	-	-	-	1,199,405
Community development	442,199	-	-	-	442,199
Public safety	1,890,727	-	-	-	1,890,727
Public works	260,922	32,921	-	408,851	702,694
Capital outlay	12,645	4,455,044	1,237,085	-	5,704,774
Debt service:					
Principal	-	465,000	-	-	465,000
Interest and fiscal charges	-	40,898	-	-	40,898
Total expenditures	3,805,898	4,993,863	1,237,085	408,851	10,445,697
Excess (deficiency) of revenues over (under) expenditures	22,314	(2,193,801)	1,238,530	298,523	(634,434)
Other financing sources (uses)					
Transfers in	530,000	-	-	-	530,000
Transfers out	-	(140,000)	(140,000)	-	(280,000)
Total other financing sources (uses)	530,000	(140,000)	(140,000)	-	250,000
Net change in fund balances	552,314	(2,333,801)	1,098,530	298,523	(384,434)
Fund balances - beginning	3,934,121	5,301,729	11,308,291	1,199,447	21,743,588
Fund balances - ending	$ 4,486,435	$ 2,967,928	$ 12,406,821	$ 1,497,970	$ 21,359,154

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS – TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net change in fund balance - total governmental funds:	$	(384,434)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		5,449,597
Depreciation expense		(799,618)
Governmental funds report principal payments as expenditures. However, in the statement of activities these payments are reflected as a reduction in long-term debt obligations.		465,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds		
Change in accrued interest payable		1,104
Change in accrued compensated absences		(3,649)
Amortization of loss on refunding		(11,892)
Pension expense		(32,187)
Change in net position of governmental activities	$	4,683,921

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
PROPRIETARY FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2025

		Water and Wastewater
Assets		
Current assets:		
Cash and investments	$	10,877,055
Cash and investments - restricted		74,436
Accounts receivable		189,154
Prepaid items		349
Total current assets		11,140,994
Noncurrent assets:		
Capital assets, not being depreciated		1,292,580
Capital assets, net of depreciation		9,233,943
Total noncurrent assets		10,526,523
Total assets		21,667,517
Liabilities		
Current liabilities:		
Accounts payable and retainage		278,788
Accrued liabilities		17,493
Accrued interest payable		888
Customer deposits		74,862
Compensated absences, current portion		2,702
Loans payable, current portion		69,754
Total current liabilities		444,487
Noncurrent liabilities:		
Compensated absences		27,015
Loans payable, long term portion		73,441
Total noncurrent liabilities		100,456
Total liabilities		544,943
Net Position		
Net investment in capital assets		10,383,328
Restricted		
Debt service		73,548
Unrestricted		10,665,698
Total net position	$	21,122,574

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
YEAR ENDED DECEMBER 31, 2025

	Water and Wastewater
Operating revenues	
Charges for services	$ 1,912,872
Miscellaneous	59,470
Total operating revenues	1,972,342
Operating expenses	
Systems operations	1,423,030
Depreciation	555,942
Total operating expenses	1,978,972
Operating income (loss)	(6,630)
Nonoperating revenues (expenses)	
Investment earnings	431,678
Interest expense	(6,973)
Total non-operating revenues (expenses)	424,705
Income before contributions and transfers	418,075
Capital contributions	1,324,005
Transfers out	(250,000)
Change in net position	1,492,080
Net position, beginning of year	19,630,494
Net position, end of year	$ 21,122,574

The accompanying notes are an integral part of the financial statements.

TOWN OF ELIZABETH
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

	Water and Wastewater
Cash Flows From Operating Activities	
Cash received from customers	$ 1,899,946
Cash paid to suppliers	(981,636)
Cash paid to employees	(249,550)
Net cash provided by operating activities	668,760
Cash Flows From Capital and Related Financing Activities	
Acquisition of capital assets	(693,684)
Tap fees received	1,324,005
Loan principal payments	(67,209)
Loan interest payment	(7,227)
Net cash provided by capital and related financing activities	555,885
Cash Flows From Noncapital Financing Activities	
Cash paid to other funds	(250,000)
Net cash used by noncapital and related financing activities	(250,000)
Cash Flows From Investing Activities	
Interest received	431,678
Net cash provided by investing activities	431,678
Net change in cash and cash equivalents	1,406,323
Cash and cash equivalents and restricted cash, beginning of year	9,545,168
Cash and cash equivalents and restricted cash, end of year	$ 10,951,491
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities	
Net operating income (loss)	$ (6,630)
Adjustments to reconcile net operating income to cash provided by operating activities	
Depreciation expense	555,942
Changes in assets and liabilities related to operations	
Accounts receivable	(72,396)
Accounts payable	169,660
Accrued liabilities	8,697
Customer deposits	5,355
Compensated absences payable	8,481
Net cash provided by operating activities	$ 668,760
Reconciliation of Cash and Cash Equivalents to Proprietary Funds Statement of Net Position	
Cash and cash equivalents	$ 10,877,055
Restricted cash	74,436
Total cash and cash equivalents	$ 10,951,491

The accompanying notes are an integral part of the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town of Elizabeth, Colorado (the Town), was incorporated in 1890, and is governed by a Mayor and six-member Board of Trustees elected by the residents.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to or impose financial burdens on the Town. The Town has no component units, nor is the Town a component of any other governmental entity.

Government-Wide and Fund Financial Statements

The more significant accounting policies of the Town are described as follows:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Town. For the most part, the effect of interfund activity has been removed from these financial statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the governmental and business-type activities of the Town at year-end. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and the proprietary fund. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. Depreciation is computed and recorded as an expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds and notes are recorded as reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year. The major sources of revenue susceptible to accrual are property and sales taxes, intergovernmental revenues, and interest. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

In the fund financial statements, the Town reports the following major governmental funds:

The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those accounted for in another fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The *Street Capital Improvement Fund* accounts primarily for the collection of ninety percent (90%) of 1.5% sales and use tax restricted by election for the design, construction, and repayment of debt issued for streets and roads, improvements to street lights, storm water, drainage, pedestrian, landscaping, and modifications to utilities.

The *Capital Improvement Fund* accounts for 1.5% sales and use tax collected beginning January 1, 2008, through December 31, 2033, restricted by election for the design, construction, and repayment of debt issued for general capital improvements, and land acquisition, and water and wastewater improvements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following major proprietary fund:

The *Water and Wastewater Fund* accounts for the financial activities associated with the provision of water and sewer services.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions, and; 3) capital grants and contributions, including special assessments. General revenues include all taxes, interest and investment earnings, and miscellaneous revenues.

Interfund transactions are treated and classified as revenues, expenditures, or expenses. These include interfund transfers from one fund to another for the purchase of goods or services, In the government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and business-type activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Pooled Cash and Investments

The Town's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Whenever possible the Town pools cash equivalents to enhance investment opportunities and to facilitate management of cash resources. Investments are made taking into consideration safety, liquidity, and income potential. The Town makes investments pursuant to relevant State of Colorado statutes.

Investments are reported in accordance with GASB Statement 72, as amended.

Property Taxes and Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At December 31, 2025, the Town believes all amounts recorded are fully collectible.

By December 15 of each year, property taxes for the Town are levied by the Board and certified to Elbert County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by Elbert County on behalf of the Town.

Property taxes levied in the General Fund are included in receivables and deferred inflows of resources at December 31, 2025. These taxes are classified as deferred inflows since they are not normally available to the Town until mid-2026 and are budgeted for in 2026 as revenue.

Prepaid Items

Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Capital Assets

Capital assets, which include land, construction in progress, water and wastewater systems, buildings, equipment, and streets constructed or contributed since January 1, 2004, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined as assets with an initial, individual or aggregate cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Land improvements	15 - 25 years
Infrastructure	30 years
Buildings and improvements	25 - 100 years
Vehicles and equipment	3 - 30 years
Plant Equipment	5 - 60 years
Plant improvements	5-30 years

Compensated Absences

Employees of the Town are allowed to accumulate unused paid time off. Upon termination of employment from the Town, an employee will be compensated for all accrued paid time off, based on years of service, up to a maximum of 384 hours, at their current rate of pay. These compensated absences are expended when earned in the proprietary fund. Compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund.

A long-term liability has been reported in the government-wide financial statements and the proprietary fund for the accrued vacation time. Employees are not paid for unused sick time. Therefore, no liability is reported for these compensated absences.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Long-Term Obligations

In government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and losses on debt refunding are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the Town that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the statement of net position but are recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension plan that qualify for reporting as a deferred outflow of resources. See Note 8 for more information. In addition, a deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources for the Town consist of property taxes receivable. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected.

The Town also reports a deferred inflow of resources for items related to its pension plan. See Note 8 for additional information.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Pensions

The Town participates in the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire and Police Pension Association of Colorado (FPPA).For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension, and pension expense (income), information about the fiduciary net position of the SRP, administered by FPPA, and additions to/deductions from the SRP's fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fund Balance and Net Position

The Town's governmental fund balances may consist of five classifications based on relative strength of the spending constraints:

Nonspendable fund balance – The amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact. As of December 31, 2025, the general fund and capital improvements fund had $2,778 and $2,404 of nonspendable fund balance.

Restricted fund balance – The amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. At December 31, 2025, the general fund had restricted fund balance of $294,338 and $169,781 related to emergency restrictions and conservation trust funds, respectively, and the street capital improvement fund had restricted fund balance of $301,299, related to future debt service.

Committed fund balance – Amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority (i.e., Board of Trustees). To be reported as committed, amounts cannot be used for any other purpose unless the Town takes the same highest-level action to remove or change the constraint. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. At December 31, 2025, the general fund had committed fund balance of $396,843, the street capital improvement fund had committed fund balance of $2,666,629, the capital improvements fund had committed fund balance of $12,404,417 and the street maintenance fund had committed fund balance of $1,497,970.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Assigned fund balance – Amounts are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. At December 31, 2025, there was no assigned fund balance.

Unassigned fund balance – Is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When an expenditure is incurred for which restricted, committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town's Board has provided otherwise in its commitment or assignment actions.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Town can report up to three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Town will use the most restrictive net position first.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets are adopted for all funds of the Town as required by State statutes. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures and depreciation is not budgeted.

On or before October 15 of each year, the Town Administrator submits to the Town Board a proposed operating budget for the fiscal year commencing on the following January 1. Public hearings are conducted to obtain input from elected officials, residents, and other interested parties. By December 31, the final budget is adopted.

The appropriated budget is adopted by fund. Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board. All appropriations lapse at fiscal year-end.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments at December 31, 2025, consisted of the following:

Petty cash	$	400
Cash deposits		508,612
Investments		33,107,160
Total	$	33,616,172

Cash and investments are classified in the financial statements as follows:

Cash and investments	$	33,070,656
Cash and investments - restricted		545,516
Total cash and investments	$	33,616,172

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust.

The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the Town's cash deposits had a bank balance of $550,438 and a carrying balance of $508,612.

Investments

The Town has not adopted a formal investment policy; however, the Town follows state statutes regarding investments. The Town generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Such actions are generally associated with a debt service reserve or sinking fund requirements. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States, certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

- Guaranteed investment contracts
- Local government investment pools*

Local Government Investment Pools

At December 31, 2025, the Town had $27,508,861 and $5,598,299 invested in the Colorado Local Government Liquid Asset Trust PLUS Fund (ColoTrust PLUS) and the Colorado Surplus Asset Fund Trust CORE FUND (CSAFE CORE), respectively, investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The pools operate similarly to money market funds and each share is valued at $1.00. Both pools are rated AAAm by Standard and Poor's. Investments of the pools are limited to those allowed by State statues. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the funds.

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town's investment in ColoTrust PLUS is measured at net asset value, equal to $1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. The Town's investment in CSAFE is measured at net asset value, equal to $1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Restricted Cash and Investments

At December 31, 2025, the General Fund reported $169,781 restricted for conservation trust funds. The Street Capital Improvement Fund and the Water and Wastewater Fund reported $301,299 and $74,436 restricted for debt service reserves.

NOTE 4 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2025, is summarized below:

	Balances December 31, 2024	Additions	Deletions	Balances December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated				
Land	$ 2,470,757	$ 200,679	$ -	$ 2,671,436
Construction in progress	-	3,698,850	-	3,698,850
Total capital assets, not depreciated	2,470,757	3,899,529	-	6,370,286
Capital Assets, Being Depreciated				
Land improvements	2,077,915	-	-	2,077,915
Infrastructure	14,680,845	1,421,018	-	16,101,863
Buildings and improvements	931,513	56,650	-	988,163
Vehicles and equipment	1,945,494	72,400	-	2,017,894
Total capital assets, depreciated	19,635,767	1,550,068	-	21,185,835
Accumulated depreciation				
Land improvements	(601,317)	(83,817)	-	(685,134)
Infrastructure	(5,874,354)	(536,727)	-	(6,411,081)
Buildings and improvements	(435,225)	(30,996)	-	(466,221)
Vehicles and equipment	(1,206,143)	(148,078)	-	(1,354,221)
Total accumulated depreciation	(8,117,039)	(799,618)	-	(8,916,657)
Net capital assets, depreciated	11,518,728	750,450	-	12,269,178
Governmental Activities Capital Assets, net	$ 13,989,485	$ 4,649,979	$ -	$ 18,639,464

	Balances December 31, 2024	Additions	Deletions	Balances December 31, 2025
Business-Type Activities:				
Capital Assets, Not Being Depreciated				
Land and easements	$ 358,630	$ -	$ -	$ 358,630
Construction in Process	791,618	142,332	-	933,950
Total capital assets, not depreciated	1,150,248	142,332	-	1,292,580
Capital Assets, Being Depreciated				
Plant and equipment	11,946,432	46,672	-	11,993,104
Plant and improvements	5,327,771	504,680	-	5,832,451
Total capital assets, depreciated	17,274,203	551,352	-	17,825,555
Accumulated depreciation				
Plant and equipment	(5,405,697)	(367,003)	-	(5,772,700)
Plant and improvements	(2,629,973)	(188,939)	-	(2,818,912)
Total accumulated depreciation	(8,035,670)	(555,942)	-	(8,591,612)
Net capital assets, depreciated	9,238,533	(4,590)	-	9,233,943
Business-Type Activities Capital Assets, net	$ 10,388,781	$ 137,742	$ -	$ 10,526,523

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Depreciation expense for governmental activities was charged to functions/program of the Town as follows:

Governmental Activities		
General government	$	38,825
Public safety		69,999
Public works		690,794
Total	$	799,618

NOTE 5 - LONG-TERM DEBT

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2025:

	Balances December 31, 2024	Additions	Deletions	Balances December 31, 2025	Due In One Year
Governmental Activities:					
2015 Revenue refunding bonds	$ 1,435,000	$ -	$ 465,000	$ 970,000	$ 480,000
Compensated absences*	130,816	3,649	-	134,465	13,446
Total	$ 1,565,816	$ 3,649	$ 465,000	$ 1,104,465	$ 493,446

*The change in the compensated absences liability is reported as a net change.

2015 Revenue Refunding Bonds

$3,160,000 Sales and Use Tax Revenue Refunding Bonds, Series 2015 (the 2015 Bonds), were issued to refund a portion of the existing Sales and Use Tax Revenue Bonds, Series 2006, originally issued to finance street improvements. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at 2.85% per annum. Principal payments are due annually on December 1, through 2027. The 2015 Bonds are not subject to optional redemption prior to maturity.

The 2015 Bonds are payable from pledged revenues consisting of ninety percent (90%) of 1.5% sales and use tax which is reported in the Street Capital Improvement Fund, and if necessary, a 1% sales tax reported in the General Fund. The bonds are further secured by the bond reserve account in the amount of $301,299.

Remaining debt service at December 31, 2025, was as follows:

Year ended December 31,	Principal	Interest	Total
2026	480,000	27,645	507,645
2027	490,000	13,965	503,965
Total	$ 970,000	$ 41,610	$ 1,011,610

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2025:

	Balances December 31, 2024	Additions	Deletions	Balances December 31, 2025	Due In One Year
Business-Type Activities:					
2007 CWRPDA loan	$ 210,404	$ -	$ 67,209	$ 143,195	$ 69,754
Compensated absences*	21,236	5,779	-	27,015	2,702
Total	$ 231,640	$ 5,779	$ 67,209	$ 170,210	$ 72,456

*The change in the compensated absences liability is reported as a net change.

2007 CWRPDA Loan

During 2007, the Town obtained a loan from the CWRPDA to finance the construction of a lift station at the Running Creek wastewater treatment plant and the installation of a transfer pipeline to the Gold Creek wastewater treatment plant (the 2007 Loan). Principal and interest payments are due semi-annually on May 1 and November 1, through November 1, 2027. Interest accrues at 3.75% per annum. The 2007 Loan is subject to optional redemption prior to maturity without premium.

The 2007 Loan is payable solely from pledged property consisting of revenues from the Town's water and wastewater system, after deducting operating and maintenance costs.

Annual debt service requirements for the outstanding loan at December 31, 2025, was as follows:

Year ended December 31,	Principal	Interest	Total
2026	69,754	4,682	74,436
2027	73,441	2,042	75,483
Total	$ 143,195	$ 6,724	$ 149,919

The Town is required to comply with certain covenants and reserve requirements related to long-term debt. December 31, 2025, management believes the Town is in compliance with all covenants and reserve requirements.

NOTE 6 - INTERFUND TRANSFERS

The schedule below outlines the total interfund transfers for the year ended December 31, 2025:

	General Fund	Total Transfers Out
Street Capital Improvement Fund	$ 140,000	$ 140,000
Capital Improvements Fund	140,000	140,000
Water and Wastewater Fund	250,000	250,000
Total Transfers In	$ 530,000	$ 530,000

NOTE 7 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town purchases commercial insurance for its workers compensation claims. For other risks of loss, the Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statues (1982 Replacement Volume) and Colorado Construction, Article XIV, Section 18(2).

The purpose of CIRSA are to provide members defined liability and property coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. Settlement claims have not exceeded coverages for each of the past three fiscal years.

NOTE 8 - STATEWIDE RETIREMENT PLAN

Plan Description

The Town contributes to the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire and Police Pension Association of Colorado (FPPA). The Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Plan. All full-time, paid police officers of the Town are members of the SRP and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997. Colorado statutes assign the Town to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and requires supplementary information for both the SRP and the Statewide Death and Disability Plan. FPPA issues a publicly available financial report that includes information on the plan. That report may be obtained at www.fppaco.org.

Benefits Provided

The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The normal retirement age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with a combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service. A member is eligible for early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. The annual retirement benefit for the defined benefit component is 2.0 percent of the average of the member's highest three-year base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three-year-base salary for each year of service thereafter. Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost-of-living adjustment (COLA). COLAs may be compounding or noncompounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

NOTE 8 - STATEWIDE RETIREMENT PLAN (CONTINUED)

Upon termination, a member may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions

Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the defined benefit component contributed 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2025, the members of the defined benefit component and their employers contributed at a rate of 12.0 percent and 10.5 percent, respectively, of base salary for a total contribution rate of 22.0 percent. The Town's contributions to the plan for the year ended December 31, 2025 were $91,314, equal to the required contributions.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030.

Pension Liability, Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2025, the Town reported a liability of $0, representing its proportionate share of the net pension liability of the plan. The net pension liability was measured at December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2024, the Town's proportion was 0.07116% which was an decrease of 0.00148% from its proportion measured at December 31, 2023.

For the year ended December 31, 2025, the Town recognized pension expense of $45,908.

NOTE 8 - STATEWIDE DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liability, Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 170,999	$ 5,349
Changes of Assumptions or other Inputs	61,199	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	24,292	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	6,024	50,575
Contributions Subsequent to the Measurement Date	91,314	-
Total	$ 353,828	$ 55,924

$91,314 reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date will be recognized as a decrease in the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31,	Amount
2026	$ 61,727
2027	94,838
2028	(873)
2029	2,897
2030	16,568
Thereafter	31,433
Total	$ 206,590

Actuarial Assumptions

The actuarial valuations as of January 1, 2025, determined the total pension liability using the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

NOTE 8 - STATEWIDE RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60 percent of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The preretirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2023 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	33%	7.00%
Equity Long/Short	6%	6.20%
Private Markets	34%	8.80%
Fixed Income - Rates	7%	5.00%
Fixed Income - Credit	7%	6.50%
Absolute Return	9%	5.70%
Cash	4%	4.20%
Total	100%	

NOTE 8 - STATEWIDE RETIREMENT PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Statewide Retirement Plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of the measurement period ending December 31, 2024, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.08% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as the Town's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

NOTE 8 - STATEWIDE RETIREMENT PLAN (CONTINUED)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	$ 347,258	$ -	$ -

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

NOTE 9 - DEFERRED CONTRIBUTION PLANS

Deferred Compensation Plan

The Town offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan is available to all employees and permits them to defer a portion of their salary until future years. The Board of Trustees determines the Town's contributions to the plan. The Town currently matches employee contributions to a maximum of 5% of each employee's salary. During the year ended December 31, 2025, the Town contributed $63,134 to the plan. The plan is administered by Mission Square Retirement, and all plan assets are held in trust for the exclusive benefit of the participants.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Town contributes to the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire and Police Pension Association of Colorado (FPPA). All full-time police officers are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statue and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA as described previously. The contribution requirements are established by State statute. The Town's Board of Trustees determines the contribution split between members and the Town. No contributions are required for members hired prior to January 1, 1997; the Town contributed 3.0% of base salaries for the year ended December 31, 2025. The Town's contributions to the plan for years ended December 31, 2025 were $33,042 equal to the required contributions.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Claims and Judgements

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2025 certain grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS (TABOR)

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and local governments.

Spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. The Town voters approved an election question to remove limits on the amount of revenue the Town is allowed to collect, spend, and retain.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

The Town has established an emergency reserve, representing 3% of qualifying revenues, as required by the Amendment. At December 31, 2025, the emergency reserve of $294,338 is reported as restricted fund balance in the governmental funds and as restricted net position within governmental activities.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ELIZABETH
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property taxes	$ 853,798	$ 853,798	$ 782,103	$ (71,695)
Specific ownership taxes	110,000	110,000	110,107	107
Sales and use tax	1,000,000	1,000,000	1,195,219	195,219
Public improvement fees	786,510	786,510	838,023	51,513
Impact fees	149,000	54,000	54,897	897
Licenses and permits	308,500	323,500	403,079	79,579
Intergovernmental	15,600	15,600	19,685	4,085
Fines and forfeitures	67,000	67,000	158,546	91,546
Investment earnings	60,000	140,000	206,413	66,413
Miscellaneous	28,000	28,000	60,140	32,140
Total revenues	3,378,408	3,378,408	3,828,212	449,804
Expenditures				
General government	1,071,106	1,230,731	1,199,405	31,326
Public safety	1,921,104	1,963,488	1,890,727	72,761
Community development	597,751	466,503	442,199	24,304
Public works	278,844	280,344	260,922	19,422
Capital outlay	-	-	12,645	(12,645)
Total expenditures	3,868,805	3,941,066	3,805,898	135,168
Excess (deficiency) of revenues Over (under) expenditures	(490,397)	(562,658)	22,314	584,972
Other financing sources (uses)				
Transfers in	530,000	530,000	530,000	-
Total other financing sources (uses)	530,000	530,000	530,000	-
Net change in fund balance	$ 39,603	$ (32,658)	552,314	$ 584,972
Fund balance - beginning of year			3,934,121	
Fund balance - end of year			$ 4,486,435	

TOWN OF ELIZABETH
SCHEDULE OF THE TOWN'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY (ASSET)
STATEWIDE DEFINED BENEFIT PLAN
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	0.0712%	0.0726%	0.0684%	0.0589%	0.0538%	0.0514%	0.0506%	0.0496%	0.0465%	0.0495%
Town's proportionate share of the net pension liability (asset)	$ -	$ -	$ 60,740	$ (319,291)	$ (116,857)	$ (29,097)	$ 64,008	$ (71,308)	$ 16,814	$ (873)
Town's covered payroll	$ 777,472	$ 714,853	$ 595,692	$ 457,153	$ 492,850	$ 379,188	$ 339,938	$ 289,928	$ 238,144	$ 240,138
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.0%	0.0%	10.2%	(69.8%)	(23.7%)	(7.7%)	18.8%	(24.6%)	7.1%	(0.4%)
Plan fiduciary net pension as a percentage of the total pension liability	100.0%	100.0%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%

TOWN OF ELIZABETH
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
AND RELATED RATIOS
STATEWIDE DEFINED BENEFIT PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contributions	$ 91,314	$ 77,592	$ 67,801	$ 53,582	$ 38,858	$ 39,428	$ 30,335	$ 27,195	$ 23,194	$ 19,052
Contributions in relation to the statutorily required contributions	91,314	77,592	67,801	53,582	38,858	39,428	30,335	27,195	23,194	19,052
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 871,023	$ 777,472	$ 714,853	$ 595,692	$ 457,153	$ 492,850	$ 379,188	$ 339,938	$ 289,928	$ 238,144
Contributions as a percentage of covered payroll	10.5%	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%

SUPPLEMENTARY INFORMATION

TOWN OF ELIZABETH
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
STREET MAINTENACE FUND
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Sales and use tax	$ 165,000	$ 165,000	$ 295,165	$ 130,165
Public improvement fees	23,490	23,490	25,029	1,539
Intergovernmental	198,500	198,500	334,349	135,849
Investment earnings	30,000	30,000	52,831	22,831
Total revenues	416,990	416,990	707,374	290,384
Expenditures				
Public works	419,012	425,612	408,851	16,761
Total expenditures	419,012	425,612	408,851	16,761
Excess (deficiency) of revenues Over (under) expenditures	(2,022)	(8,622)	298,523	307,145
Net change in fund balance	$ (2,022)	$ (8,622)	298,523	$ 307,145
Fund balance - beginning of year			1,199,447	
Fund balance - end of year			$ 1,497,970	

See the accompanying independent auditors' report

TOWN OF ELIZABETH
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – STREET CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Sales and use tax	$ 1,485,000	$ 1,485,000	$ 1,802,445	$ 317,445
Investment earnings	90,000	90,000	203,271	113,271
Intergovernmental	1,250,000	1,250,000	794,346	(455,654)
Total revenues	2,825,000	2,825,000	2,800,062	(24,938)
Expenditures				
Public works	310,000	310,000	32,921	277,079
Capital outlay	2,655,000	4,180,000	4,455,044	(275,044)
Debt service				
Principal	465,000	465,000	465,000	-
Interest and fiscal charges	41,198	41,198	40,898	300
Total expenditures	3,471,198	4,996,198	4,993,863	2,335
Excess (deficiency) of revenues Over (under) expenditures	(646,198)	(2,171,198)	(2,193,801)	(27,273)
Other financing sources (uses)				
Transfers out	(140,000)	(140,000)	(140,000)	-
Total other financing sources (uses)	(140,000)	(140,000)	(140,000)	-
Net change in fund balance	$ (646,198)	$ (2,171,198)	(2,333,801)	$ (27,273)
Fund balance - beginning of year			5,301,729	
Fund balance - end of year			$ 2,967,928	

TOWN OF ELIZABETH
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Sales and use tax	$ 1,650,000	$ 1,650,000	$ 2,002,827	$ 352,827
Intergovernmental	200,000	179,000	-	(179,000)
Investment earnings	275,000	356,000	472,788	116,788
Miscellaneous	60,000	-	-	-
Total revenues	2,185,000	2,185,000	2,475,615	290,615
Expenditures				
Capital outlay	2,426,000	2,208,000	1,237,085	970,915
Total expenditures	2,426,000	2,208,000	1,237,085	970,915
Excess of revenues Over (under) expenditures	(241,000)	(23,000)	1,238,530	1,261,530
Other financing Sources (Uses)				
Transfers out	(140,000)	(140,000)	(140,000)	-
Total other financing sources (uses)	(140,000)	(140,000)	(140,000)	-
Net change in fund balance	$ (381,000)	$ (163,000)	1,098,530	$ 1,261,530
Fund balance - beginning of year			11,308,291	
Fund balance - end of year			$ 12,406,821	

TOWN OF ELIZABETH
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND NET POSITION –
BUDGET AND ACTUAL – NON-GAAP BUDGETARY BASIS
WATER AND WASTEWATER FUND
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for services	$ 1,555,000	$ 1,880,000	$ 1,912,872	$ 32,872
Tap fees	1,590,000	1,265,000	1,324,005	59,005
Investment earnings	110,000	110,000	431,678	321,678
Miscellaneous	40,000	40,000	59,470	19,470
Total revenues	3,295,000	3,295,000	3,728,025	433,025
Expenditures				
System operations	1,180,046	1,275,116	1,423,030	(147,914)
Capital outlay	585,000	843,000	693,684	149,316
Debt service				
Principal	67,210	67,210	67,209	1
Interest and fiscal charges	7,226	7,226	6,973	253
Total expenses	1,839,482	2,192,552	2,190,896	1,656
Excess (deficiency) of revenues Over (under) expenses	1,455,518	1,102,448	1,537,129	434,681
Other financing Sources (Uses)				
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	(250,000)	(250,000)	(250,000)	-
Change in net position, budgetary basis	$ 1,205,518	$ 852,448	1,287,129	$ 434,681
Reconciliation to GAAP basis				
Capital outlay			693,684	
Depreciation			(555,942)	
Debt principal payments			67,209	
Change in net position, GAAP basis			$ 1,492,080	

STATE COMPLIANCE

The public report burden for this information collection is estimated to average 380 hours annually. Form Approved OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO	
	YEAR ENDING (mm/yy): 12/2025	
This Information From The Records Of: Town of Elizabeth	Prepared By: Hannah Bruce / hbruce@townofelizabeth.org	

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	$ 1,927,964.68
4. Miscellaneous local receipts (from page 2)	$ 787,410.98
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 2,715,375.66
. Private Contributions	
C. Receipts from State government (from page 2)	$ 902,165.96
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 3,617,541.62

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 3,816,214.27
2. Maintenance:	$ 262,738.80
3. Road and street services:	
a. Traffic control operations	$ 10,943.57
b. Snow and ice removal	$ 5,960.64
c. Other	
d. Total (a. through c.)	$ 16,904.21
4. General administration & miscellaneous	$ 64,424.84
5. Highway law enforcement and safety	$ 23,360.96
6. Total (1 through 5)	$ 4,183,643.08
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	$ 40,897.50
b. Redemption	$ 465,000.00
c. Total (a. + b.)	$ 505,897.50
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ 505,897.50
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 4,689,540.58

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	$ 1,435,000.00		$ 465,000.00	$ 970,000.00
1. Bonds (Refunding Portion)				$ -
B. Notes (Total)				$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

A. Beginning Balance	B. Total Receipts	C. Total Disbursement	D. Ending Balance	E. Reconciliation
$ 12,521,445.55	$ 3,617,541.62	$ 4,689,540.58	$ 11,449,446.59	$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/2025

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	256,102.30
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	$ 1,792,829.12	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	$ 25,028.50	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	$ 110,107.06	g. Other Misc. Receipts	$ 209,898.33
6. Total (1. through 5.)	$ 1,927,964.68	h. Other	$ 321,410.35
c. Total (a. + b.)	$ 1,927,964.68	i. Total (a. through h.)	$ 787,410.98
(Carry forward to page 1)		***(Carry forward to page 1)***	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 94,881.73	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	$ 12,938.46	d. Federal Transit Administration	
d. DOLA Grant	$ 544,345.77	e. U.S. Corps of Engineers	
e. Other	$ 250,000.00	f. Other Feder ARPA	
f. Total (a. through e.)	$ 807,284.23	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 902,165.96	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		***(Carry forward to page 1)***	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		$ 33,220.00	$ 33,220.00
b. Engineering Costs		$ 101,293.59	$ 101,293.59
c. Construction:			
(1). New Facilities		$ 3,681,700.68	$ 3,681,700.68
(2). Capacity Improvements		$ -	$ -
(3). System Preservation		$ -	$ -
(4). System Enhancement And Operation		$ -	$ -
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 3,681,700.68	$ 3,681,700.68
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 3,816,214.27	$ 3,816,214.27
(Carry forward to page 1)			

Notes and Comments:

FORM FHWA-536

THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

April 30, 2026

Board of Trustees
Town of Elizabeth
151 S. Banner Street
Elizabeth, CO 80107

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Elizabeth (the Town) for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 10, 2026. Professional standards also require that we communicate to you the following information related to our audit.

<u>Significant Audit Matters</u>

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements. During the year ended December 31, 2025, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures.* The adoption of this standard did not have a material impact on the financial statements. There were no other accounting policies adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town's financial statements were:

- Management's estimate of depreciation expense is based on the straight-line method of depreciation from the date the asset is placed into service.
- Management's estimate of the net pension liability (asset), deferred outflows and deferred inflows of resources and pension expense (income) is based on actuarial reports performed by the Fire and Police Pension Association of Colorado.

6000 Greenwood Plaza Blvd.
Ste. 115
Greenwood Village, CO 80111
303-733-3796
www.tagcpaco.com

- Management's estimate of the compensated absence liability is based on employees accrued vacation hours and their approved rate of pay at December 31, 2025.

We evaluated the key factors and assumptions used to develop the estimates outlined above in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no particularly sensitive disclosures in the financial statements for the year ended December 31, 2025.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. A listing of the corrected misstatements is attached to the management representation letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 30, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Board of Trustees and management of the Town of Elizabeth and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

The Adams Group, LLC
Certified Public Accountants

THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

April 30, 2026

Board of Trustees
Town of Elizabeth
151 S. Banner Street
Elizabeth, Colorado

In planning and performing our audit of the financial statements of Town of Elizabeth (The Town) as of and for the year ended December 31, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered Town of Elizabeth's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

The following item is not considered a material weakness or significant deficiency but is a recommendation to enhance internal controls based on testing performed during the audit.

6000 Greenwood Plaza Blvd.
Ste. 115
Greenwood Village, CO 80111
303-733-3796
www.tagcpaco.com

Year end Reconciliation of Capital Outlay to Governmental Capital Assets
During our testing of the year end capital asset listing, we noted that a purchase of land was not included in the detailed capital asset schedule and that newly acquired vehicles were recorded at fair value instead of acquisition value, which is required by generally accepted accounting standards. We recommend that the Town implement a process to reconcile capital outlay expenditures to the annual capital asset additions on the detailed capital asset schedule in order to ensure the completeness of the capital asset detailed register.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Town, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

The Adams Group, LLC
Certified Public Accountants

TOWN OF ELIZABETH

COMMUNITY DEVELOPMENT DEPARTMENT

To: Board of Trustees
From: Alexandra Cramer, AICP, Planner/Project Manager
Date: May 12th, 2026
Subject: Appointment to Planning Commission

Summary
The Town has received an application for a voting member to the Planning Commission. There is currently one open seat. Debbie Kula has applied to fill a vacancy on the Planning Commission as a voting representative. The term for this seat is through December 31, 2026.

Staff Recommendation
Staff recommends that the Board of Trustees appoint Debbie Kula to the Planning Commission for a term starting May 12, 2026, through December 31, 2026.

Attachment(s)
Letter of Interest – Debbie Kula

▪ PO Box 159, 151 S. Banner Street ▪ Elizabeth, Colorado 80107 ▪ (303) 646-4166
▪ Fax: (303) 646-9434 ▪ www.townofelizabeth.org

Deborah Kula
[redacted]

March 31, 2026
Town of Elizabeth Board of Trustees
151 S Banner St,
Elizabeth, CO 80107

RE: Letter of Intent for Appointment to the Planning Commission

Dear Mayor, Mayor Pro Tem & Trustee Members,

I am writing to formally express my interest in serving as a member of the Town of Elizabeth Planning Commission. As a resident of Elizabeth for two (2) years and a registered voter, I am excited to contribute to the development of our community.

In my professional career as a Civil Engineer, I have gained experience in development review, including applying codes and understanding project expectations. I believe this background would allow me to offer a valuable perspective to the commission's reviews of development plans, zoning changes and master plans.

I am fully aware of the time commitment required, including the two (2) monthly meetings, and I am prepared to dedicate the time needed to serve effectively.

Thank you for your time and for considering my application.

Sincerely,

Deborah Kula

Deborah Kula, PE

TOWN OF ELIZABETH

COMMUNITY DEVELOPMENT DEPARTMENT

To: Board of Trustees
From: Alex Cramer, AICP, Planner/Project Manager
Date: May 12, 2026
Subject: First Amendment to Friday Night Market License Agreement — Kold Prairie Festival Permit Authorization

Summary

The Town of Elizabeth entered into a License Agreement with Elizabeth Brewing Company (EBC) on November 12, 2025, for the 2026 Friday Night Market at Running Creek Park (Resolution 25R38). Since execution of that agreement, EBC has indicated that Kold Prairie will be covering the last five (5) Friday Night Market events of the 2026 season and will need to obtain festival permits from the Colorado Liquor Enforcement Division for those dates.

As currently drafted, Section 11 of the Agreement prohibits EBC from subletting or assigning any portion of the License without prior written consent of the Town. To ensure appropriate festival permitting is in place for the final five events and to avoid potential issues with the state liquor licensing process, staff is recommending a First Amendment to the Agreement. The Amendment authorizes Kold Prairie to act as a limited sub-licensee solely for the purpose of obtaining and holding festival permits for those five dates. All other terms of the original Agreement remain in full force and effect.

Budget Considerations

There are no additional budget impacts associated with this Amendment.

Staff Recommendation

Staff recommends approval of the First Amendment to the License Agreement.

ATTACHMENT(S)

First Amendment to License Agreement — EBC Friday Night Market 2026
Resolution 25R38 - EBC Friday Night Market Contract

RESOLUTION 26R14

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A FIRST AMENDMENT TO THE LICENSE AGREEMENT WITH ELIZABETH BREWING COMPANY REGARDING THE FRIDAY NIGHT MARKET AT RUNNING CREEK PARK FOR THE YEAR 2026

WHEREAS, the Town of Elizabeth has previously entered into a License Agreement with Elizabeth Brewing Company regarding the "Friday Night Market" to be held in the summer of 2026 at Running Creek Park, authorized by Resolution 25R38; and

WHEREAS, it is appropriate to amend the License Agreement to authorize Kold Prairie to act as a limited sub-licensee solely for the purpose of obtaining and holding festival permits for the last five (5) Friday Night Market events of the 2026 season.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF ELIZABETH, COLORADO AS FOLLOWS:

SECTION 1. The Board of Trustees hereby authorizes the Mayor of the Town of Elizabeth to execute the First Amendment to the License Agreement, attached hereto as Exhibit A, between the Town of Elizabeth and Elizabeth Brewing Company.

PASSED, APPROVED, and ADOPTED this _____ day of _________________, 2026, by the Board of Trustees of the Town of Elizabeth, Colorado, on first and final reading, by a vote of _____ for and _____ against.

____
Angela Ternus, Mayor

ATTEST:

____
Michelle M. Oeser, Town Clerk

FIRST AMENDMENT TO LICENSE AGREEMENT BETWEEN THE TOWN OF ELIZABETH, COLORADO AND ELIZABETH BREWING COMPANY REGARDING THE FRIDAY NIGHT MARKET AT RUNNING CREEK PARK

THIS FIRST AMENDMENT TO LICENSE AGREEMENT ("Amendment") is entered into on this 12th day of May 2026, by and between the **TOWN OF ELIZABETH**, Colorado, whose address is 151 S. Banner Street, P.O. Box 159, Elizabeth, CO 80107 (the "Town"), and **THE ELIZABETH BREWING COMPANY**, whose address is 239 S. Main Street, Elizabeth, CO 80107 ("Licensee").

WHEREAS, the Town and Licensee entered into that certain License Agreement dated November 12, 2025 (the "Agreement"), regarding the Friday Night Market to be held at Running Creek Park, Elizabeth, Colorado for the summer of 2026; and

WHEREAS, Licensee has requested that Kold Prairie be authorized to obtain and hold festival permits for the last five (5) Friday Night Market events of the 2026 season; and

WHEREAS, the Town and Licensee desire to amend the Agreement to authorize such limited sub-licensee arrangement solely for festival permitting purposes;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. <u>Amendment to Section 5 — Festival Permit Administration.</u> Section 5 of the Agreement is hereby amended by adding the following paragraph at the end thereof:

> Notwithstanding Section 11 of this Agreement, the Town hereby grants Licensee limited authority to permit **Kold Prairie** to operate as an authorized sub-licensee solely for the purpose of obtaining and holding festival permits for the last five (5) Friday Night Market events of the 2026 season. This limited authorization applies exclusively to the festival permitting process under Section 5 of this Agreement and does not otherwise expand Licensee's rights to assign or sublet under Section 11. Kold Prairie shall be subject to all applicable terms and conditions of this Agreement during any events for which it holds a festival permit, and Licensee shall remain responsible for ensuring Kold Prairie's compliance with all applicable provisions herein.

2. <u>Ratification.</u> Except as expressly modified by this Amendment, all terms and conditions of the Agreement shall remain in full force and effect and are hereby ratified and confirmed. In the event of any conflict between this Amendment and the Agreement, the terms of this Amendment shall control.

3. Authority. Each party represents and warrants that the person executing this Amendment on its behalf has full authority to do so and to bind such party to the terms hereof.

4. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

TOWN OF ELIZABETH, COLORADO

____
Angela Ternus, Mayor

ATTEST:

____
Michelle Oeser, Town Clerk

____
Tony Briggs, Owner/Representative

ELIZABETH BREWING COMPANY

RESOLUTION 25R38

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LICENSE AGREEMENT WITH ELIZABETH BREWING COMPANY REGARDING THE FRIDAY NIGHT MARKET AT RUNNING CREEK PARK FOR THE YEAR 2026

WHEREAS, the Town of Elizabeth has previously entered into a License Agreement with Elizabeth Brewing Company regarding the "Friday Night Market" to be held in the summer at Running Creek Park; and

WHEREAS it is appropriate to continue the relationship with Elizabeth Brewing Company for the upcoming summer of 2026 for the "Friday Night Market".

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF ELIZABETH, COLORADO AS FOLLOWS:

SECTION 1. The Board of Trustees hereby authorizes the Mayor of the Town of Elizabeth to execute a License Agreement, attached hereto as Exhibit A, between the Town of Elizabeth and Elizabeth Brewing Company for 2026.

PASSED, APPROVED, and ADOPTED this 12th day of November 2025, by the Board of Trustees of the Town of Elizabeth, Colorado, on first and final reading, by a vote of 7 for and 0 against.

Angela Ternus, Mayor

Angela Ternus, Mayor

ATTEST:

Michelle M. Oeser

Michelle M. Oeser, Town Clerk

TOWN OF ELIZABETH INCORPORATED
SEAL
SEPTEMBER 24 1890
ELBERT COUNTY COLORADO

LICENSE AGREEMENT BETWEEN THE TOWN OF ELIZABETH COLORADO AND ELIZABETH BREWING COMPANY

THIS LICENSE is made and entered into on this 12th day of November 2025, by and between the TOWN OF ELIZABETH, Colorado whose address is 151 S. Banner Street, P.O. Box 159, Elizabeth, CO 80107 (the "Town") and THE ELIZABETH BREWING COMPANY, whose address is 239 South Main Street, Elizabeth, CO 80107 ("Licensee").

AGREEMENT

NOW, THERFORE, it is hereby agreed as follows.

1. LICENSED PROPERTY, TERM.

a. The property that is licensed for use and the term provided for in this license is commonly described as Running Creek Park, Elizabeth, Colorado ("Licensed Property"). The Licensed Property is for the use described herein and is subject to all easements and rights-of-way of record.

b. The term of this License shall commence on June 12, 2026, and shall continue each Friday through and including August 14, 2026, from 3:00 P.M. until 10:00 P.M.

2. COMPENSATION. Upon execution of this Agreement, the Town will tender a one-time payment to the Licensee to assist in meeting the contractual obligations further set forth herein. The total compensation due and owing by the Town to the Licensee is twenty thousand dollars ($20,000.00). These funds are tendered to the Licensee to offset the booking of bands, marketing, and assist in the management and oversight of the "Friday Night Market."

3. INSURANCE. Licensee shall obtain for itself, its agents, successors, assigns, lessees, licensees and agents, necessary and adequate workman's compensation insurance, personal injury insurance, and property damage insurance, with limits commensurate with the hazards and risks associated with the use of the Property Licensed, but in no event less than the liability limits established by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as now in effect or as hereinafter amended. Neither Licensee nor its agents, successors and assigns shall commence any construction, placement, operation or maintenance of the fixture or structure on the Property Licensed until it has obtained all insurance required under this section and shall have filed a certificate of insurance or a certified copy of the insurance policy with the Town. Each insurance policy shall list the Town as an additional named insured and shall contain a clause providing that coverage shall not be cancelled by the insurance company without thirty (30) days' written notice to the Town of intention to cancel.

4. USE. Licensee covenants and agrees that it shall utilize the Property Licensed as follows:

a. Licensee shall provide live music each Friday during the term of the License to include ten

(10) regularly scheduled events. August 21, 2026, is reserved for a "make-up" event in the case that a regularly scheduled Friday Night Market is cancelled during the season.

b. Licensee shall use the Town's branding for the event and shall receive approval through Town of Elizabeth before releasing new event market materials.

c. Licensee shall provide an alcohol vendor on each Friday during the term of the License.

d. Licensee may use the Town's special event permit for the initial June 12, 2026, event upon at least sixty (60) days advance written notice of the intent to rely on the Town's special event permit. Licensee shall apply for, and make use of, a Festival Permit for the remaining Friday Night Markets in 2026. This process, for 2026, will ensure that appropriate licensing is in place for all ten (10) regularly scheduled events. In the event a "make-up" event is required, as detailed in Section 4(a), the Town shall provide the use of its special event permit for this specific date.

e. Licensee will be allowed to use Town's supplied power and will not be obligated to remit payment to Town for the use of the electric box during the market. Licensee may not require payment to be remitted by vendors for electric hookup specifically. Food and other vendors who choose to make use of a portable generator shall be located away from the electrical hookups to minimize noise levels near the adjacent apartment building.

f. Licensee shall facilitate the inclusion of food, merchandise, and produce vendors from 5:00 p.m. until 9:00 p.m. each Friday during the term of the License. Licensee shall be responsible for ensuring that any vendor has obtained a permit from the Town of Elizabeth. Under no circumstances may live animals be sold, gifted, or exchanged during such events.

g. The Town reserves the right to have one (1) booth space at each market as may be determined by the Town. The Town will coordinate with Licensee regarding the location of the booth space.

h. Licensee shall coordinate with vendors and bands to limit vehicle traffic to paved areas and designated loading zones. Vehicle access to Running Creek Park shall be limited to loading and unloading purposes only during non-event hours, and all vehicles must be removed from the Licensed Property prior to 5:00 p.m. on event days unless specifically authorized in writing by the Town. Furthermore, Licensee shall be solely responsible to ensure that no unauthorized vehicle, golf cart, 4-wheeler, or motorcycle shall be operated on the Licensed Property.

i. The Town will provide bandstand lighting and three (3) light poles in Running Creek Park. The Town anticipates increasing lighting during the effective dates of this license.

j. The Town will provide power directly to the bandstand.

k. The Town will provide seven (7) portable restrooms and shall incur the costs for the same.

l. The Town will provide seeding throughout Running Creek Park during the Friday Night Market season as may be determined by the Town's Director of Public Works.

m. The Town will provide a dumpster to be utilized during the Friday Night Market season. Depending on soil conditions and weather, the dumpster shall be located on Running Creek Park or as reasonably close as may be practical. Both the Town and the Licensee reserve the right to lock the dumpsters during such times the event is not occurring, so long as access is provided to the other party as requested.

n. Licensee, at the end of each Friday evening event shall ensure that Running Creek Park is reasonably free from waste, including but not limited to, food waste, wrappers, cups, bottles, and cigarette butts. In the event Town staff is required to perform excess clean-up after the event, the Town reserves the right to seek reasonable compensation for time spent in removing waste.

o. During each event, the Licensee shall specifically name one or more individuals to be responsible for management and oversight of the event. The name and cellular telephone number for the individual(s) shall be provided to the Elizabeth Police Department prior to the start of the event each evening. Furthermore, said individual(s) shall be reasonably identified using a specific and distinct shirt, hat, or other garment, allowing for the ready identification of the Licensee's event manager in the event of an emergency.

p. Licensee shall be responsible for making use of TIPS trained individuals to check identifications and issue wrist bands for those over the age of twenty-one (21) years of age. Licensee shall also ensure that no outside alcoholic beverages are allowed within the event, or that alcoholic beverages sold at the event are not to leave Running Creek Park.

5. FESTIVAL PERMIT ADMINISTRATION. The Elizabeth Brewing Company, as Licensee, is hereby granted the authority to: (a) invite any licensed alcoholic beverage manufacturer to participate in events held under its festival permit, provided such participation complies with the limitations set forth in Colorado Revised Statutes § 44-3-404(2.5); (b) remove any licensed alcoholic beverage manufacturer from participation in such events at Licensee's sole discretion, with notice to the Town within five (5) business days of such removal; and (c) submit an updated festival permit application directly to the Colorado Liquor Enforcement Division, without requiring prior approval during a regular meeting of the Town of Elizabeth Board of Trustees, provided that the Licensee notifies the Town of the updated application within five (5) business days of submission. All festival activities shall remain subject to the Colorado Liquor Code and applicable regulations, including restrictions on joint participation by other licensees as outlined in § 44-3-404(2).

6. NOTICE OF NAME OF EVENT. Licensee, in entering into this Agreement, knows and acknowledges that the name of the Friday night event is known as the "Friday Night Market" and will advertise the same as such.

7. RE-ENTRY. Licensee covenants and agrees to permit the Town or its duly authorized representatives to enter upon the Property Licensed, at any reasonable hour of any Friday during the term hereof, for the purpose of inspecting the same, making surveys, showing the Property Licensed to prospective licensees and to do such other acts and things as it deems necessary for the protection of its interests therein.

8. NOTICE. Any notice required under this License shall be in writing and hand-delivered to the respective parties at the address hereinabove given. The Community Development Director shall be the representative of the Town to accept or give any approval, notice or the like provided hereunder. In the event Licensee should change the address hereinabovegiven during the term of this License, Licensee shall notify the Town in writing of such change of address:

The Town:	The Town of Elizabeth Attn: Elizabeth Town Administrator 151 S. Banner Street, P.O. Box 151 Elizabeth, CO 80107
Licensee:	The Elizabeth Brewing Company 239 S. Main Street Elizabeth, CO 80107

9. NO COVENANT OF TITLE OR QUIET POSSESSION. The rights granted herein are without covenant of title or warranty of quiet possession of the Property Licensed.

10. SUCCESSORS AND ASSIGNS. This License shall insure to the benefit of, and be binding upon, the respective legal representatives, heirs, successors and assigns of the parties.

11. ASSIGNMENT OR SUB-LEASE. Licensee covenants and agrees not to assign this License or to sublet any part of the Property Licensed without first obtaining the written consent of the Town.

12. PROPERTY LICENSED TAKEN "AS IS." Licensee understands and agrees thatthe Property Licensed is licensed "as is." The Town makes no warranty, written or implied that the Property Licensed is fit for any purpose or that it meets any federal, state, county or local law, ordinance or regulation applying to the Property Licensed.

13. LIABILITY AND INDEMNIFICATION. The Town shall not be liable for any loss, injury, death or damage to any person or personal property which may arise from the use or condition of the Property Licensed including, but not limited to, loss, injury, death, or damage resulting

from ice, water, rain, snow, gas, electrical wires, or fire, during the term of the License or any renewal thereof. Licensee hereby expressly agrees to defend, indemnify and hold harmless the Town, its officers, agents, employees and insurers against any liability, loss, damage, demand, action, cause of action or expense of whatever nature (including court costs and attorney fees) which may result from any loss, injury, death or damage allegedly sustained by any person, firm, corporation or other entity which arises out of or is caused by reason of Licensee's use of the Property Licensed or Licensee's failure to fulfill the terms and conditions of the License.

14. RESERVATION FOR BOARD USE. This License is made under and conformable to the provisions of all Town of Elizabeth regulations as far as applicable. Said provisions are incorporated herein and made part hereof by this reference and shall supersede any apparently conflicting provisions otherwise contained in the License. The Town reserves the rightto make full use of the Property Licensed as may be necessary or convenient in the operation of the public streets, drainage infrastructure, or drainageways under the control of the Town and theTown retains all rights to operate, maintain, install, repair, remove or relocate any of its facilities located within the Property Licensed at any time and in such a manner as it deems necessary.

15. HAZARDOUS WEATHER / STORM EVENT. The Licensee acknowledges that Running Creek Park is an unimproved park event facility, which may be impacted by rain, flooding, or related storm events. The Town of Elizabeth will take all steps reasonably necessary to ensure the Licensed Property is available for the Friday Night Market. However, the Town also reserves the right to cancel the event on the Licensed Property if, according to the Town's sole determination, it finds that holding of any Friday Night Market on the Licensed Property may result in substantial damage to the park lands. In such circumstances, the Town of Elizabeth will provide notice to the Licensee as soon as possible and will work in good faith to obtain an alternative location in a timely manner.

16. TERMINATION. The Town may terminate this License Agreement at any time upon thirty (30) days' written notice to Licensee. If default shall be made in any of the covenants or agreements herein contained to be kept by Licensee, it shall be lawful for the Town to enter into the said Property Licensed, or any part thereof, either with or without process of law, to terminate the interest of Licensee or of any person or persons occupying the same, and to expel, remove or put out such person or persons, using such force as may be necessary in so doing, without being liable to prosecution or to damages therefor, and the said Property Licensed again to repossess and enjoy as in the first and former estate of the Town. If at any time the License shall be terminated as aforesaid, or by any other means, Licensee agrees to surrender and deliver up said Property Licensed peaceably to the Town immediately upon the termination, and if Licensee shall remain in possession after termination, Licensee shall be deemed guilty of a forcible detainer on said property Licensed, and waiving all notice, shall be subject to eviction and removal, forcibly or otherwise, with or without process of law.

17. VENUE. For the resolution of any dispute arising hereunder, venue shall be in the courts of Elbert County, State of Colorado.

IN WITNESS WHEREOF, the parties hereto each herewith subscribed the same below.

TOWN OF ELIZABETH, COLORADO

Angela Ternus, Mayor

Angela Ternus, Mayor

ATTEST

Michelle Oeser, Town Clerk

TOWN OF ELIZABETH
INCORPORATED
SEAL
SEPTEMBER 24 1890
ELBERT COUNTY COLORADO

Owner/Representative,
Elizabeth Brewing Company
Tony Briggs

RESOLUTION 26R14

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A FIRST AMENDMENT TO THE LICENSE AGREEMENT WITH ELIZABETH BREWING COMPANY REGARDING THE FRIDAY NIGHT MARKET AT RUNNING CREEK PARK FOR THE YEAR 2026

WHEREAS, the Town of Elizabeth has previously entered into a License Agreement with Elizabeth Brewing Company regarding the "Friday Night Market" to be held in the summer of 2026 at Running Creek Park, authorized by Resolution 25R38; and

WHEREAS, it is appropriate to amend the License Agreement to authorize Kold Prairie to act as a limited sub-licensee solely for the purpose of obtaining and holding festival permits for the last five (5) Friday Night Market events of the 2026 season.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF ELIZABETH, COLORADO AS FOLLOWS:

SECTION 1. The Board of Trustees hereby authorizes the Mayor of the Town of Elizabeth to execute the First Amendment to the License Agreement, attached hereto as Exhibit A, between the Town of Elizabeth and Elizabeth Brewing Company.

PASSED, APPROVED, and ADOPTED this _____ day of _________________, 2026, by the Board of Trustees of the Town of Elizabeth, Colorado, on first and final reading, by a vote of _____ for and _____ against.

____
Angela Ternus, Mayor

ATTEST:

____
Michelle M. Oeser, Town Clerk

TOWN OF ELIZABETH
CHRIS LOWE/INTERIM TOWN ADMINISTRATOR

MEMORANDUM

To: Mayor and Board of Trustees

From: Chris Lowe, Interim Town Administrator

Cc: Mike DeVol, Public Works Director

Date: May 12, 2026

Re: Pine Ridge Metropolitan District

The Intergovernmental Agreement on your agenda is with Pine Ridge Metropolitan District, located in the County. This agreement is to service wastewater from this residential development up to 186 homes. As most of you know, our sewer treatment infrastructure is capable of treating this additional wastewater and in fact the increased quantity helps in the efficiency of the operation of our treatment plant. The District has agreed to pay wastewater and renewable water tap fees as these homes are added to the system. This agreement is for treatment alone. The District is responsible for maintaining all infrastructure in their collection system and bringing it to our main. The Town Attorney has reviewed and approved the Agreement as presented to you in this packet.

Staff Recommendation:

Staff recommends approval of the IGA with Pine Ridge Metropolitan District.

▪ PO Box 159, 151 S. Banner Street ▪ Elizabeth, Colorado 80107 ▪ (303) 646-4166
▪ Fax: (303) 646-9434 ▪ *www.townofelizabeth.org*

INTERGOVERNMENTAL AGREEMENT FOR WASTEWATER SERVICE

THIS INTERGOVERNMENTAL AGREEMENT FOR WASTEWATER SERVICE (the "Agreement") is made and entered into this ___ day of ____________, 2026, by and between the Town of Elizabeth, a Colorado municipal corporation with an address of 151 South Banner Street, Elizabeth, Colorado 80107 (the "Town"), and the Pine Ridge Metropolitan District, a Colorado special district with an address of _______________, CO _______ (the "District") (each a "Party" and collectively the "Parties").

WHEREAS, pursuant to C.R.S. § 29-1-203(1), the Town and the District, each political subdivisions of the State of Colorado, may cooperate with one another to provide any function, service or facility lawfully authorized to each, including the sharing of costs;

WHEREAS, the District is the owner of certain undeveloped real property more particularly described in **Exhibit A,** attached hereto and incorporated herein (the "Property");

WHEREAS, the District is located outside the corporate limits of the Town;

WHEREAS, the District desires to send, and the Town desires to receive, effluent wastewater service (the "Wastewater Service") from a residential development within the District, not to exceed one hundred eighty-six (186) single family homes (the "Development"), which will require the construction and installation of certain wastewater mains, lines, lift stations and related infrastructure and facilities, which are more particularly described in **Exhibit B**, attached hereto and incorporated herein (the "Improvements");

WHEREAS, the Improvements identify one lift station with a contingency for a second lift station and., regardless of the number of lift stations required for the Development, such construction of the necessary number of lift stations shall be the responsibility of the District;

WHEREAS, the Town's wastewater system has sufficient capacity to support the Development; and

WHEREAS, the Parties desire to memorialize the terms and conditions of extension of the Wastewater Service to the Property.

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

I. PURPOSE

This Agreement sets forth the terms and conditions under which the Property shall connect to the Town's wastewater system. All provisions of this Agreement are in addition to, and not in lieu of, any requirements of the Code and other applicable law, including without limitation C.R.S. § 31-35-701, *et seq*.

II. TERM

This Agreement shall commence on the Effective Date and continue in perpetuity, unless otherwise terminated by either Party; provided that either Party may terminate this Agreement upon written notice to the other Party specifying the date of termination, such notice to be given not less than 180 days prior to the date specified therein.

III. CONSTRUCTION OF WASTEWATER FACILITIES

A. *General.* The District shall, at its own expense, design, construct and install all Improvements necessary for the Property in accordance with plans approved by the Town (the "Plans"), as well as all applicable Colorado Department of Public Health and Environment and Town standards and specifications (the "Standards"). The District shall furnish, at its own expense, all necessary engineering, consulting and construction services relating to the design and construction of the Improvements. These services shall be performed by or as applicable under the supervision and construction management of a professional engineer licensed in the State of Colorado.

B. *Testing and Inspection*. The District shall employ, at its own expense, a licensed testing company to perform all testing of materials or construction reasonably required by the Town. The District shall furnish copies of test results to the Town on a timely basis. At all times during construction, the Town shall have access to inspect materials and work, and all materials and work not conforming to the Plans or Standards shall be repaired or removed and replaced at the District's expense.

C. *Rights-of-way and Easements*. Prior to construction of any Improvements that require additional rights-of-way or easements, the District shall acquire, at its own expense, all such rights-of-way and easements. Any easements or rights-of-way conveyed to the Town shall be free and clear of liens, taxes and encumbrances and shall be conveyed on documents in a form acceptable to the Town.

D. *Permits*. The District shall, at its own cost, obtain all necessary permits to construct and install the Improvements, including without limitation the following:

i. Any permits required by the United States Corps of Engineers;

ii. Colorado Department of Health and Environment General Permit for Stormwater Discharges Associated with Construction Activity;

iii. Grading, stormwater quality and right-of-way permits;

iv. Air quality permit; and

v. Any other permits required to complete the Improvements.

E. *As-Built Drawings*. Upon completion of construction of the Improvements, the District shall provide the Town with complete "as-built" drawings in the form required by the Standards.

F. *Applicable Law*. The District shall at all times comply with all applicable law, including all federal, state and local statutes, regulations, ordinances, decrees and rules relating to the emission, discharge, release or threatened release of a hazardous material into the air, surface water, groundwater or land, the manufacturing, processing, use, generation, treatment, storage, disposal, transportation, handling, removal, remediation or investigation of a hazardous material, and the protection of human health and safety, including without limitation the following, as amended: the Comprehensive Environmental Response, Compensation and Liability Act; the Hazardous Materials Transportation Act; the Resource Conservation and Recovery Act; the Toxic Substances Control Act; the Clean Water Act; the Clean Air Act; the Occupational Safety and Health Act; the Solid Waste Disposal Act; the Davis Bacon Act; the Copeland Act; the Contract Work Hours and Safety Standards Act; the Byrd Anti-Lobbying Amendment; the Housing and Community Development Act; and the Energy Policy and Conservation Act.

H. *Accessibility*. The District shall comply with the accessibility standards for an individual with a disability adopted by the State Office of Information Technology pursuant to C.R.S. § 24-85-103, and shall to the extent permitted by law indemnify, hold harmless and assume liability on behalf of the Town and its officers, employees, agents and attorneys for all costs, expenses, claims, damages, liabilities, court awards, attorney fees and related costs, and any other amounts incurred by the Town in relation to the District's noncompliance with such accessibility standards.

IV. IMPROVEMENTS GUARANTEE

A. *Amount and Form.* To secure the construction and installation of the Improvements, the District shall provide a letter of credit or cash in an amount equal to 115% of the total costs listed in **Exhibit B** (the "Improvements Guarantee"), in a form approved by the Town. If the costs listed in **Exhibit B** increase or additional Improvements are required, the Town may require the amount of the Improvements Guarantee to increase accordingly.

B. *Timing*. The District shall not commence construction, including without limitation staking, earth work, overlot grading or the erection of any structure, temporary or otherwise, until the Town has approved the Improvements Guarantee.

C. *Draw.* If the Improvements are not satisfactorily completed within the periods of time specified herein, the Town may draw on the Improvements Guarantee to complete the Improvements. If the Improvements Guarantee is to expire within 14 days and the District has not yet provided a satisfactory replacement, or completed the Improvements, the Town may draw on the Improvements Guarantee and either hold such funds as security for performance of this Agreement or spend such funds to finish the Improvements or correct problems with the Improvements as the Town deems appropriate. If the Town has drawn on the Improvements Guarantee, and a satisfactory replacement guarantee is provided or the Improvements have been completed, then the Town will release any funds received as a result of its draw within a reasonable period of time, or within 10 days of a request by the District.

D. *Reduction.* Upon Initial Acceptance of Improvements, the Improvements Guarantee shall be reduced to the amount of 10% of the total actual cost of construction and installation of such Improvements. The reduced Improvements Guarantee shall be held by the Town during the Warranty Period.

V. <u>ACCEPTANCE OF IMPROVEMENTS AND WARRANTY</u>

A. *Initial Acceptance*. No later than 10 days after Improvements are substantially complete, the District shall request an inspection by the Town. If the District does not request this inspection, the Town may conduct the inspection without the District's approval. All Improvements shall receive Initial Acceptance on or before ______.

i. If the Improvements are satisfactory, the Town shall grant Initial Acceptance.

ii. If the Improvements are not satisfactory, the Town shall provide written notice to the District of the repairs, replacements, construction or other work required to receive Initial Acceptance. The District shall complete all needed repairs, replacements, construction or other work within 30 days of said notice. After the District completes the repairs, replacements, construction or other work required, the District shall request of the Town a re-inspection of such work to determine if Initial Acceptance can be granted, and the Town shall provide written notice to the District of the acceptability or unacceptability of such work prior to proceeding to complete any such work at the District's expense. If the District does not complete the repairs, replacements, or other work required within 30 days, the District shall be in breach of this Agreement. The costs of re-inspection shall be borne by the District.

B. *Final Acceptance*. At least 30 days before 2 years has elapsed from the issuance of Initial Acceptance, or as soon thereafter as weather permits, the District shall request an inspection by the Town. If the District does not request this inspection, the Town may conduct the inspection without the District's approval.

i. If the Improvements are satisfactory, the Town shall grant Final Acceptance.

ii. If the Improvements are not satisfactory, the Town shall provide written notice to the District of the work required to receive Final Acceptance. After the District completes such work, the District shall request a re-inspection, and the Town shall provide written notice to the District of the acceptability or unacceptability of such work. If the District does not complete the required work in an acceptable manner within 30 days, the District shall be in breach of this Agreement.

C. *Warranty*. For all Improvements to be dedicated to the Town, the District shall provide the Town with a 2-year warranty, commencing on the date of Initial Acceptance (the "Warranty Period"). Specifically, but not by way of limitation, the District shall warrant that: the title is marketable and its transfer rightful; the Improvements are free from any security interest or other lien or encumbrance; and the Improvements are free of defects in materials or workmanship. During the Warranty Period, the District shall, at its own expense, take all actions necessary to maintain the Improvements and make all necessary repairs or replacements.

VI. MAINTENANCE

A. *Improvements*. Unless dedicated to and accepted in writing by the Town for maintenance, all Improvements shall be maintained by the District. Acceptance by the Town of ownership of any Improvements does not constitute acceptance by the Town of maintenance for such Improvements. If the District desires to transfer maintenance obligations to any other entity, the District shall obtain prior written approval from the Town.

B. *Wastewater Main*. Notwithstanding the foregoing, the public wastewater main through which the Town shall deliver Wastewater Service to the Property shall be the responsibility of the Town up to the Town's then-current boundary. The District shall maintain all Improvements, including the wastewater main, beyond this point unless dedicated to and accepted in writing by the Town.

VII. CONNECTION TO THE TOWN'S WASTEWATER SYSTEM

A. *Connection to the Public Main*. Upon completion of the Improvements, the District shall apply for connection to the Town's wastewater system. The Town's Public Works Department shall determine scheduling of the physical tap or connection of the service line to the public main. The tap to the public main for the Property's service line and the installation of corporation cocks shall be performed by the Town.

B. *Required Easements*. The District shall grant the Town all easements required to maintain the Improvements upon connection to the Town's wastewater system.

C. *Wastewater System Fees*. The District shall be responsible for all fees and connection fees associated with the Town's provision of Wastewater Service, including without limitation the Town's wastewater tap fee and renewable water resource fee, pursuant to the Town's then-current fee schedule, which shall be due at the time of issuance of building permits for the Development. As of the date of this Agreement, such system fees include a wastewater tap fee in the amount of $14,064.67 per single family residence and a renewable water resource fee of $7,446.00 per single family residence, in accordance with Town of Elizabeth Resolution No. 23R37.

VIII. PROVISION OF WASTEWATER SERVICE

A. *Wastewater Service to Property*. Upon final connection of the Improvements to the Town's wastewater system, the Town shall sell and deliver to the Property Wastewater Service in accordance with this Agreement, the Elizabeth Municipal Code, and all other applicable rules and regulations. The District acknowledges and agrees that the Town shall be the sole provider of Wastewater Service to the Property. Any change in the wastewater service requirements for the Property shall require approval by the Town and amendment to this Agreement. All wastewater uses on the Property shall at all times be consistent with Town policies, rules and regulations, as amended, governing the Wastewater Service.

B. *Monthly Wastewater Service Fees*. The Town shall administer, and the District shall pay monthly, all fees and other charges related to the provision of Wastewater Service to the

Property at the Town's then-current out of Town rates and in accordance with the Town Code and any other applicable policies, rules and regulations (the "Wastewater Service Charges"); provided, however, that no Wastewater Service Charges shall be imposed on any building and other Wastewater Service-served structure until it has received a building permit from the Elbert County Building Department. As of the date of this Agreement, such Wastewater Services Charges are $94.94 per month per single family residence.

C. *Limitations*. This Agreement is only for the provision of Wastewater Service as herein described and no expansion of uses, connections, or service beyond those set forth herein is in any way authorized by this Agreement.

D. *Town Rules and Regulations*. The District acknowledges and agrees that Property and all users of Town Wastewater Service on the Property shall be bound by, and all Wastewater Service provided hereunder shall be subject to all applicable provisions of the Code, as well as all applicable rules, policies or regulations of the Town now in effect or as may be hereafter adopted.

E. *Enforcement by the Town*. The District hereby acknowledges and agrees that the Town has the right to enforce its rules, policies, regulations, ordinances and the terms of this Agreement regarding the Wastewater Service. In the event that the District or any user of the Wastewater Service provided for in this Agreement violate the rules, policies, regulations or ordinances of the Town, the Town shall have all remedies available to it at law or in equity.

X. <u>INDEMNIFICATION</u>

To the extent permitted by law, The District agrees to indemnify and hold harmless the Town and its officers, insurers, volunteers, representatives, agents, employees, attorneys, heirs and assigns from and against all claims, liability, damages, losses, expenses and demands, including attorney fees, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Agreement if such injury, loss, or damage is caused in whole or in part by the omission, error, professional error, mistake, negligence, or other fault of the District, or any officer, employee, representative, agent or subcontractor of the District. In addition, the District shall pay all property taxes on property underlying Improvements to be dedicated to the Town before acceptance by the Town, and shall indemnify and hold harmless the Town for any such property tax liability.

XI. <u>THE DISTRICT'S REPRESENTATIONS AND WARRANTIES</u>

The District hereby represent and warrant to the Town that all of the following are true and correct as of the date of signature and the Effective Date: this Agreement has been duly authorized and executed by the District as the legal, valid and binding obligation of the District, and is enforceable as to the District in accordance with its terms; the persons executing this Agreement on behalf of the District is duly authorized and empowered to execute and deliver this Agreement on behalf of the District; to the best of the District's knowledge, there is no pending or threatened litigation, administrative proceeding or other proceeding pending or threatened against the District which, if decided or determined adversely, would have a material adverse effect on the ability of the District to undertake its obligations under this Agreement nor, to the best of the District's knowledge, is there any fact or condition of the Property known to the District that may have a material adverse effect on the District's ability to develop the Property as contemplated; and neither the execution of this Agreement nor the consummation of the transaction contemplated by this Agreement will constitute a breach under any contract, agreement or obligation to which the District is a party or by which the District is bound or affected.

XII. TITLE 32 SPECIAL DISTRICTS

The Town hereby acknowledges that the District has been organized pursuant to and in accordance with the provisions of C.R.S. § 32-1-101, *et seq.*, for the purpose of providing facilities and services to the Property as well as properties outside of its boundaries. The Town hereby consents to the organization of the District, and confirms all prior actions and approvals taken or obtained with respect to the District.

XIII. MISCELLANEOUS

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

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

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

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

E. *Notice*. Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent prepaid, first-class United States mail to the Party at the address set forth on the first page of this Agreement.

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

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

H. *Assignment*. Neither this Agreement nor any of the rights or obligations of the Parties shall be assigned by either Party without the written consent of the other; provided, however, that the District shall have the right to assign this Agreement without the Town's consent to an entity affiliated with or formed by one or more principals of the District with 30 days' notification to the Town.

I. *Recordation*. This Agreement shall be recorded with the Clerk and Recorder of Elbert County, Colorado, shall run with the land, and shall be binding upon and inure to the benefit of the heirs, successors and permitted assigns of the Parties.

J. *No Regulated Public Utility Status.* The Parties hereby agree that the Town is not a regulated public utility compelled to serve any other similarly situated parties. The District shall not at any time petition the Colorado Public Utilities Commission to acquire jurisdiction over any wastewater rate set by the Town. In the event the Town is held to be a regulated public utility for any reason, including without limitation by virtue of this Agreement, this Agreement shall terminate and be of no further force or effect.

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

L. *Rights and Remedies*. The rights and remedies of the Town under this Agreement are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit the Town's legal or equitable remedies, or the period in which such remedies may be asserted, for work negligently or defectively performed.

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

N. *Force Majeure*. No Party shall be in breach of this Agreement if such Party's failure to perform any of the duties under this Agreement is due to Force Majeure, which shall be defined as the inability to undertake or perform any of the duties under this Agreement due to acts of God, floods, storms, fires, sabotage, terrorist attack, strikes, riots, war, labor disputes, forces of nature, the authority and orders of government or pandemics.

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

TOWN OF ELIZABETH, COLORADO

____
Angela Ternus, Mayor

ATTEST:

____
Michelle Oeser, Town Clerk

PINE RIDGE METROPOLITAN DISTRICT

____

STATE OF COLORADO)
) ss.
COUNTY OF __________________)

The foregoing instrument was subscribed, sworn to and acknowledged before me this ___ day of ___________, 2026, by _________________________ as ___________________ of __________________________.

My commission expires: ____________________

(S E A L)

____
Notary Public

EXHIBIT A
Legal Description

EXHIBIT B
Improvements

Michael DeVol

From: Ish Kwofie <ish@nexcivil.com>
Sent: Monday, May 4, 2026 5:30 PM
To: James McErnie; Michael DeVol; Martin Metsker
Subject: Hillside Pavement Paving Update

Follow Up Flag: Follow up
Flag Status: Flagged

Good evening Mike,
We received a call back from the subcontractor regarding the price increase for the asphalt binder. With all the deductions and paving thickness recommendations as detailed in the geotech report titled Pavement Study for Hillside Improvements Elizabeth, Colorado, by AGW dated February 20, 2026, a 6" HMA over 12" scarify and recompact for the local residential areas, and 7.5" HMA over 12" scarify and recompact, will be more advantageous for the town and overall better product in our opinion , resulting in a price increase of $12/ton. Our take-off computed a total of 8,505tons of HMA paving for both the bottom and top mat. This will increase our initial bid amount from $2,854,626.86 to a new total of $2,956,686.86.

Please note, that this new HMA price will be held constant for the duration of the project as we have made this clear to the subcontractor also.

Finally, the geotech report section 16.2 also anticipates the presence of soft spots after the removal of the existing asphalt mat, which will be addressed on a case-by-case basis during the subgrade proof rolling during construction. The cost to fix any subgrade low spots if encounter will be communicated to the town during construction.

Respectfully,

Ish Kwofie, PE, PMP, CFM
Project Manager

3190 S Vaughn Way, Ste 550, Aurora, CO 80014
C 720-237-2462

TO: Madam Mayor, Madam Mayor Pro-Tem, Elizabeth Board of Trustees
FROM: Mike DeVol, Town of Elizabeth Public Works Director
DATE: May 7, 2026
SUBJECT: DISCUSSION AND POSSIBLE ACTION REGARDING THE HILLSIDE PAVING AND WADE PARK PROJECT CONTRACT UPDATE FOR INCREASED BID AMOUNT DUE TO THE ECONOMY

Public Works wishes to have discussion and action as Public Works Staff, Terracina Engineering and Interim Town Administrator Chris Lowe met with Ish Kwofie the principal project manager for NEXCIVIL ENGINEERING and was informed of a price increase for the project for the asphalt due to the rise in fuel and asphalt costs. Attached is a follow up email from Nexcivil explaining the additional cost above the original bid price. The amount that is being asked for the increase is $2,956,686.86 the original bid is $2,854,626.86 an increase of $102,060.00. Nexcivil has stated in their email that this is the only increase they are seeking and the price will be held for the duration of the project. Nexcivil email addresses the Town's geotechnical engineering report from AGW (attached) section 16.2 for any low or soft spot that may be present will be communicated to the Town and addressed at that time.

Public Works would like to present additional costs that are incurred during the project by the Town and approve the contract increase and acknowledge the overall cost of the project:

AGW Engineering for soils, compaction, asphalt and concrete strength testing -	$22,000.00
AGW Hillside Paving Study and report -	$26,000.00
Aztec Survey and Construction Staking -	$37,780.00
Terracina Engineering/Construction Oversight -	$35,000.00
Nexcivil Engineering Construction with Bid Increase -	$3,059,466.86
2026 Approved Budget Amount -	$4,403,200.00
Under Budget Projected -	($1,343,733.14)

Regards,

Mike DeVol
Town of Elizabeth
Public Works Director
GCWWTP Operations

Pavement Study
Hillside Improvements
Elizabeth, Colorado

Terracina Design
10200 East Girard Avenue
Suite A-314
Denver, Colorado 80107

AGW
3211 South Zuni Street
Englewood, Colorado 80110
www.agwco.com (303) 759-8100

Project Number 256640-P1
February 20, 2026

TABLE OF CONTENTS

TABLE OF CONTENTS (CONTINUED)

ATTACHMENTS

1.0 EXECUTIVE SUMMARY

AGW completed the pavement study for the existing streets at the subject site. This study was conducted in general conformance with the Town of Elizabeth pavement design procedures. The following pavement study summarizes the field exploration, subsurface conditions encountered, laboratory tests performed, and pavement recommendations.

The subsurface materials encountered in our test borings consisted of asphalt, clayey to very clayey sand fill with varying portions of gravel, overlying sand. Ground water was not encountered at the time of drilling.

The pavement recommendations for the local residential streets consist of a full depth section of 6.0 inches of asphalt concrete over a compacted subgrade or composite sections of 4.0 inches of asphalt concrete overlying 6.0 inches of aggregate base course or 3.0 inches of asphalt concrete overlying 8.0 inches of chemically treated subgrade. The pavement recommendations for the local commercial street consists of a full depth section of 7.5 inches of asphalt concrete over a compacted subgrade or composite sections of 5.5 inches of asphalt concrete overlying 6.0 inches of aggregate base course or 4.5 inches of asphalt concrete overlying 8.0 inches of chemically treated subgrade. Based on our sampling and laboratory testing, expansive subgrade mitigation is not required. However, loose soils were encountered in 13 of the test borings so subgrade stabilization may be required. We encourage the Client to read this study in its entirety and not rely solely on the cursory information contained in this summary.

2.0 PURPOSE

The purpose of this study was to provide pavement thickness recommendations for the existing streets at the subject site in general conformance with the Town of Elizabeth's "Pavement Design and Technical Criteria (2009)" (Manual). Based on the information provided by the Client, the streets included in this study are to be reconstructed including removal of asphalt pavement, segments of curb and gutter, and various crosspans. This study presents the analysis of approximately 5,600 and 450 feet of local residential and local commercial streets, respectively. Factual data gathered during the field and laboratory work and our analyses are summarized on Figures 1 through 8 and in Appendices A and B. Our opinions and recommendations shown in this study are based on the data generated during this field exploration, laboratory testing, and our experience with similar projects.

3.0 SITE CONDITIONS

The subject site is located northwest of the intersection of West Kiowa Avenue and North Elbert Street in Elizabeth, Colorado. The site is an existing residential development consisting of Hillside Filings 1 through 3 and Elizabeth Village containing 128 residential units. Elizabeth High School is located to the north of the site. Four existing commercial businesses are located to the south of the site. The streets at the subject site are currently paved with asphalt concrete with curb and gutter on both sides and attached sidewalk on one side. There are two access points, at West Logan Street to the east and at Evans Boulevard to the south. A pavement condition evaluation was not part of our scope. The pavement has been in service for a minimum of 30 years. Field observations indicated that the pavement is in poor to very poor condition.

4.0 PROPOSED CONSTRUCTION

Based on the "Hillside Improvements, Town of Elizabeth, Construction Documents" prepared by Terracina Design, dated December 2, 2025 (Plans), the streets have a 28-to-35-foot right-of-way width consisting of two travel lanes, curb, gutter, and sidewalk configurations. The streets are to be reconstructed including removing the existing asphalt pavement and segments of curb and gutter/walk and crosspans. The subgrade is anticipated to be scarified, potentially stabilized, and compacted for subsequent pavement layers. The streets to be repaved with asphalt concrete sloped at a crown of 2%.

5.0 FIELD EXPLORATION

The subgrade soils were sampled by drilling 26 test borings at the locations on Figure 1. The test borings were drilled using a 4-inch diameter continuous flight auger powered by a truck-mounted drill rig. The test borings were drilled to depths of approximately 5 and 10 feet with disturbed bulk samples collected within the upper 5 feet below the existing pavement. Samples of the subsurface materials were obtained using a Modified California sampler which was driven into the soil by dropping a 140-pound hammer through a free fall of 30 inches. The Modified California sampler is a 2.5-inch outside diameter by 2-inch inside diameter device. The number of blows required for the sampler to penetrate 12 inches and/or the number of inches that the sampler is driven by 50 blows gives an indication of the consistency or relative density of the soils and bedrock. Results of the penetration tests are shown on the "Test Boring Logs", Figures 3 through 8. Ground water was not encountered at the time of drilling.

6.0 LABORATORY TESTING

The samples obtained during drilling were returned to the laboratory where they were visually classified by a geotechnical engineer. Laboratory testing was then assigned to specific samples to evaluate their engineering properties. The laboratory tests included gradation analysis and Atterberg limits to evaluate grain size distribution and plasticity. Swell-consolidation tests were conducted to evaluate the effect of wetting under load on selected samples. Representative samples were tested for density, moisture, and water-soluble sulfate concentration. Selected bulk samples were combined and tested for Proctor and resilient modulus to determine the subgrade support strength. The test results are summarized in Figures 3 through 8 and are included in Appendix A.

7.0 SUBSURFACE CONDITIONS

The subsurface materials encountered in our test borings consisted of asphalt, fill, clayey to very clayey sand fill, with varying portions of gravel, overlying sand. According to the AASHTO Soil Classification system, the soils from the bulk samples collected classify as A-2-6 (0 to 1) and A-6 (1 to 2). Ground water was not encountered at the time of drilling.

7.1 Asphalt Pavement

Asphalt was encountered in all test borings ranging from 4 to 6 inches thick. Approximately 1 to 2 inches of granular fill were noted during field observations. However, it is our opinion that the observed granular fill is likely raveled asphalt.

7.2 Fill

Fill was encountered in all 26 test borings and was approximately 5 to 10 feet thick. The fill consisted of clayey to very clayey sand fill with varying portions of gravel. The fill was loose to dense, moist, light brown to brown. The fill indicated a dry density ranging from 102 pcf to 118 pcf with moisture contents ranging from 7% to 16%. The fill samples exhibited moderate plasticity. The fill has no to low expansion potential and low to moderate settlement potential.

The fill was placed prior to our involvement at this site. Since the fill was encountered within the street prism, compaction and moisture specifications were likely followed during construction. However, the Client must understand that even with the engineering opinions expressed in this study, the construction of pavements on undocumented fill is a risk. We cannot and will not be held liable for work conducted by others.

7.3 Natural Soil

Sand was encountered in five of the 26 test borings. The sand was loose to medium dense, silty, clayey to very clayey, moist, and light brown to brown. The samples tested were visually of low to moderate plasticity. The sand has low expansion and settlement potential.

8.0 PAVEMENT SUBGRADE CONCERNS

Loose fill was encountered in 13 of the 26 test borings. The loose fill present concerns for pavement construction. It is not uncommon for subgrade soils under existing pavements to possess a moisture content greater than optimum moisture content, since in-service pavements tend to gain moisture over time. The standard Proctor (ASTM D698) conducted based on the A-6 (2) soils encountered indicated a maximum dry density of 120.0 pcf and an optimum moisture content of 11.1%. Based on the Proctor values, the loose fill indicates a moisture content between -4.1% and +4.9% of optimum moisture content. It will likely be necessary to stabilize the loose subgrade areas prior to paving operations. AGW should be contacted to evaluate the subgrade prior to or during preparation for paving.

If possible, the subgrade should be allowed to aerate before construction of the new pavement section or for preparation of subsequent courses. If unstable subgrade conditions persist during construction of the new pavement section or subgrade preparation for paving, we should be contacted for our opinion. Available methods for subgrade stabilization consist of chemical or mechanical means. The use of reinforcing grids or fabrics is also an alternative for mechanical stabilization. Either of these two methods should achieve a firm surface for paving. If the methods described cannot provide a firm surface for paving, we should be contacted for our opinion. Damage to existing concrete flatwork should be anticipated during the pavement reconstruction. Depending on the new pavement thickness, hauling of excess materials should be anticipated.

9.0 WATER-SOLUBLE SULFATES

The Colorado Department of Transportation (CDOT) provides requirements for the risk of sulfate exposure on concrete structures in Table 601-2 of the "Standard Specifications for Road and Bridge Construction". The water-soluble sulfate concentration of the samples tested ranged from less than

100 parts per million (ppm) to 500 ppm. Based on these results, the sulfate concentrations of the samples tested represent a Class 1 risk of sulfate exposure. We recommend concrete structures bearing upon onsite materials meet the Class 1 requirements stipulated in Section 601.04 of the CDOT "Standard Specifications for Road and Bridge Construction". No special considerations are needed if chemical subgrade stabilization is selected.

10.0 EXPANSIVE SUBGRADE CONDITIONS

The Manual stipulates subgrade soils requiring expansive subgrade mitigation be discussed in the pavement design. A swell greater than 2% requires expansive subgrade mitigation. Swell-consolidation testing was conducted using a surcharge load of 200 pounds per square foot (psf). The tests resulted in a swell potential of 0.0% and compressions of 0.1%. Based on our sampling and laboratory testing, expansive subgrade mitigation is not required.

11.0 SUBGRADE SUPPORT

The pavement subgrade support strength of soils is based on the resilient modulus (M_R). The M_R is a measure of the elastic property of soil, which is dependent upon moisture content, density, and the applied stress level. The soils from Test Borings 5 and 26 as representative of A-6 (2) were combined and tested for Proctor and M_R. The Proctor indicated a maximum dry density of 120.0 pcf and an optimum moisture content of 11.1%. The 2-foot California samples from these two test borings indicated an average dry density of 114 pcf and an average moisture content of 13.5%. The M_R was performed on a sample remolded with a dry density of 114 pcf and a moisture content of 14.1%. The results of the resilient modulus testing resulted in a value of 7,565 psi. We find this M_R value to be reasonable for the soils encountered. The M_R was converted to California Bearing Ratio ($M_R = 2{,}555\ (CBR)^{0.64}$) which yielded a value of 5.4 rounded down to 5. This value was used in the pavement design.

12.0 TRAFFIC CONSIDERATIONS

The streets included in this study classify as local residential and local commercial. The site contains 128 residential units with two entries. Table 3.1 of the Manual indicates default Equivalent Daily Load Application (EDLA) values of 10 and 30 for local residential and local commercial streets based on a 20-year design period, respectively. We found these EDLA values to be reasonable given the intended street applications. The following table summarizes the traffic load criteria.

Street Classification	EDLA	Serviceability Index
Local Residential	10	2.0
Local Commercial	30	2.5

13.0 PAVEMENT THICKNESS RECOMMENDATIONS

The pavement thickness recommendations were calculated using the Manual pavement design procedures. Based on the design criteria referenced above, and the nomograph and calculations included in Appendix B, the following pavement thicknesses are recommended. The pavement thicknesses are provided in the table below.

Street Classification	Alternate	ACS (in)	ABC (in)	CTS (in)	Total (in)
Local Residential (EDLA = 10; CBR = 5)	A	6.0	–	–	6.0
	B	4.0	6.0	–	10.0
	C	3.0	–	8.0	11.0
Local Commercial (EDLA = 30; CBR = 5)	A	7.5	–	–	7.5
	B	5.5	6.0	–	11.5
	C	4.5	–	8.0	12.5

ACS – Asphalt Concrete Surface
ABC – Aggregate Base Course
CTS – Chemically Treated Subgrade

Proper and timely maintenance will be required during the lifetime of the pavement to reach the designed service life. Pavement maintenance recommendations are provided in "Pavement Maintenance".

14.0 PAVEMENT SELECTION PROCESS

Based on the Manual design procedures, the pavement thicknesses included in "Pavement Thickness Recommendations" are considered equivalent. However, careful judgment should be exercised when selecting a pavement alternate.

14.1 Alternate A

The full depth section alternate consists of paving asphalt concrete overlying a prepared subgrade platform to a minimum of depth of 12 inches. Based on the loose fill soils encountered, the subgrade should be allowed to aerate so it can be compacted as described in "Subgrade" and pass a proof roll observation. Paving operations should not begin until the subgrade is properly compacted and pass a proof roll.

14.2 Alternate B

Composite (multi-layered) pavements include an intermediate layer that creates a transition zone within the pavement system that aids in the distribution of stress over the weaker subgrade materials. Since the subgrade soils are anticipated to be over optimum moisture content and not pass a proof roll observation shortly after removal of the existing pavement, a geogrid may be placed between the subgrade and aggregate base course. The subgrade should be rolled and graded prior to placement of the geogrid. A biaxial geogrid, BX 1200 or similar specifications meeting Table I.2 of the CDOT 2025 Pavement Design Manual should be used. Manufacturer specifications should be followed. The "Tensar Triax (TX) and Biaxial (BX) Geogrids Installation Guide" published by Tensar® should be used during installation. Per the Tensar installation guidelines the geogrid should be overlapped a minimum of 2 feet (laterally). Zip ties may be used to secure the geogrid at 10-foot intervals and maintain overlap dimensions.

14.3 Alternate C

Chemical subgrade treatment is the process of incorporating fly ash, Portland cement, or another chemical agent into in-place materials to create a stable paving platform. This treatment is typically applied to subgrade soils, but it can also be performed through the existing asphalt layer and underlying soils in a single operation. When Portland cement is used, it may be spread directly on the asphalt surface (or milled surface) and mixed with the underlying subgrade to produce a stabilized layer, after which new asphalt can be paved once curing is complete and the required strength is achieved. We recommend a mix design be conducted (using on-site soils and a sample of the chemical agent) to determine the percentage of chemical agent necessary to achieve a minimum unconfined compressive strength of 200 psi when cured at 100°F. Construction recommendations for chemical modification of the subgrade are provided in "Chemically Treated Subgrade".

15.0 DRAINAGE CONSIDERATIONS

Long-term pavement performance is aided by proper drainage. Surface drainage is necessary for water to drain into the proper collection system instead of fully infiltrating into the subgrade soils below the pavement structure. If the pavement is not properly drained, the soils below the pavement structure may become saturated, and the subgrade will lose strength, ultimately affecting the performance of the pavement layers above (generally from imposed traffic loads). A drain system may aid pavement performance near irrigated areas. Excessive irrigation could negatively impact the pavement structure. In addition, xeriscaping the landscaped areas is recommended.

16.0 CONSTRUCTION RECOMMENDATIONS

The following recommendations are intended as a guideline and not as replacement for the jurisdictional standards and specifications. It shall be the responsibility of the Contractor to abide by the standards and specifications stipulated in the Manual.

16.1 Chemically Treated Subgrade

Chemically treated subgrade operations generally consist of blending chemicals (fly-ash, cement kiln-dust, or Portland cement) with subgrade soils to a specified depth to improve the subgrade support properties. A mix design stating the amount of chemical agent necessary to modify the subgrade support properties should be performed using on-site soils. In addition, the chemical agent used in the mix design should be from the same source as to be used during construction.

16.1.1 Weather Limitation

The subgrade should not be chemically treated when the ambient temperature at ground level is below 40°F in the shade or may fall below 40°F within 24 hours, when it is rainy, or in other adverse conditions. The jurisdictional representative has authority to alter these requirements. In no case should the subgrade be treated when the material to be treated is frozen. If the subgrade is chemically treated and is expected to be exposed to freezing temperatures, the treated subgrade should be protected by either covering the subgrade or by placement of the subsequent course.

16.1.2 Equipment

The equipment required should include all equipment necessary but not limited to complete such items as: grading, scarifying, spreading (slaker for slurry mixtures), pulverizing, mixing, hauling, compacting, sprinkling of water, finishing, protecting, curing, and maintaining the completed course.

16.1.3 Subgrade Preparation

Prior to chemical treatment, the subgrade should be cut or bladed to the required surface according to the approximate line, grade, and/or cross sections specified in the plans. The subgrade should be moisture conditioned to within 0 to +3% of optimum moisture content prior to chemical treatment to permit proper processing of the subgrade. The subgrade should be proof rolled to detect any loose or soft areas. These areas should be overexcavated and replaced with suitable compacted fill. The stabilized subgrade should be free of roots, sod, weeds, wood, construction debris, other deleterious materials, or stones larger than 3 inches.

16.1.4 Construction Methods

The construction methods used must achieve a subgrade containing a mixture (free of loose or segregated areas) of uniform density and moisture content with a smooth surface suitable for placing subsequent courses. The subgrade must meet the established design parameters. It is the responsibility of the Contractor to regulate the sequence of this work, to use the proper amount of chemical agent, to maintain the work, and to rework the courses as necessary to meet the above requirements.

16.1.5 Application

The chemical agent should be spread only in the area where the mixing operations can be completed during the same working day. Chemically treated subgrade with a cementitious stabilization agent should be completed (mixing, compacting, and finish grading, etc.) within 90 minutes of the time cementitious stabilizing agent and water is applied. The application rate should be established by the Contractor to ensure the required amount of chemical agent stipulated in the job mix formula is applied to achieve a uniform mixture for the specified depth. The chemical agent should be applied using the "Dry Placement" method.

<u>Dry Placement</u>
The design amount of chemical agent should be spread uniformly over the top of the subgrade by an approved screw-type spreader box or other approved spreading equipment. The chemical agent should be distributed in a manner that minimizes scattering by wind. The chemical agent should not be applied when wind conditions, in the opinion of the jurisdictional representative, are detrimental to achieving proper application and sequentially an overall successful operation.

16.1.6 Mixing

The treated subgrade material should be mixed continuously with an approved mixing machine to the specified depth below the bottom of the proposed pavement structure. The mixing machine should make enough passes to achieve 100% of the mixture material passing the 1-inch sieve and

60% passing the ¼-inch sieve. Streaks or pockets of chemical agent is evidence of inadequate mixing. There should be a minimum 6-inch overlap between passes to establish proper mixing and breakdown. Water should be added to the subgrade during mixing to maintain a moisture content a minimum of 3% above optimum moisture. Sufficient water in the mixture allows for the reaction of the chemical agent and the subgrade soils. Portland cement treated soils should be compacted within 90 minutes after mixing.

16.1.7 Compaction

Compaction of the material mixture should begin immediately after mixing for Portland cement applications. The material should be aerated or sprinkled as necessary to keep the material within the specified moisture content limits during and following compaction. Laboratory samples should be taken from the treated material prior to compaction or after the curing period. The laboratory samples should be tested in accordance with ASTM D558 to determine the maximum dry density and optimum moisture content. The field density of the compacted mixture should be a minimum of 95% of maximum dry density at moisture contents between 0% to +3% of optimum moisture content. The thickness of the treated layer should be determined by depth tests a minimum of every 1,000 square yards or less. Compaction should be accompanied by sufficient blading to eliminate irregularities. The Contractor should remedy any deficiencies observed in the treated subgrade. Otherwise, redesigning the pavement may be necessary.

16.1.8 Finishing and Curing

After the final layer of the specified depth of treated subgrade has been compacted, it should be brought to the required lines and grades in accordance with typical roadway sections. Rolling with a pneumatic or other suitable roller that is sufficiently light to prevent hairline cracking should be conducted on the completed section. Traffic on the chemically treated subgrade should be limited.
During the curing period, the subgrade should be lightly sprinkled with water as necessary to prevent the surface from possible shrinkage or cracking. Chemical treatment of the subgrade does not create a "weatherproof" surface. Therefore, proper curing and protection are necessary. If subsequent courses are not placed after the curing period, liquid asphalt (an emulsified asphalt CSS 1-H diluted 1 to 1 with water) may be applied over the chemically modified subgrade to provide a protective film for the treated subgrade.

16.1.9 Strength Testing

According to the Manual, the chemical modification process should be observed and tested on a full-time basis. Chemically treated subgrade courses that are part of the pavement section should be tested for unconfined compressive strength. The chemically treated subgrade should have a minimum compressive strength of 200 psi in five days at 100°F in accordance with ASTM D5102 or ASTM D1633. If earlier strength tests meet 200 psi, subsequent construction may proceed (e.g., paving operations). If the strength parameters are not achieved, remixing with additional cement or redesign may be necessary. If the purpose of the chemical treatment is expansive subgrade mitigation, then strength testing may not be necessary. Micro-fracturing for Portland cement treated subgrade should be expected.

16.2 Subgrade

Prior to paving operations, the subgrade must be prepared in a manner that allows for adequate pavement support. The subgrade should only be prepared when ambient conditions will not prevent the Contractor from achieving the required density and moisture content. Frozen soil should never be used as subgrade fill. The entire subgrade should be proof-rolled with a loaded 988 front-end loader or similar heavy rubber-tired vehicle (GVW of 50,000 pounds with 18-kip per axle at tire pressures of 90 pounds per square inch (psi)) to detect any soft or loose areas. All areas exhibiting unstable subgrade conditions such as loose soils, pumping, or excessive movement, should be overexcavated to a firm soil layer or to a maximum depth of 2 feet, whichever is shallowest, and replaced with suitable compacted fill. If unstable subgrade conditions persist, AGW should be contacted for our opinion.

If no unstable areas are observed during the proof-roll or after removal and replacement of unsuitable soils, the entire subgrade may be prepared by windrowing, tilling, or by removing a minimum of 12 inches of subgrade from proposed pavement subgrade elevation. If necessary, add or reduce moisture to the required moisture content. The subgrade fill should be placed in maximum 8-inch loose lifts and compacted to a minimum of 95% of Standard Proctor (ASTM D698) maximum dry density at optimum to +3.0% of optimum moisture content for A-6 and A-7-6 soils. The fill should be compacted to a minimum of 95% of Modified Proctor (ASTM D1557) maximum dry density at −2.0% to +2.0% of optimum moisture content for other soil types. Chemically treated subgrade should be compacted to a minimum of 95% maximum dry density (ASTM D558) at optimum to +3.0% of optimum moisture content. The subgrade should be free of organics, vegetation, large rocks, or any other deleterious materials. The pavement subgrade should be crowned to the appropriate grade lines. Additional compactive effort should be applied along edged concrete structures such as curbs and crosspans.

16.3 Aggregate Base Course

Aggregate base course (ABC) should consist of aggregate which meets specifications for gradation, plasticity, abrasion wear, and strength. We recommend the use of material meeting CDOT "Class 6" specifications and having an R-value ≥ 78. The ABC should be tested to determine compliance with these specifications prior to use. The ABC should be placed in loose lifts not exceeding 8 inches and should be compacted to a minimum of 95% of Modified Proctor maximum dry density (ASTM D1557). Aggregate thicknesses exceeding 8 inches should be placed and compacted in two separate lifts. The ABC should not be placed when weather conditions prevent achievement of the required compaction.

16.4 Asphalt Concrete Surface

Asphalt material should conform to an agency approved mix design that states the SHRP Gyratory design properties (i.e., maximum density, optimum asphalt content, job mix formula, recommended mixing and placing temperatures, etc.). We recommend that the aggregate used in the asphalt meet CDOT "Grading S", "Grading SX", or equivalent regulatory aggregate specifications. If the material does not meet or exceed these specifications, the asphalt thickness should be revised. The asphalt material should be placed in lifts a minimum of three times the aggregate size and should be compacted to 92 to 96% of Theoretical Maximum Specific Gravity for S and SX Super Pave mixes.

The asphalt material should be compacted to 93 to 97% of Theoretical Maximum Specific Gravity for SMA Super Pave mixes.

Materials standards and specifications in the Manual are required. Asphalt binder selection should be appropriate for each roadway classification. The paving contractor is responsible for mix submittal to the agency. Asphalt concrete should not be placed when weather conditions are such that the materials cannot be properly placed or compacted. The asphalt concrete should be placed on a prepared surface, graded to the appropriate elevation. In no case should the asphalt concrete be placed on frozen subgrade or base. When applicable, a tack coat should be applied at joints, adjacent to curbs, gutters or crosspans. The Contractor is responsible for establishing rolling patterns to determine the amount of effort required to meet the compaction requirements. Field testing conducted by AGW will not relieve the Contractor from proper compaction and construction of the pavement.

17.0 PAVEMENT MAINTENANCE

Flexible pavement structures are typically designed for a service period of 20 years. However, timely and proper maintenance during the life of the pavement is essential to reach the designed service period and to possibly extend the serviceability of the pavement. We recommend implementing a maintenance program aimed at preserving the structural integrity of the pavement. The implementation of available maintenance operations varies depending upon pavement type and on-site conditions. Flexible pavements will exhibit some type of pavement distress during their service life. Periodic maintenance and rehabilitation should be anticipated to reach the anticipated design life. Typically, minor cracks may develop within the first three years. Crack sealant should be used immediately upon recognition of these cracks to reduce further deterioration and/or potential moisture induced damage. The use of crack sealants may extend the life of the pavement by two to five years before any other treatment is applied. A variety of seal coats are available and can delay the need for a major surface structural treatment. However, careful engineering judgment should be used to determine the type of seal application that is most appropriate. Seal coats should not be applied on pavements with severe cracks, raveling or potholes. Fog seals typically have an estimated service life of approximately one to two years but should only be used on structurally sound pavements. Slurry seals generally have a service life of four to seven years and are commonly used on pavements exhibiting no to low pavement distress. Chip seals aid in slowing surface oxidation, minor raveling, and sealing small cracks. Chip seals are considered to have a service life of approximately four to seven years. Structural mill and overlay are a rehabilitation technique that generally occurs within eight to 12 years after initial construction. This technique should only be used on stable pavements with minor surface distress and a strong base. Conventional structural mill and overlay operations are known to have a service life of eight to 14 years.

18.0 LIMITATIONS

This pavement study was based upon laboratory testing of samples obtained at widely spaced locations. Variations in subsoil conditions could occur between sample locations. We should evaluate and test the subgrade and pavement materials during construction to determine that our recommendations have been properly interpreted. However, AGW shall not be responsible for constant or exhaustive inspection of the work, the means and methods of construction or the safety procedures employed by Client's contractor. Client shall hold its contractor solely responsible for the quality and completion of the project, including construction in accordance with the construction documents. Any duty hereunder is for the sole benefit of the Client and not for any third party, including the contractor or any subcontractor. The Owner should be aware that this study was prepared utilizing the Manual standards. Highly plastic and expansive soils pose a significant risk to pavement structures. This risk includes heave and cracking upon wetting. In addition, utility backfill settlement is a risk of development that can affect pavement performance. The Client is aware that isolated to more wide-spaced damage may occur. Longitudinal cracking parallel to the curb line may be indicative of an expansive subgrade becoming wetted. The only positive solution is removal of the subgrade materials to the depth of wetting and replacement or treatment. The Manual specifications do not require that the Client take these measures, but the Client should be aware that these measures are the only solution to dealing with highly plastic and expansive soils. As this is generally economically unfeasible, this design may be used as an attempt to provide a reasonable cost-effective pavement structure. The Owner assumes all liability for the performance of this pavement structure. We are available to discuss the risks associated with this design.

A. G. Wassenaar, Inc.

COLORADO LICENSED PROFESSIONAL ENGINEER
PEDRO DAMIAN MANRIQUEZ
51793

Pedro D. Manriquez, M.S., P.E.
Senior Geotechnical Engineer
Digitally signed by: Pedro D. Manriquez
Date: 2026.04.30 11:51:32 -06'00'

Reviewed by:

Ashley A. McDaniels, P.E.
Senior Engineer

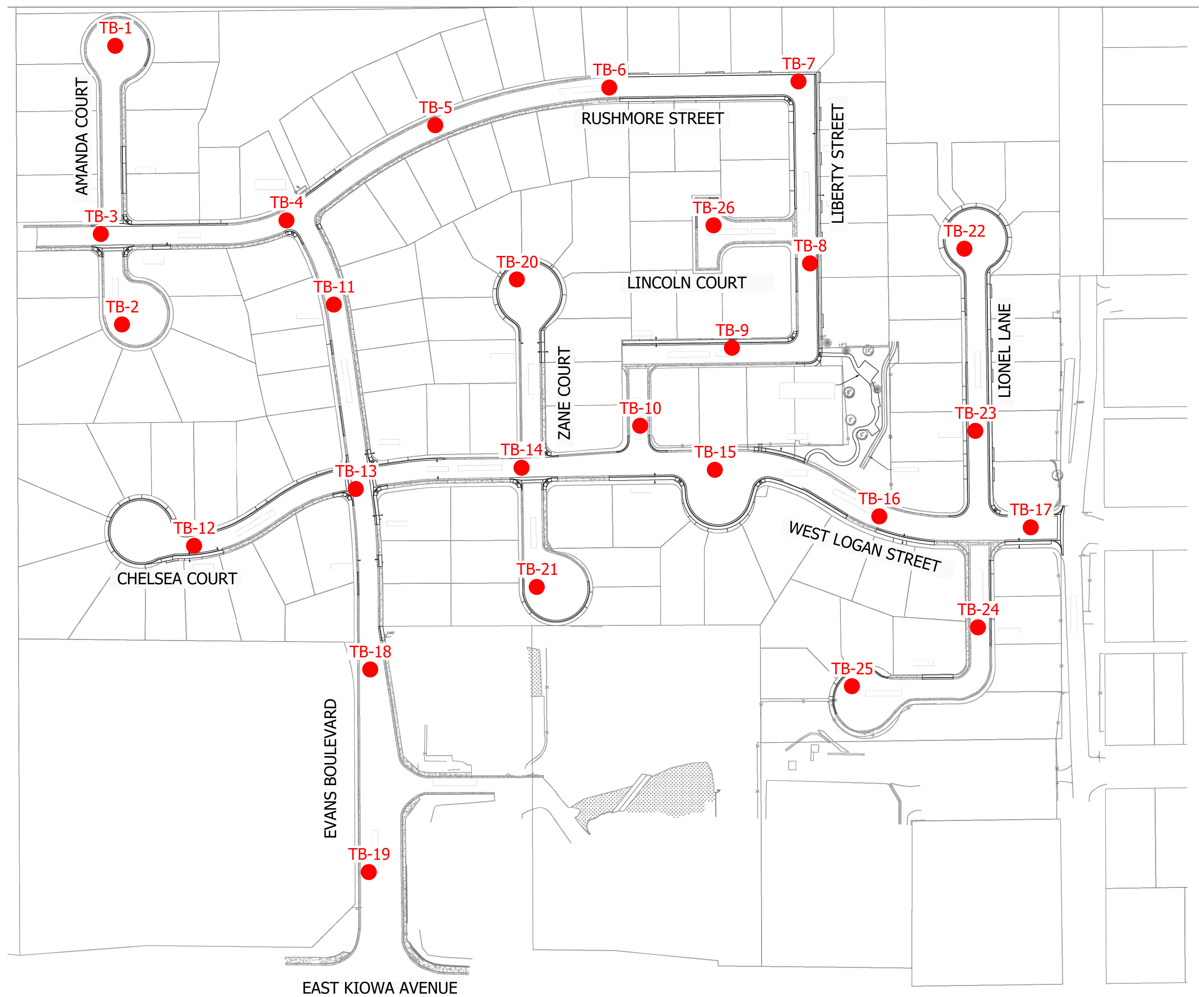
PDM/AAM/pdm/djp

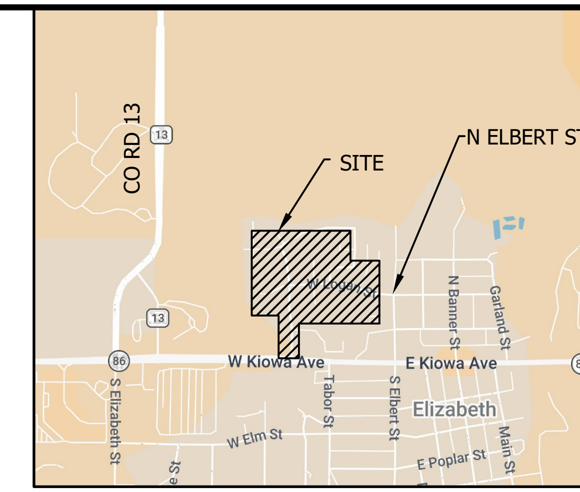
HILLSIDE IMPROVEMENTS
ELIZABETH, COLORADO

N

0 200 400

Scale in Feet





VICINITY MAP

NOT TO SCALE

NOTES:

1. TEST BORINGS ARE OVERLAID ON THE "HILLSIDE IMPROVEMENTS, TOWN OF ELIZABETH, COLORADO, CONSTRUCTION DOCUMENTS, OVERALL SITE PLAN", SHEET 3 OF 35, PREPARED BY TERRACINA DESIGN, DATED DECEMBER 2, 2025.
2. ALL LOCATIONS ARE APPROXIMATE.

AGW

SITE PLAN AND VICINITY MAP	PROJECT NO. 256640-P1 FIGURE 1

HILLSIDE IMPROVEMENTS
ELIZABETH, COLORADO

0 200 400
Scale in Feet

LOCAL RESIDENTIAL
(EDLA = 10; CBR = 5)

ALT	ACS (IN)	ABC (IN)	CTS (IN)	TOTAL (IN)
A	6.0	-	-	6.0
B	4.0	6.0	-	10.0
C	3.0	-	8.0	11.0

LOCAL COMMERCIAL
(EDLA = 30; CBR = 5)

ALT	ACS (IN)	ABC (IN)	CTS (IN)	TOTAL (IN)
A	7.5	-	-	7.5
B	5.5	6.0	-	11.5
C	4.5	-	8.0	12.5

ALT - ALTERNATIVE
ACS - ASPHALT CONCRETE SURFACE
ABC - AGGREGATE BASE COURSE
CTS - CHEMICALLY TREATED SUBGRADE

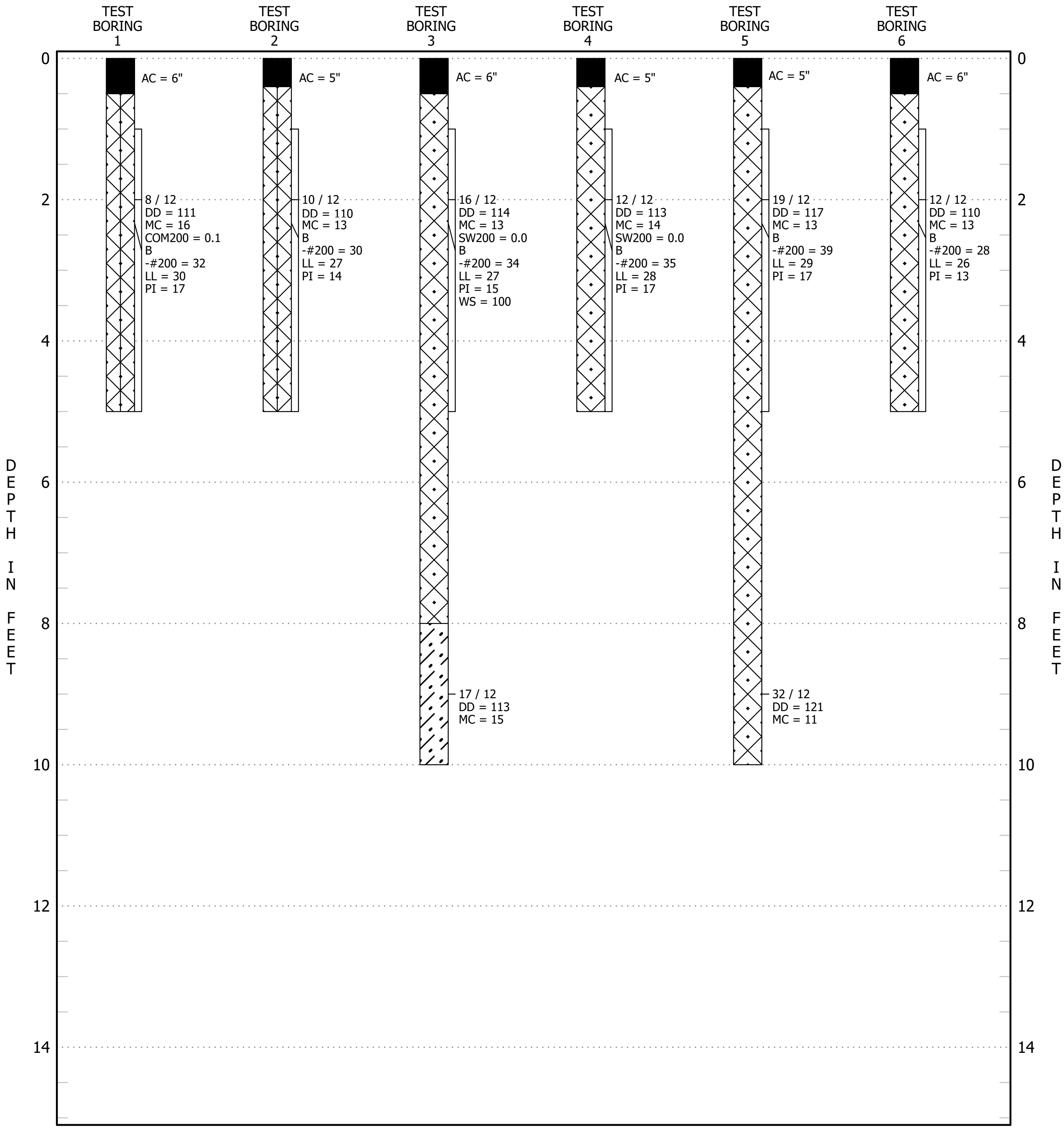
NOTES:
1. TEST BORINGS ARE OVERLAID ON THE "HILLSIDE IMPROVEMENTS, TOWN OF ELIZABETH, COLORADO, CONSTRUCTION DOCUMENTS, OVERALL SITE PLAN", SHEET 3 OF 35, PREPARED BY TERRACINA DESIGN, DATED DECEMBER 2, 2025.
2. ALL LOCATIONS ARE APPROXIMATE.

AGW

PAVEMENT THICKNESS RECOMMENDATIONS	PROJECT NO. 256640-P1 FIGURE 2

CLIENT Terracina Design **PROJECT NAME** Hillside Improvements

PROJECT NUMBER 256640-P1 **PROJECT LOCATION** Elizabeth, Colorado



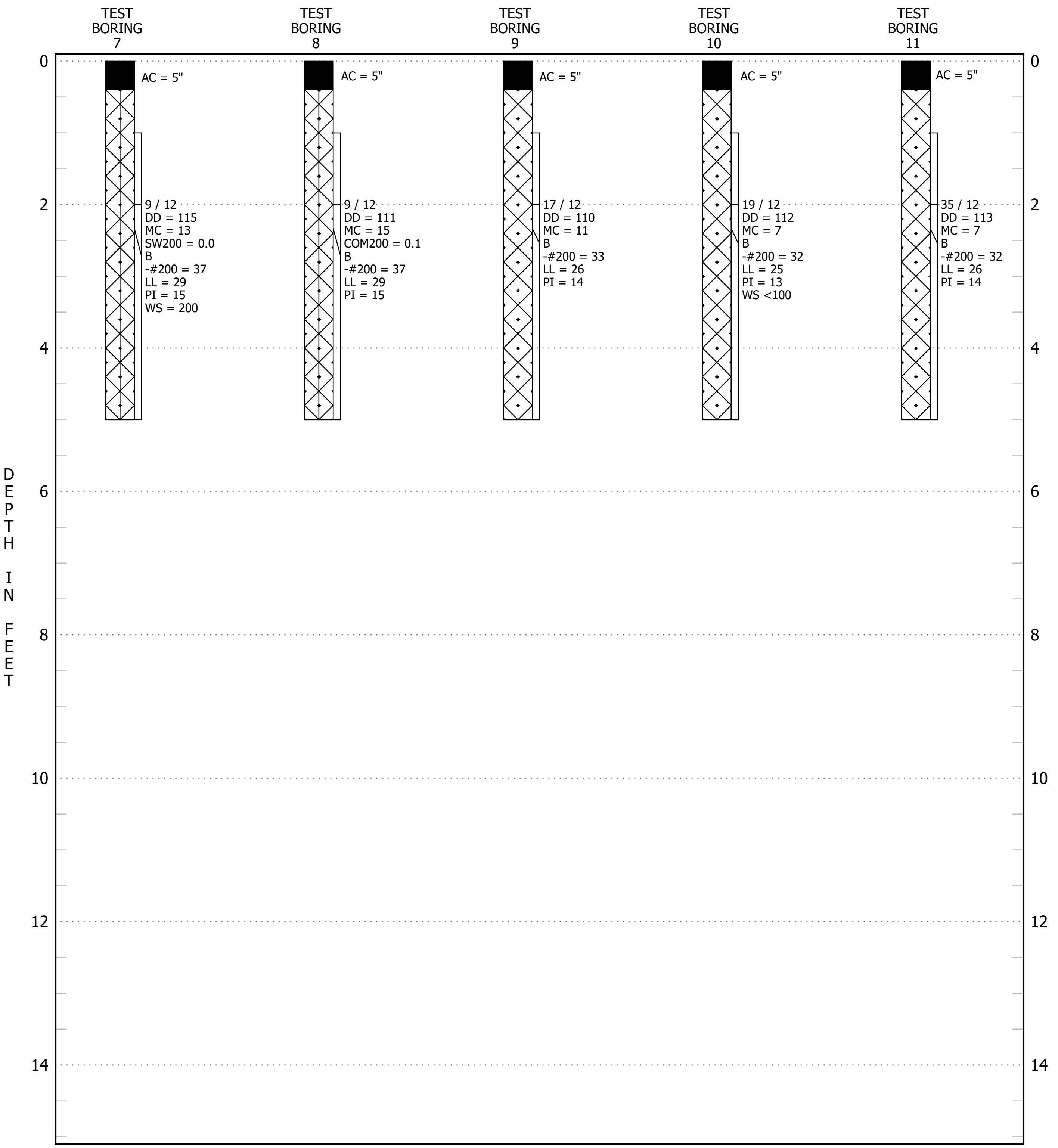
SEE FIGURE 8 FOR LEGEND AND NOTES

TEST BORING LOGS

FIGURE 3

CLIENT Terracina Design **PROJECT NAME** Hillside Improvements

PROJECT NUMBER 256640-P1 **PROJECT LOCATION** Elizabeth, Colorado



SEE FIGURE 8 FOR LEGEND AND NOTES

TEST BORING LOGS

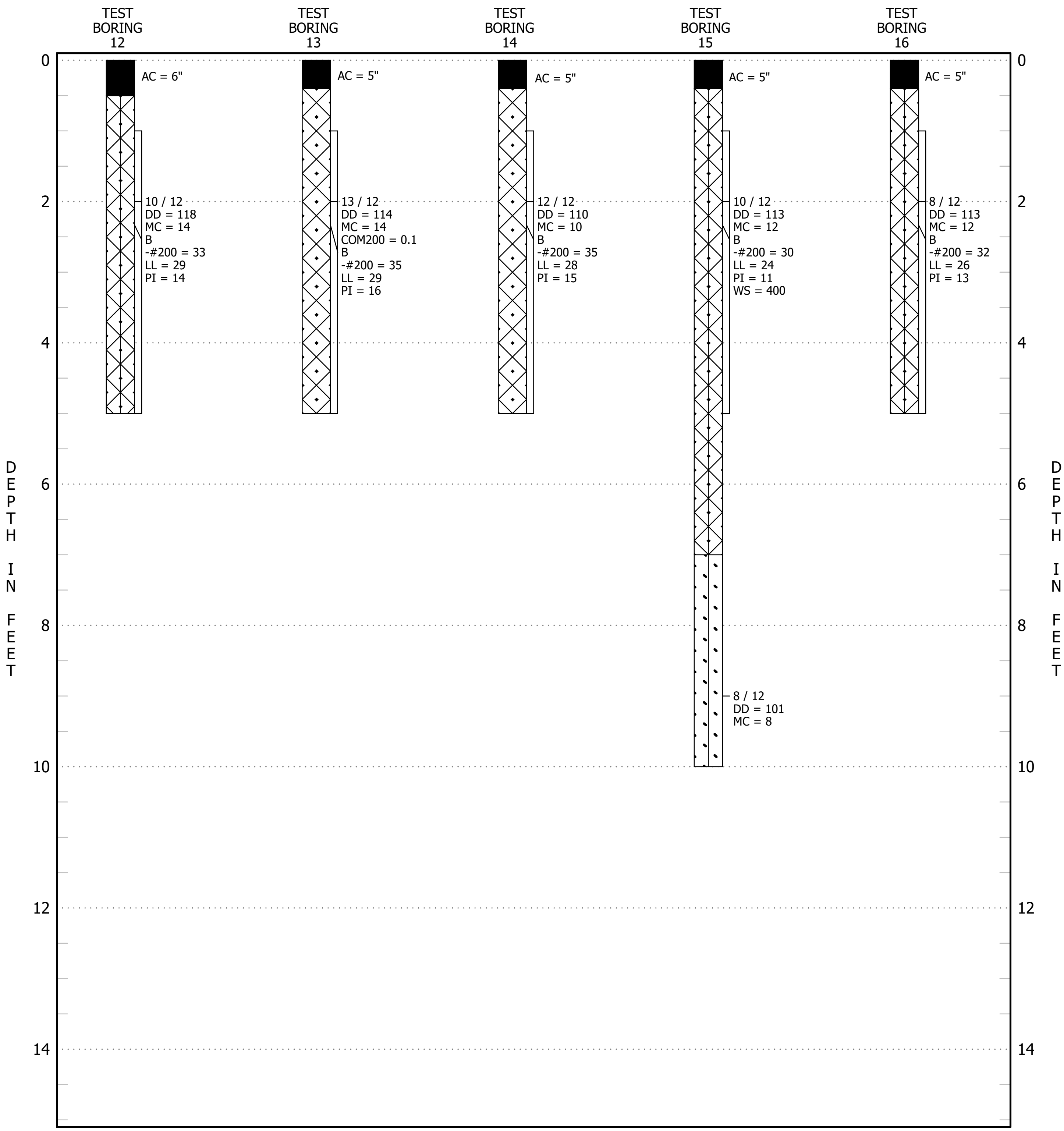
FIGURE 4

CLIENT Terracina Design

PROJECT NAME Hillside Improvements

PROJECT NUMBER 256640-P1

PROJECT LOCATION Elizabeth, Colorado



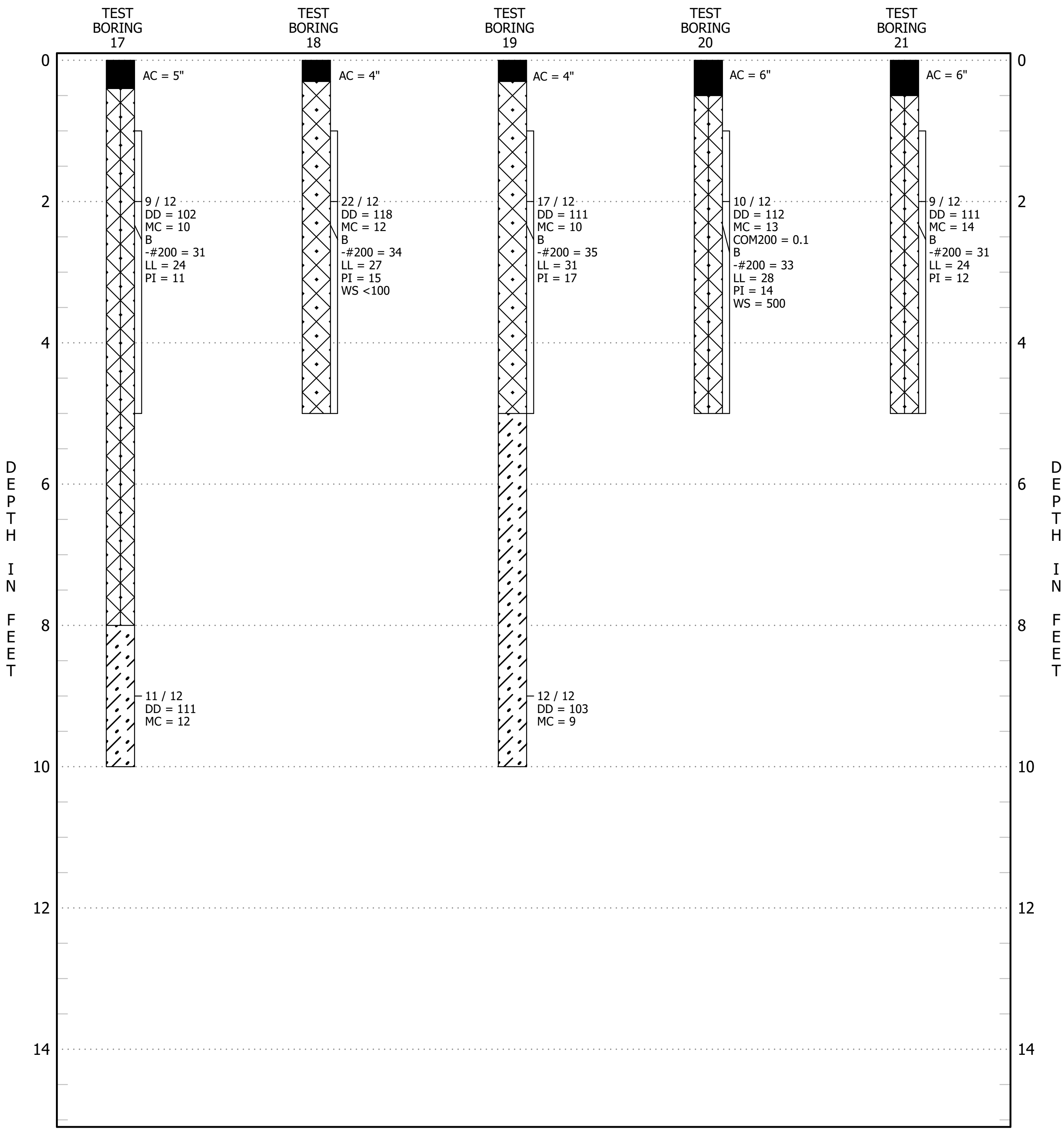
SEE FIGURE 8 FOR LEGEND AND NOTES

TEST BORING LOGS

FIGURE 5

CLIENT Terracina Design **PROJECT NAME** Hillside Improvements

PROJECT NUMBER 256640-P1 **PROJECT LOCATION** Elizabeth, Colorado



SEE FIGURE 8 FOR LEGEND AND NOTES

TEST BORING LOGS

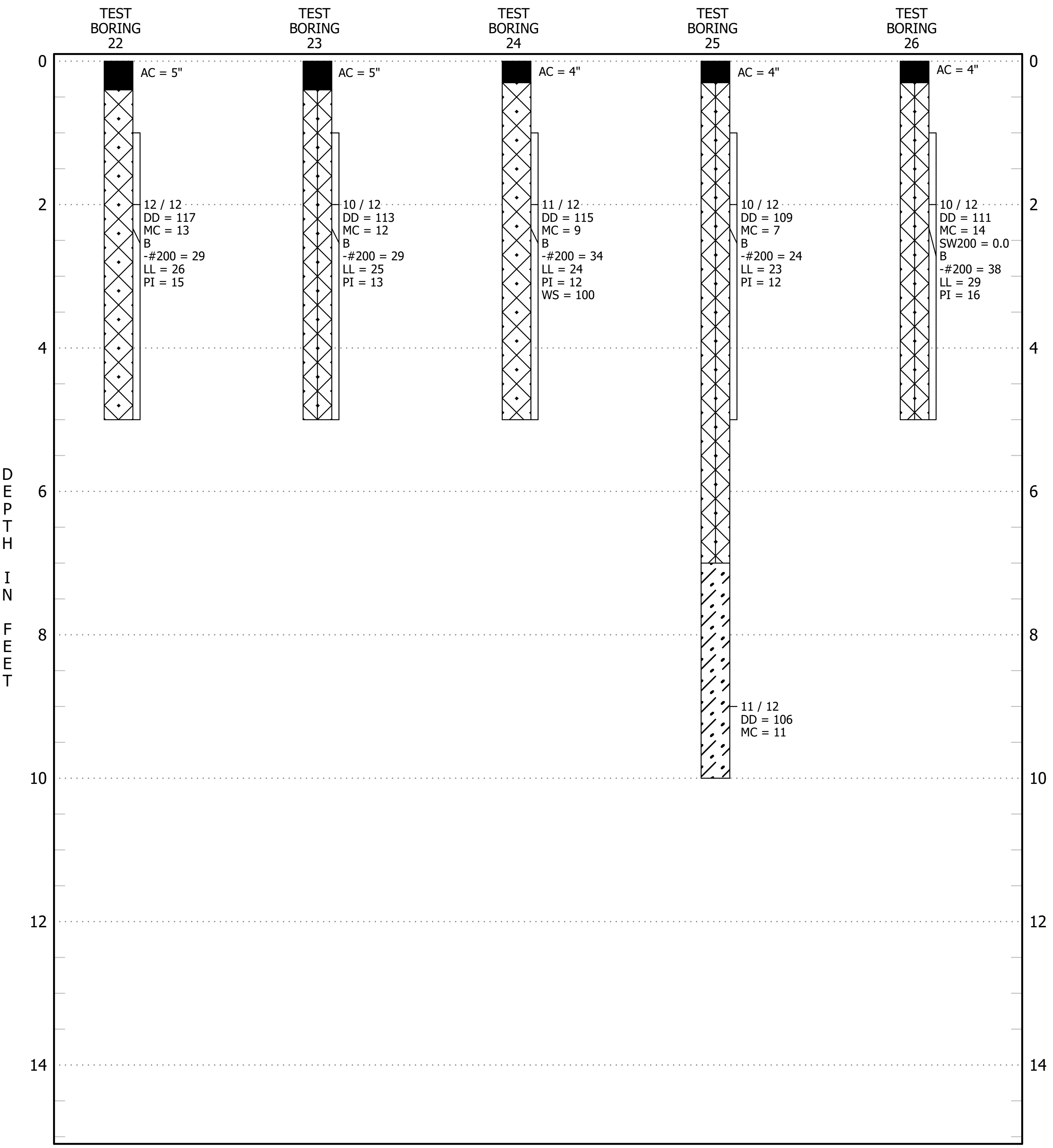
FIGURE 6

CLIENT Terracina Design

PROJECT NAME Hillside Improvements

PROJECT NUMBER 256640-P1

PROJECT LOCATION Elizabeth, Colorado



SEE FIGURE 8 FOR LEGEND AND NOTES

TEST BORING LOGS

FIGURE 7

CLIENT Terracina Design

PROJECT NAME Hillside Improvements

PROJECT NUMBER 256640-P1

PROJECT LOCATION Elizabeth, Colorado

SOIL DESCRIPTIONS

(solid black)	Asphalt
(crossed hatch with dots)	Fill, sand, medium dense, silty, clayey
(crossed hatch with dots)	Fill, sand, loose, silty, clayey
(dotted)	Sand, loose
(diagonal hatch with dots)	Sand, medium dense, silty, clayey

ABBREVIATIONS

AC	Asphalt concrete (in)
CTS	Chemically treated subgrade (in)
GF	Granular fill (in)
DD	Dry density of sample, pounds per cubic foot (pcf)
MC	Moisture content, percentage of dry weight of soil (%)
SW200	Swell under a surcharge of 200 pounds per square foot (psf) upon wetting (%)
COM200	Compression under a surcharge of 200 psf upon wetting (%)
UC	Unconfined compressive strength (psf)
-#200	Percent passing the No. 200 sieve (%)
LL	Liquid Limit
PI	Plasticity Index
NP	Nonplastic
NV	No Value
WS	Water soluble sulfates, parts per million (ppm)
x/y	x blows of a 140-pound hammer falling 30 inches were required to drive a 2.5-inch outside diameter sampler y inches
x/y SS	x blows of a 140-pound hammer falling 30 inches were required to drive a 2.0-inch outside diameter sampler y inches
C-x	Depth of cut to grade of x feet
F-x	Depth of fill to grade of x feet
FG	Finished grade
NR	No sample recovered
ND	No drive taken
Bounce	Sampler bounced during driving
B	Bulk sample
AS	Auger sample
≡	Well to very well cemented layer
↑	Practical drilling refusal

Notes:

1. Test borings were drilled January 21, 2026 to January 22, 2026.
2. Locations of the test borings were marked by others at locations chosen by AGW.
3. The horizontal lines shown on the logs differentiate materials and represent the approximate boundaries between materials. The transitions between materials may be gradual.
4. Elevations were not provided.
5. Test boring logs shown are subject to the limitations, explanations, and conclusions of this report.

LEGEND AND NOTES

FIGURE 8

APPENDIX A
LABORATORY TEST RESULTS

TABLE A-1
SUMMARY OF LABORATORY TEST RESULTS
February 20, 2026

Test Boring Number	Depth (feet)	Soil Type	AASHTO Soil Classification	Dry Density (pcf)	Moisture (%)	Swell / Consolidation (-) (%) [1]	% Passing #200 Sieve	Atterberg Limits			Water Soluble Sulfates (ppm)
								Liquid Limit	Plastic Limit	Plasticity Index	
1	1-5	Fill, sand, very clayey, trace gravel	A-2-6(1)				32	30	13	17	
1	2	Fill, sand, very clayey, trace gravel		111	16	-0.1					
2	1-5	Fill, sand, very clayey	A-2-6(1)				30	27	13	14	
2	2	Fill, sand, very clayey		110	13						
3	1-5	Fill, sand, very clayey, trace gravel	A-2-6(1)				34	27	13	15	100
3	2	Fill, sand, very clayey, trace gravel		114	13	0.0					
3	9	Sand, very clayey		113	15						
4	1-5	Fill, sand, very clayey	A-2-6(1)				35	28	11	17	
4	2	Fill, sand, very clayey		113	14	0.0					
5	1-5	Fill, sand, very clayey	A-6(2)				39	29	12	17	
5	2	Fill, sand, very clayey		117	13						
5	9	Fill, sand, very clayey		121	11						
6	1-5	Fill, sand, clayey	A-2-6(0)				28	26	13	13	
6	2	Fill, sand, clayey		110	13						
7	1-5	Fill, sand, very clayey	A-6(1)				37	29	14	15	200
7	2	Fill, sand, very clayey		115	13	0.0					
8	1-5	Fill, sand, very clayey, trace gravel	A-6(1)				37	29	14	15	
8	2	Fill, sand, very clayey, trace gravel		111	15	-0.1					
9	1-5	Fill, sand, very clayey, trace gravel	A-2-6(1)				33	26	12	14	
9	2	Fill, sand, very clayey, trace gravel		110	11						

TABLE A-1
SUMMARY OF LABORATORY TEST RESULTS
February 20, 2026

Test Boring Number	Depth (feet)	Soil Type	AASHTO Soil Classification	Dry Density (pcf)	Moisture (%)	Swell / Consolidation (-) (%) [1]	% Passing #200 Sieve	Atterberg Limits			Water Soluble Sulfates (ppm)
								Liquid Limit	Plastic Limit	Plasticity Index	
10	1-5	Fill, sand, very clayey	A-2-6(1)				32	25	12	13	<100
10	2	Fill, sand, very clayey		112	7						
11	1-5	Fill, sand, very clayey	A-2-6(1)				32	26	12	14	
11	2	Fill, sand, very clayey		113	7						
12	1-5	Fill, sand, very clayey, trace gravel	A-2-6(1)				33	29	15	14	
12	2	Fill, sand, very clayey, trace gravel		118	14						
13	1-5	Fill, sand, very clayey, trace gravel	A-2-6(1)				35	29	13	16	
13	2	Fill, sand, very clayey, trace gravel		114	14	-0.1					
14	1-5	Fill, sand, very clayey	A-2-6(1)				35	28	13	15	
14	2	Fill, sand, very clayey		110	10						
15	1-5	Fill, sand, very clayey, trace gravel	A-2-6(0)				30	24	13	11	400
15	2	Fill, sand, very clayey, trace gravel		113	12						
15	9	Sand, clayey		101	8						
16	1-5	Fill, sand, very clayey	A-2-6(1)				32	26	13	13	
16	2	Fill, sand, very clayey		113	12						
17	1-5	Fill, sand, very clayey, trace gravel	A-2-6(0)				31	24	13	11	
17	2	Fill, sand, very clayey, trace gravel		102	10						
17	9	Sand, clayey		111	12						
18	1-5	Fill, sand, very clayey	A-2-6(1)				34	27	12	15	<100
18	2	Fill, sand, very clayey		118	12						

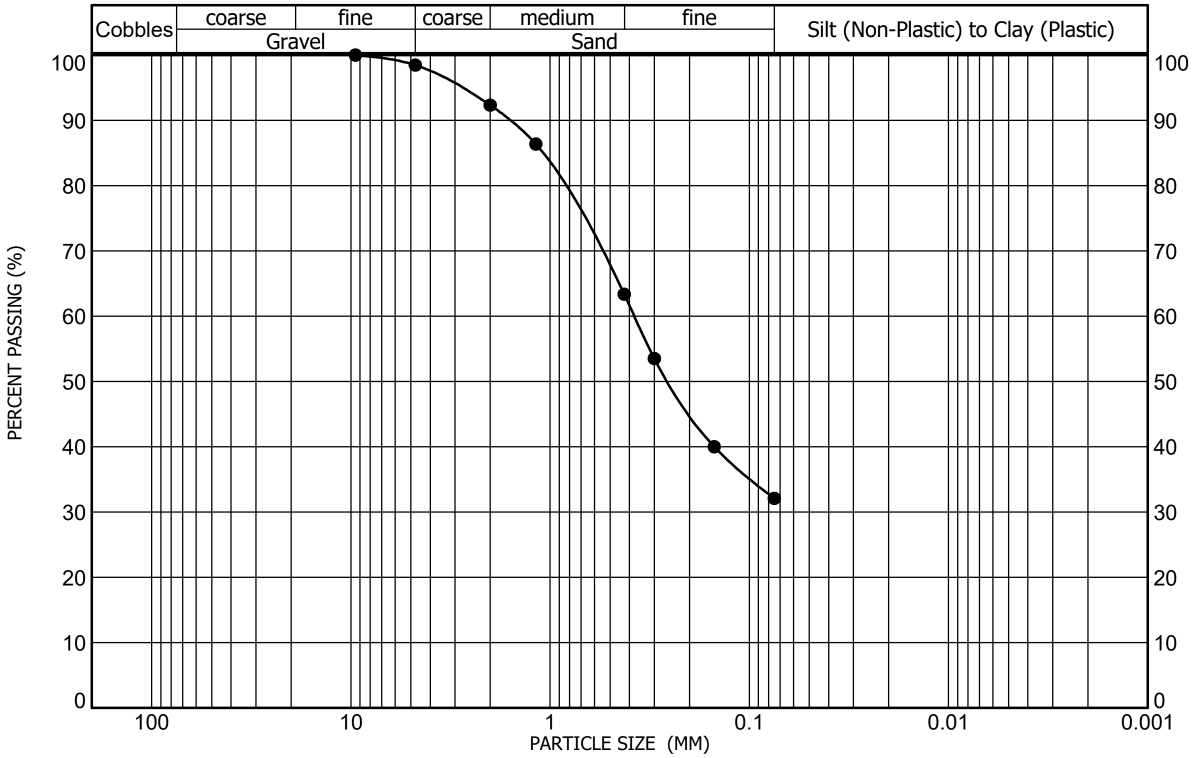
AGW

TABLE A-1
SUMMARY OF LABORATORY TEST RESULTS

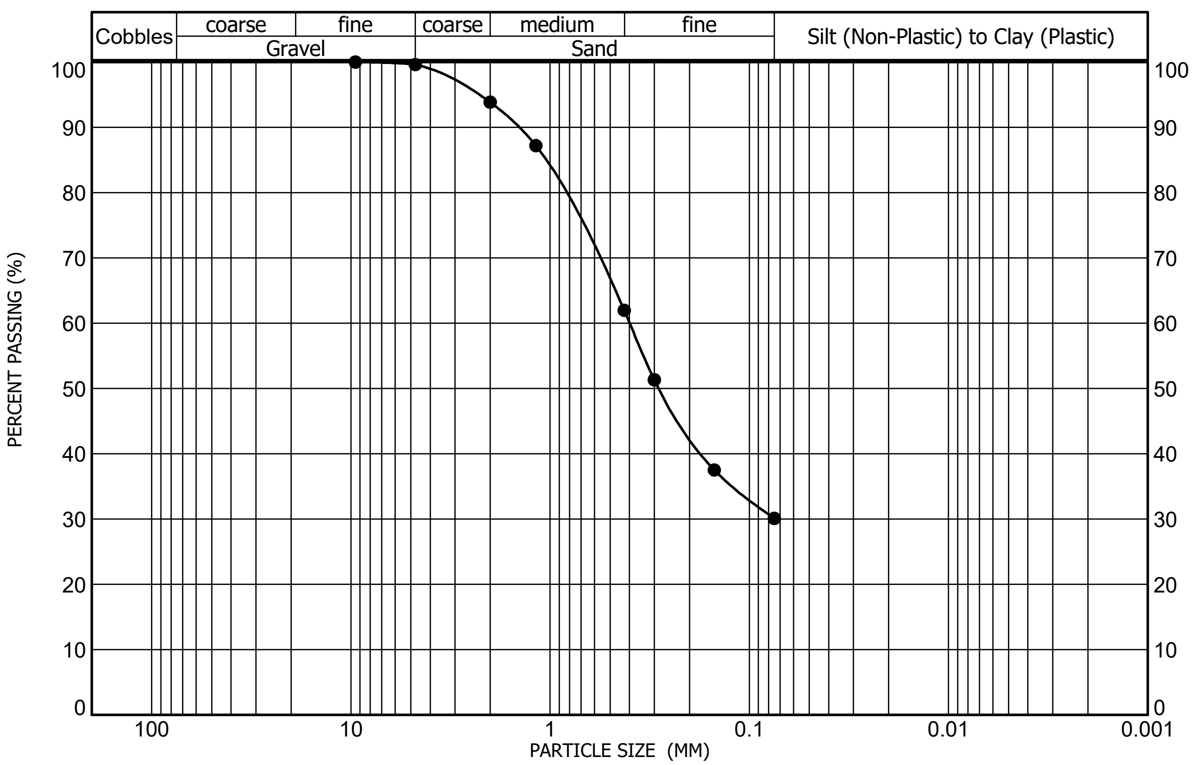
February 20, 2026

Test Boring Number	Depth (feet)	Soil Type	AASHTO Soil Classification	Dry Density (pcf)	Moisture (%)	Swell / Consolidation (-) (%) [1]	% Passing #200 Sieve	Atterberg Limits			Water Soluble Sulfates (ppm)
								Liquid Limit	Plastic Limit	Plasticity Index	
19	1-5	Fill, sand, very clayey	A-2-6(1)				35	31	14	17	
19	2	Fill, sand, very clayey		111	10						
19	9	Sand, clayey		103	9						
20	1-5	Fill, sand, very clayey	A-2-6(1)				33	28	14	14	500
20	2	Fill, sand, very clayey		112	13	-0.1					
21	1-5	Fill, sand, very clayey	A-2-6(0)				31	24	12	12	
21	2	Fill, sand, very clayey		111	14						
22	1-5	Fill, sand, clayey	A-2-6(1)				29	26	11	15	
22	2	Fill, sand, clayey		117	13						
23	1-5	Fill, sand, clayey, trace gravel	A-2-6(0)				29	25	12	13	
23	2	Fill, sand, clayey, trace gravel		113	12						
24	1-5	Fill, sand, very clayey	A-2-6(0)				34	24	12	12	100
24	2	Fill, sand, very clayey		115	9						
25	1-5	Fill, sand, clayey, trace gravel	A-2-6(0)				24	23	11	12	
25	2	Fill, sand, clayey, trace gravel		109	7						
25	9	Sand, clayey		106	11						
26	1-5	Fill, sand, very clayey, trace gravel	A-6(2)				38	29	13	16	
26	2	Fill, sand, very clayey, trace gravel		111	14	0.0					
Bulk [2]	1-5	Fill, sand, very clayey, trace gravel		120.0 [3]	11.1 [3]						

[1] Indicates Percent Swell or Consolidation (–) when wetted under a 200 psf load.
[2] Combined Bulk Sample from Test Borings 5 and 26
[3] Maximum dry density (MDD) and optimum moisture content (OMC)



Sample Location	Test Boring No. 1 at a depth of 1 feet to 5 feet	Gravel (%) 2	Liquid Limit 30
Sample Description	Fill, sand, very clayey, trace gravel	Sand (%) 66	Plasticity Index 17
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 32	

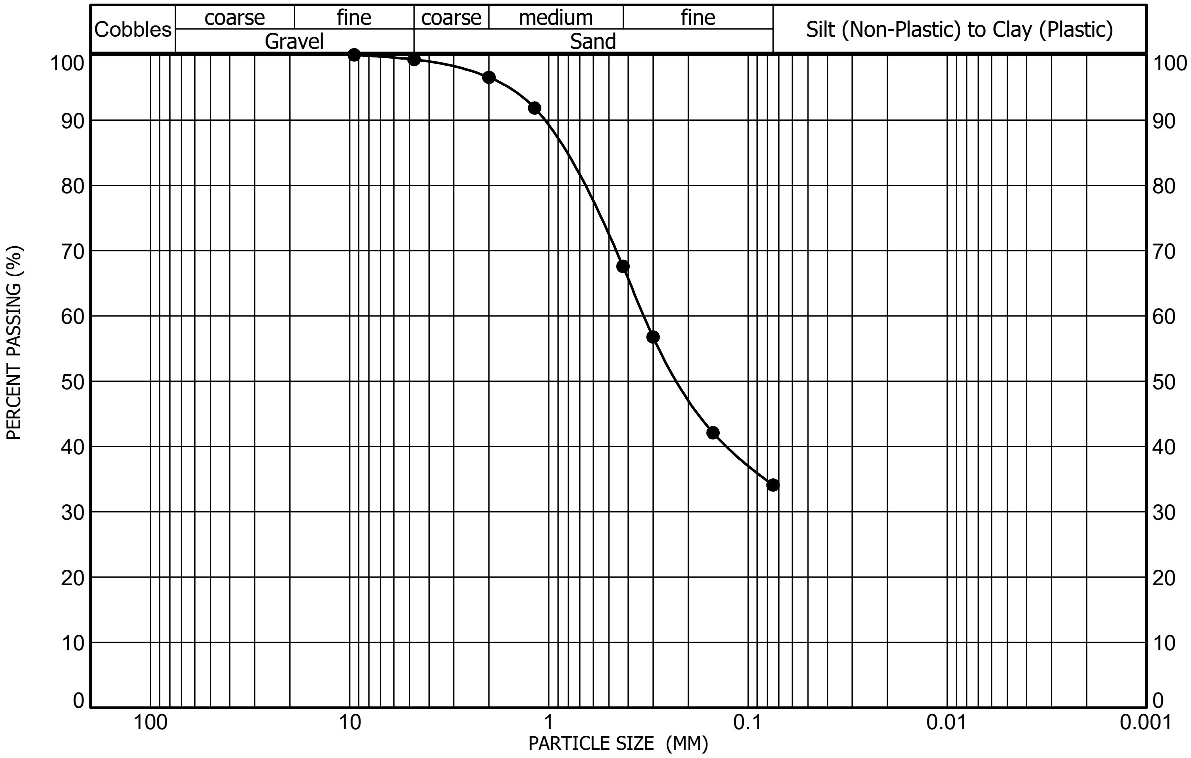


Sample Location	Test Boring No. 2 at a depth of 1 feet to 5 feet	Gravel (%) 0	Liquid Limit 27
Sample Description	Fill, sand, very clayey	Sand (%) 70	Plasticity Index 14
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 30	

GRADATION AND ATTERBERG TEST RESULTS

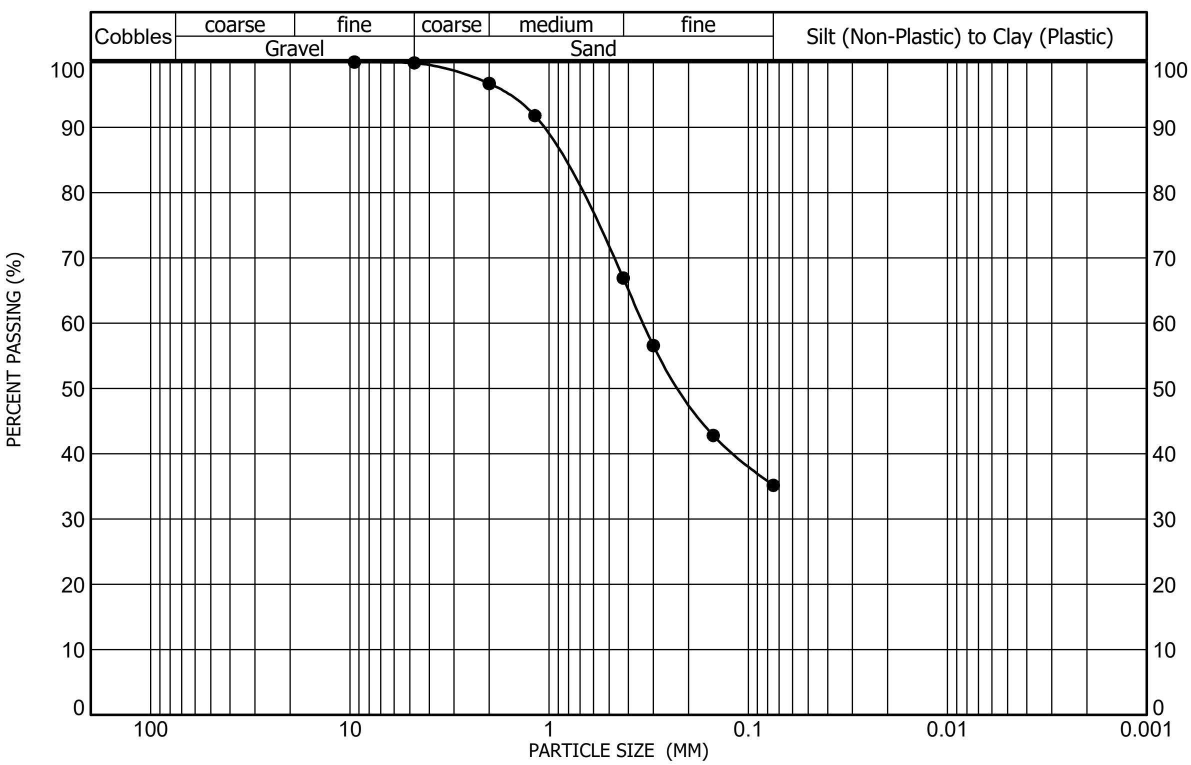
FIGURE A-1

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 3 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey, trace gravel
Classification: A-2-6(1), CLAYEY SAND(SC)

Gravel (%): 1
Sand (%): 65
Clay/Silt (%): 34
Liquid Limit: 27
Plasticity Index: 15



Sample Location: Test Boring No. 4 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey
Classification: A-2-6(1), CLAYEY SAND(SC)

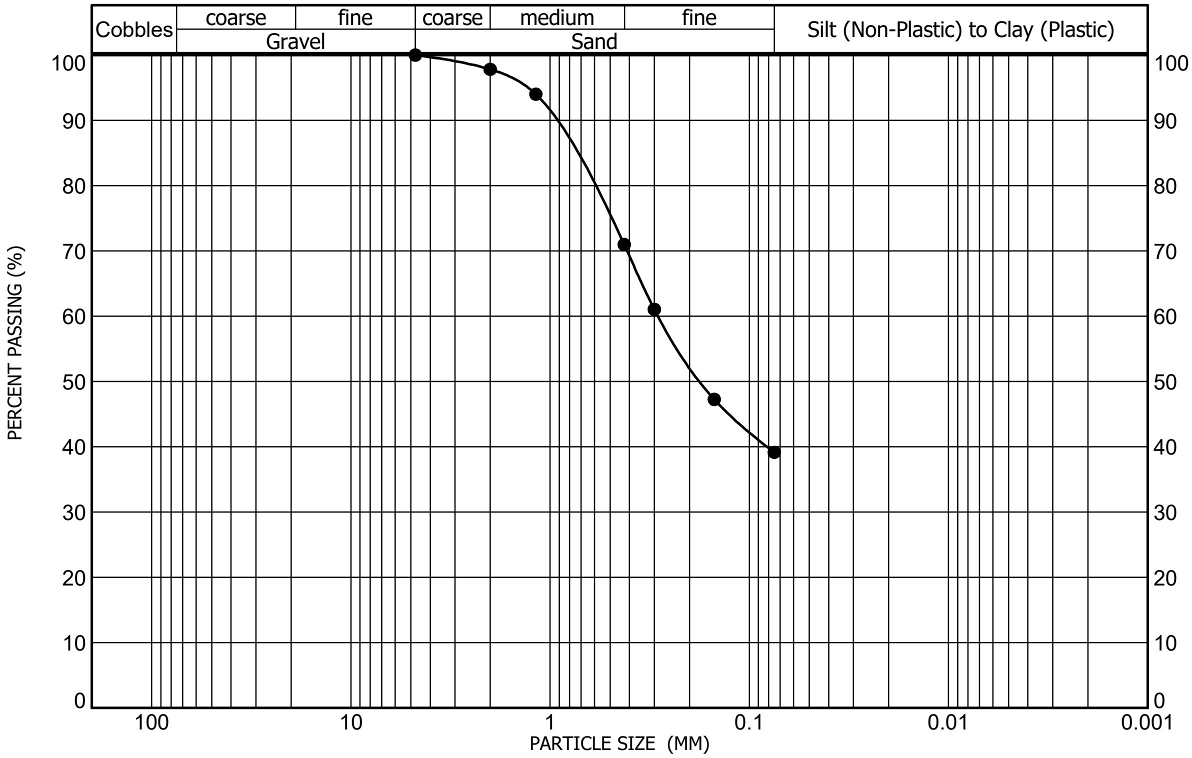
Gravel (%): 0
Sand (%): 65
Clay/Silt (%): 35
Liquid Limit: 28
Plasticity Index: 17

GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-2

PROJECT NO. 256640-P1

AGW



Sample Location: Test Boring No. 5 at a depth of 1 feet to 5 feet

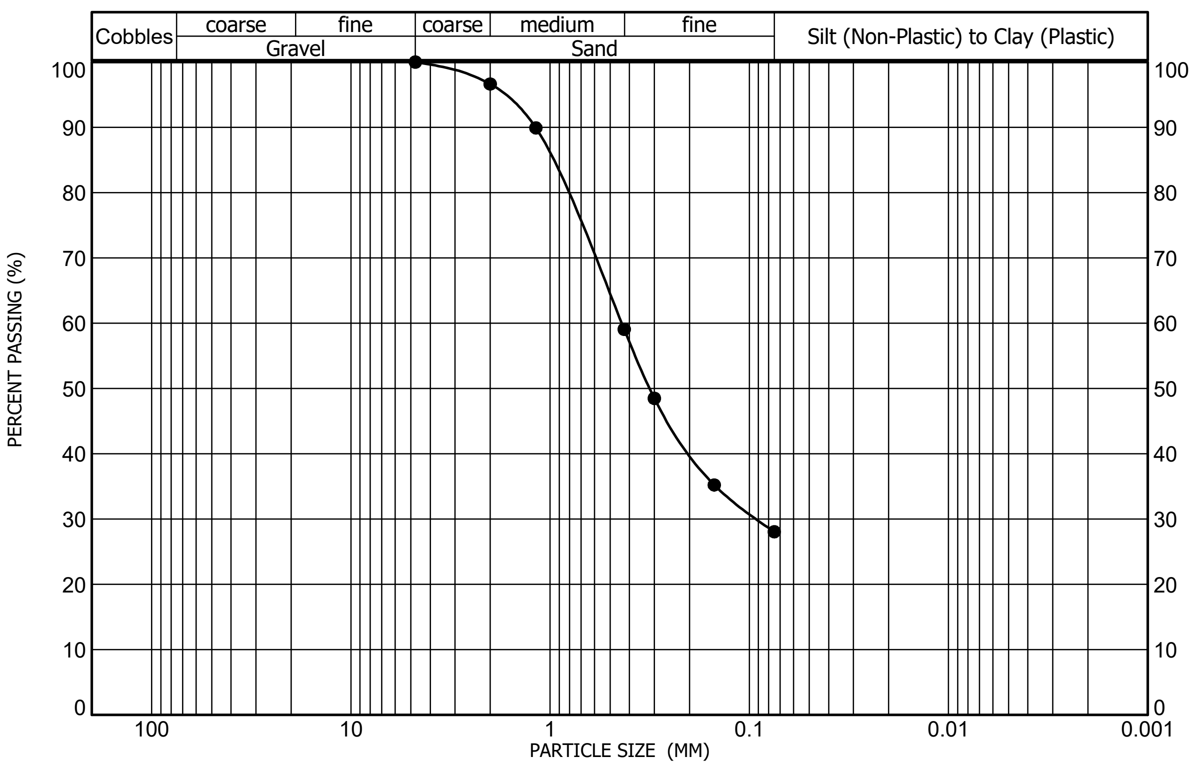
Sample Description: Fill, sand, very clayey

Classification: A-6(2), CLAYEY SAND(SC)

Gravel (%): 0 | Liquid Limit: 29

Sand (%): 61 | Plasticity Index: 17

Clay/Silt (%): 39



Sample Location: Test Boring No. 6 at a depth of 1 feet to 5 feet

Sample Description: Fill, sand, clayey

Classification: A-2-6(0), CLAYEY SAND(SC)

Gravel (%): 0 | Liquid Limit: 26

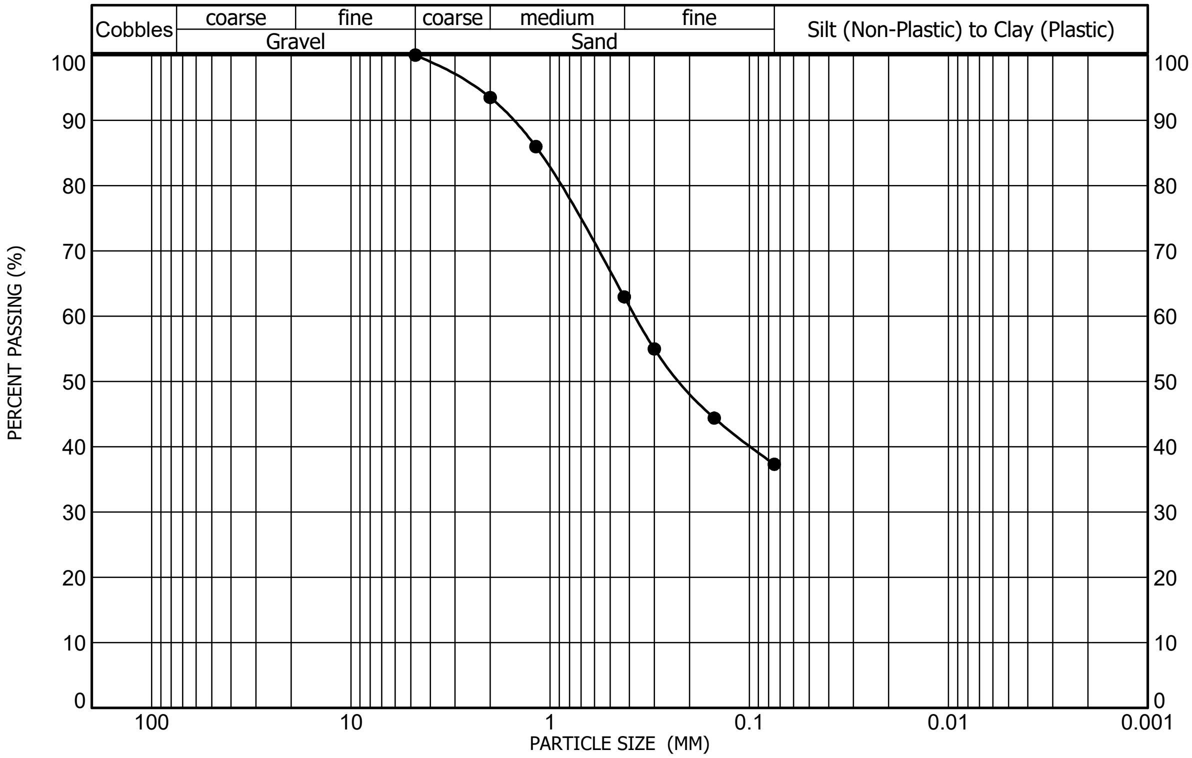
Sand (%): 72 | Plasticity Index: 13

Clay/Silt (%): 28

GRADATION AND ATTERBERG TEST RESULTS

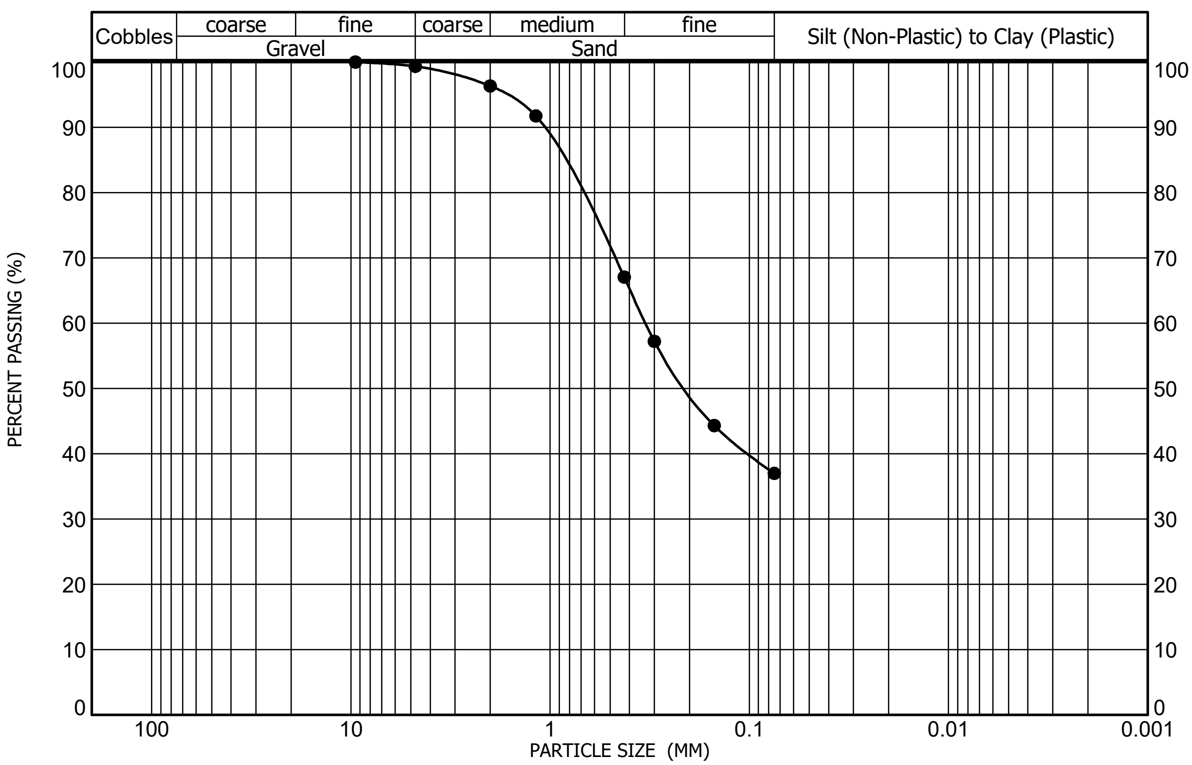
FIGURE A-3

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 7 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey
Classification: A-6(1), CLAYEY SAND(SC)

Gravel (%): 0
Sand (%): 63
Clay/Silt (%): 37
Liquid Limit: 29
Plasticity Index: 15



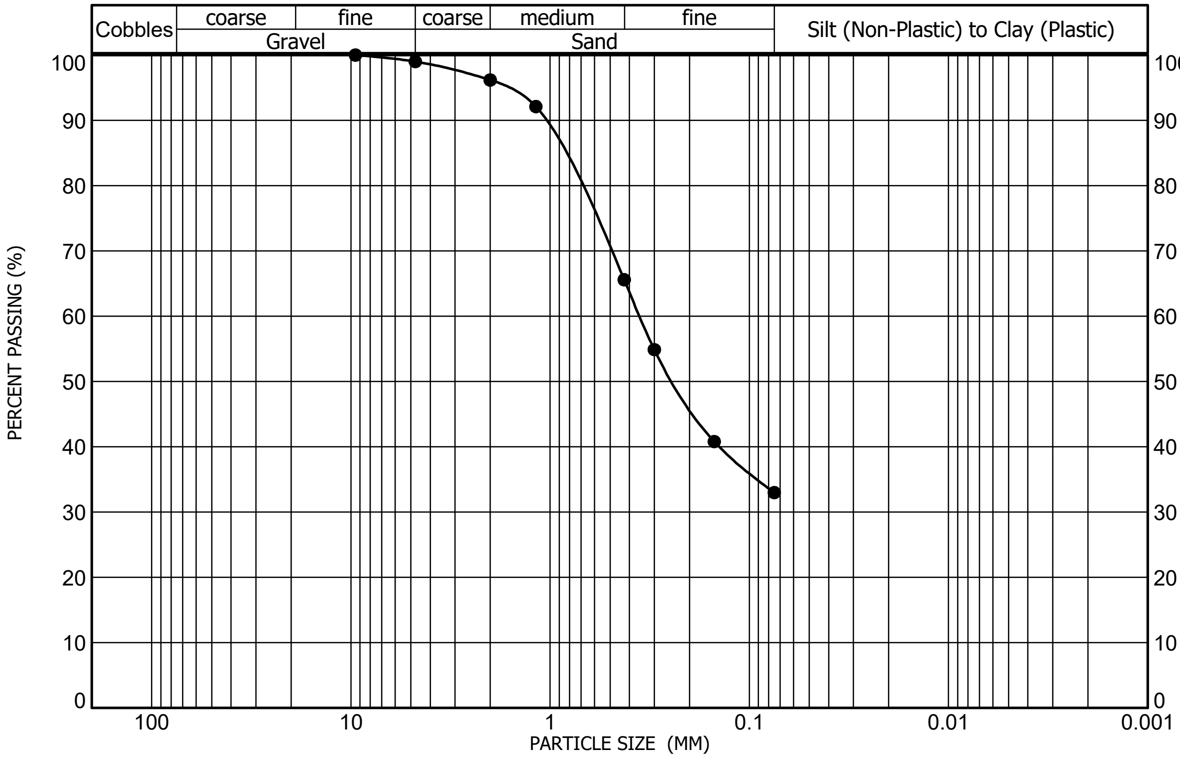
Sample Location: Test Boring No. 8 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey, trace gravel
Classification: A-6(1), CLAYEY SAND(SC)

Gravel (%): 1
Sand (%): 62
Clay/Silt (%): 37
Liquid Limit: 29
Plasticity Index: 15

GRADATION AND ATTERBERG TEST RESULTS

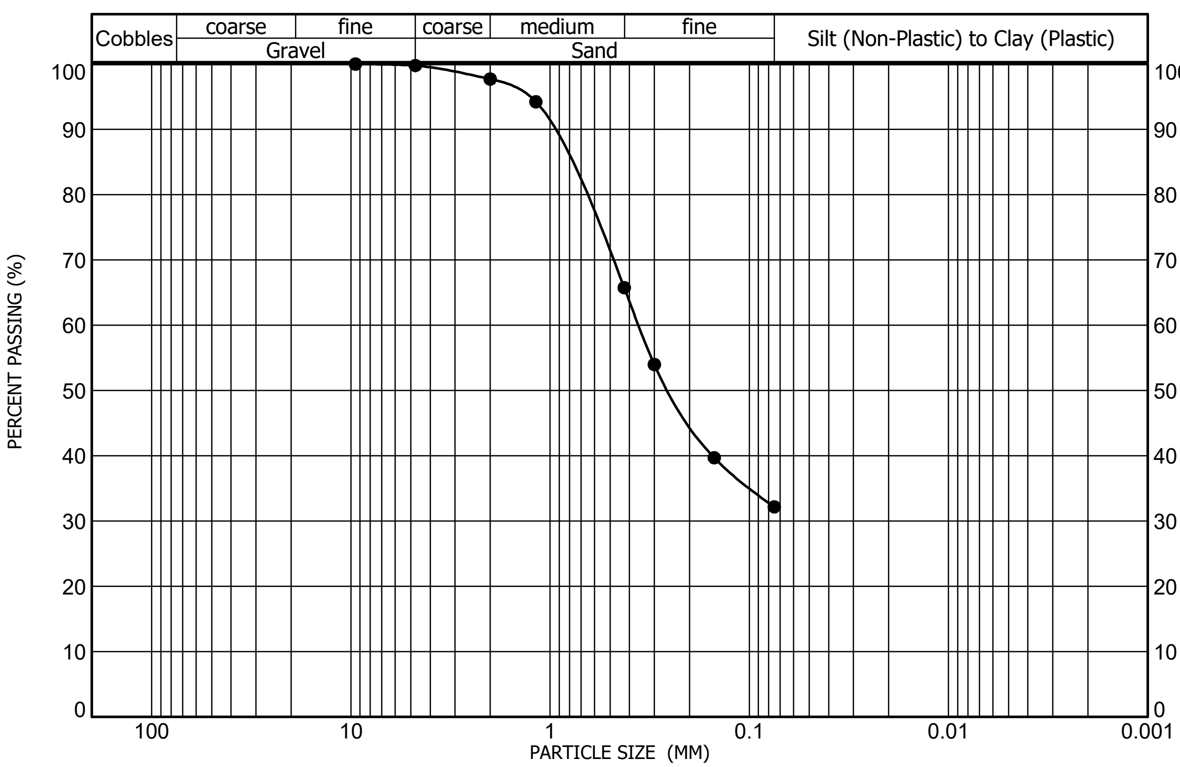
FIGURE A-4

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 9 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey, trace gravel
Classification: A-2-6(1), CLAYEY SAND(SC)

Gravel (%): 1
Sand (%): 66
Clay/Silt (%): 33
Liquid Limit: 26
Plasticity Index: 14



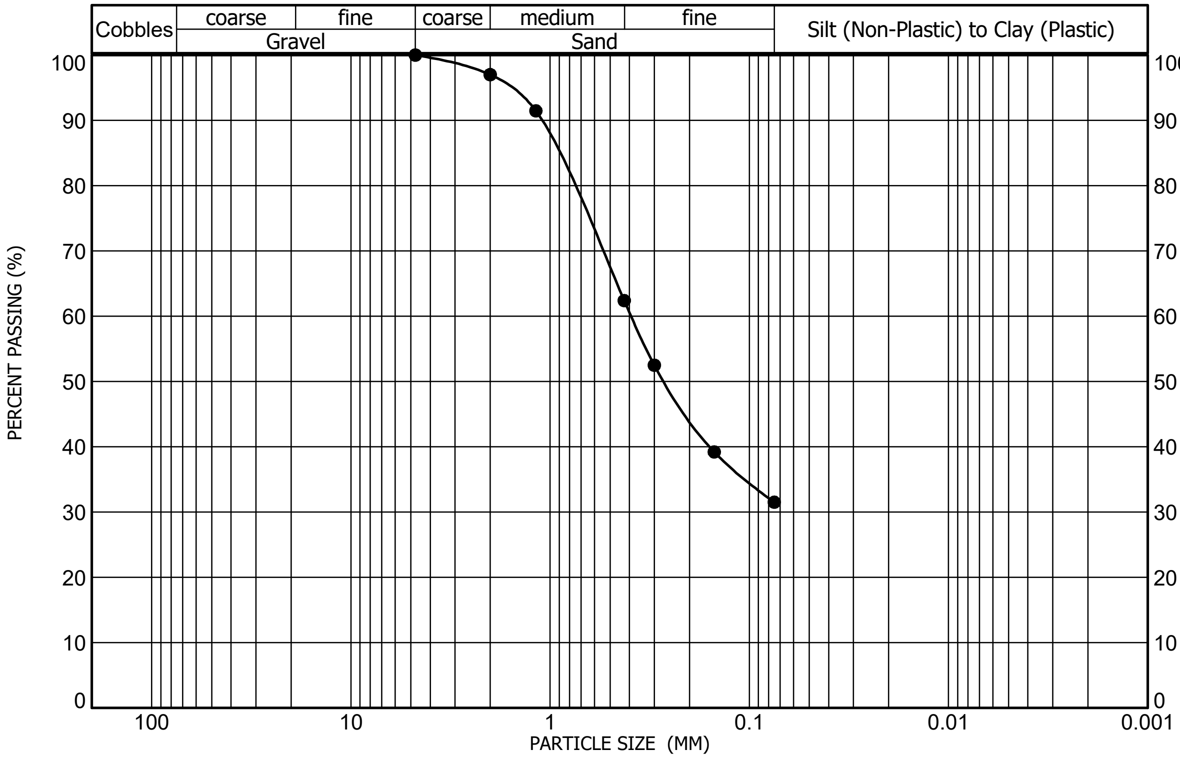
Sample Location: Test Boring No. 10 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey
Classification: A-2-6(1), CLAYEY SAND(SC)

Gravel (%): 0
Sand (%): 68
Clay/Silt (%): 32
Liquid Limit: 25
Plasticity Index: 13

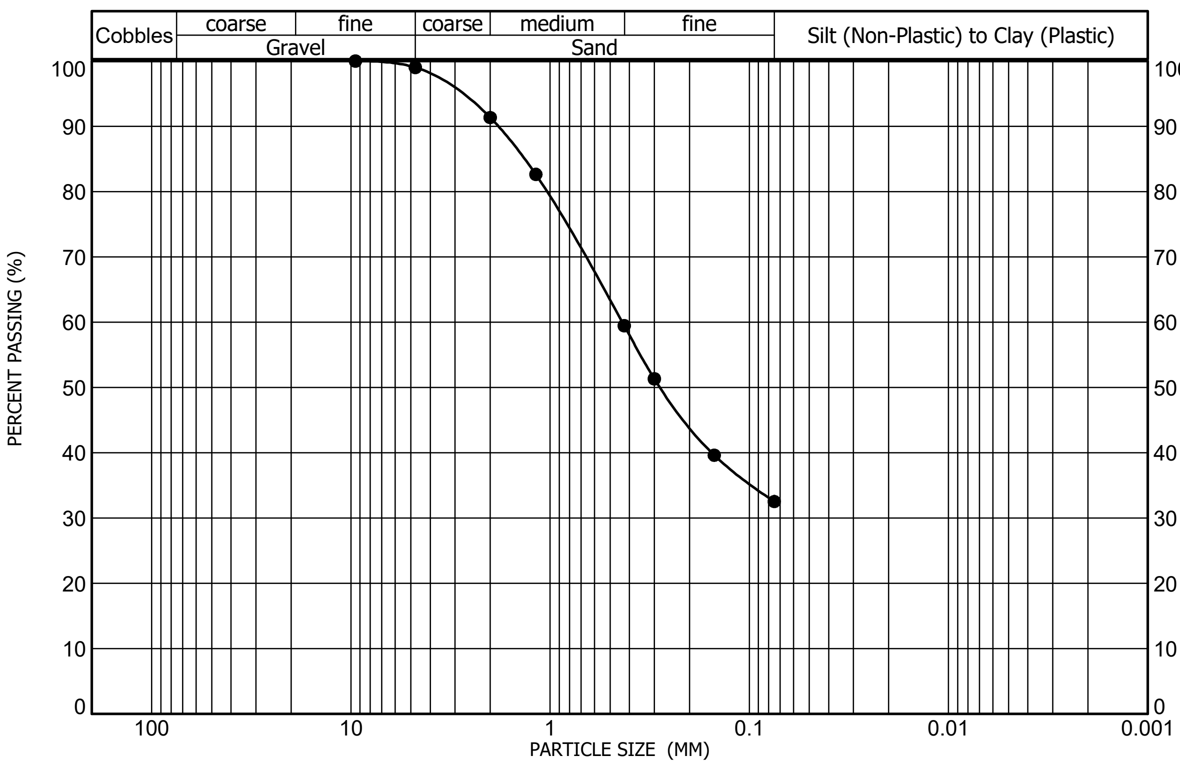
GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-5

PROJECT NO. 256640-P1



Sample Location	Test Boring No. 11 at a depth of 1 feet to 5 feet	Gravel (%) 0	Liquid Limit 26
Sample Description	Fill, sand, very clayey	Sand (%) 68	Plasticity Index 14
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 32	

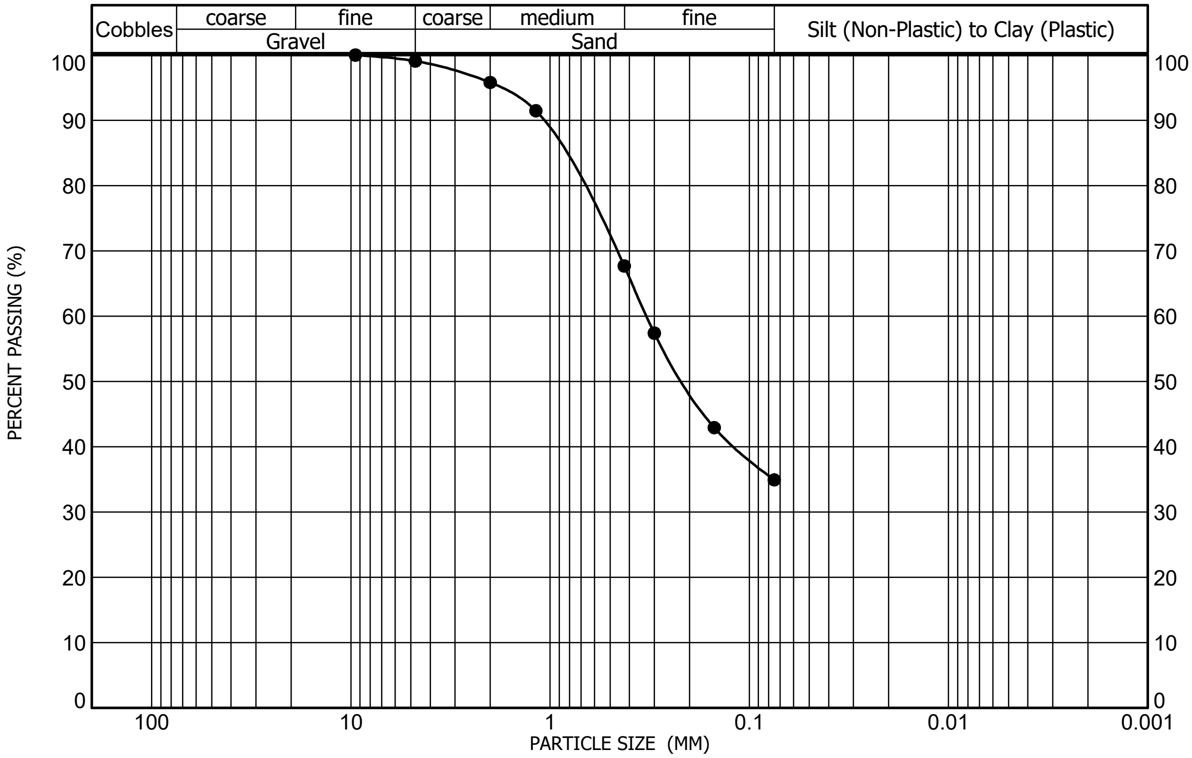


Sample Location	Test Boring No. 12 at a depth of 1 feet to 5 feet	Gravel (%) 1	Liquid Limit 29
Sample Description	Fill, sand, very clayey, trace gravel	Sand (%) 66	Plasticity Index 14
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 33	

GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-6

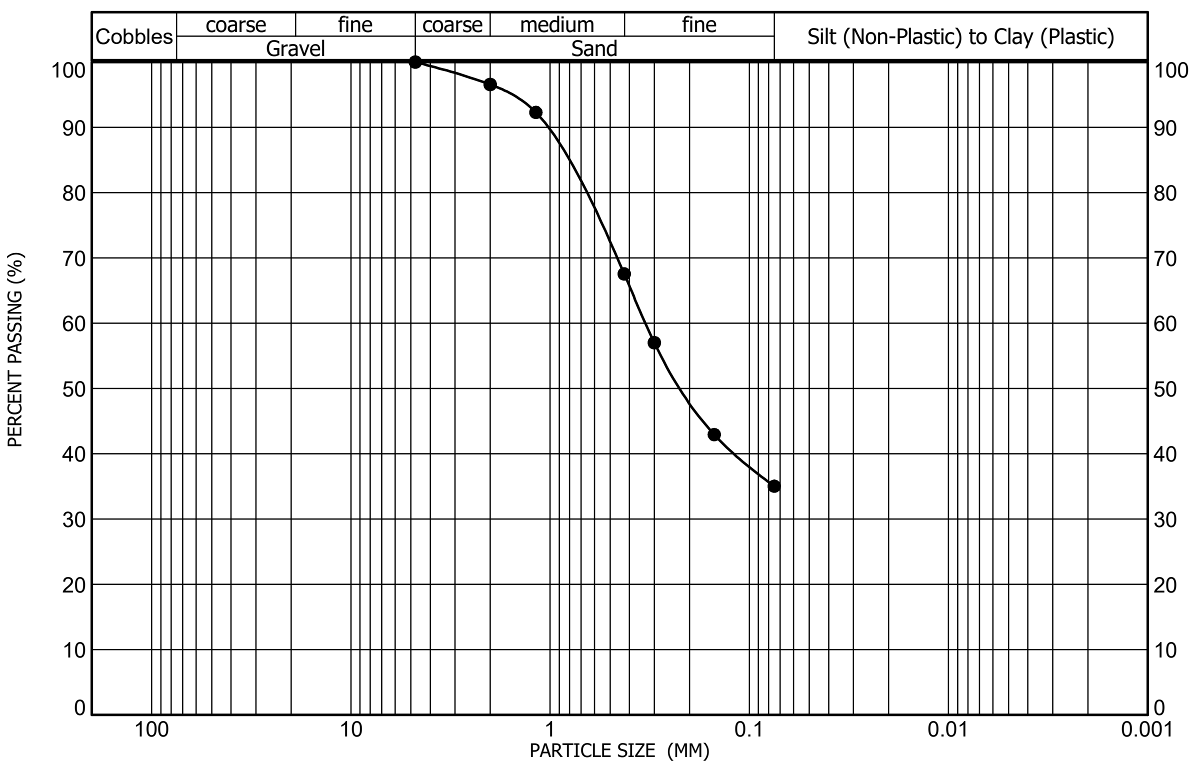
PROJECT NO. 256640-P1



Sample Location Test Boring No. 13 at a depth of 1 feet to 5 feet
Sample Description Fill, sand, very clayey, trace gravel
Classification A-2-6(1), CLAYEY SAND(SC)

Gravel (%) 1
Sand (%) 64
Clay/Silt (%) 35

Liquid Limit 29
Plasticity Index 16



Sample Location Test Boring No. 14 at a depth of 1 feet to 5 feet
Sample Description Fill, sand, very clayey
Classification A-2-6(1), CLAYEY SAND(SC)

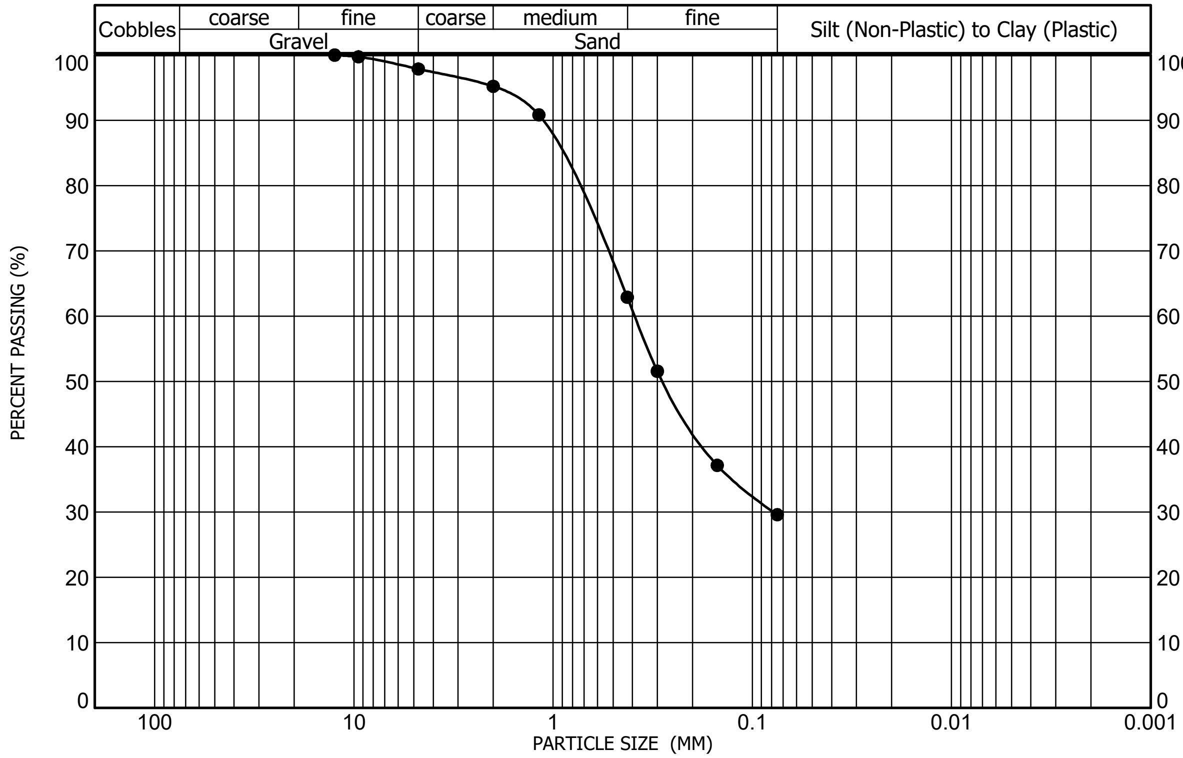
Gravel (%) 0
Sand (%) 65
Clay/Silt (%) 35

Liquid Limit 28
Plasticity Index 15

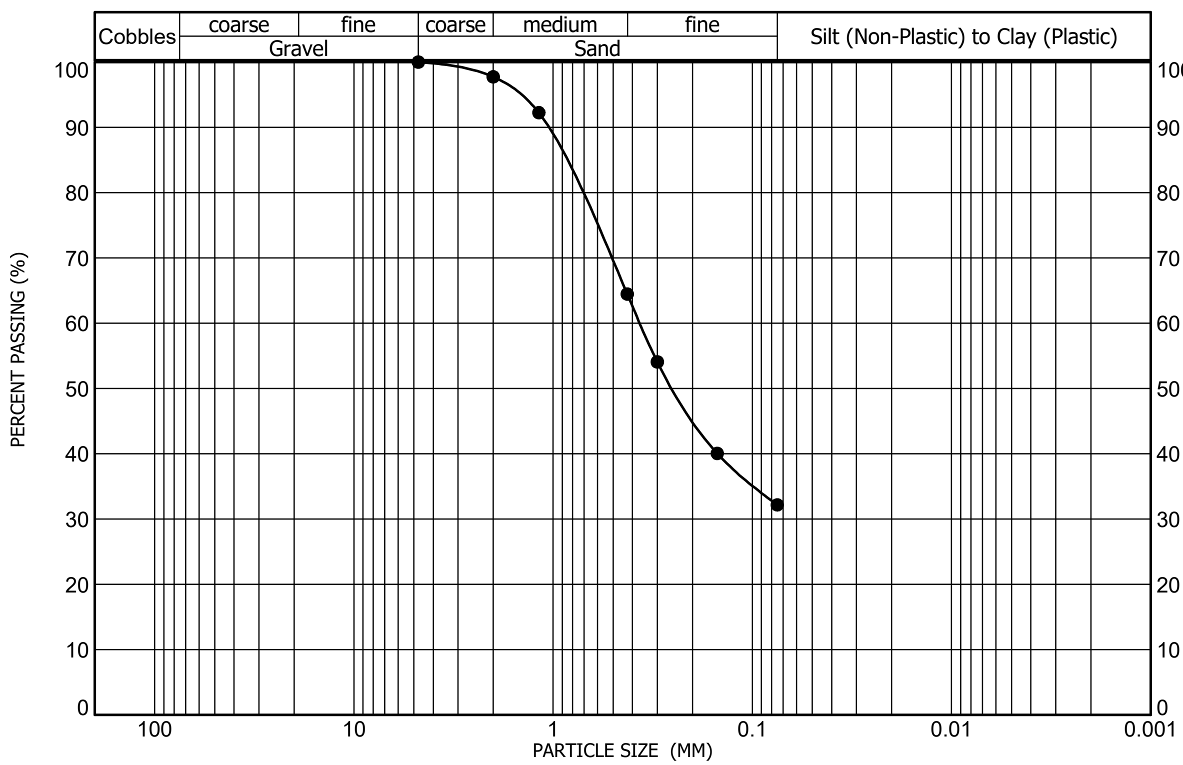
GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-7

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 15 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey, trace gravel
Classification: A-2-6(0), CLAYEY SAND(SC)
Gravel (%) 2
Sand (%) 68
Clay/Silt (%) 30
Liquid Limit 24
Plasticity Index 11

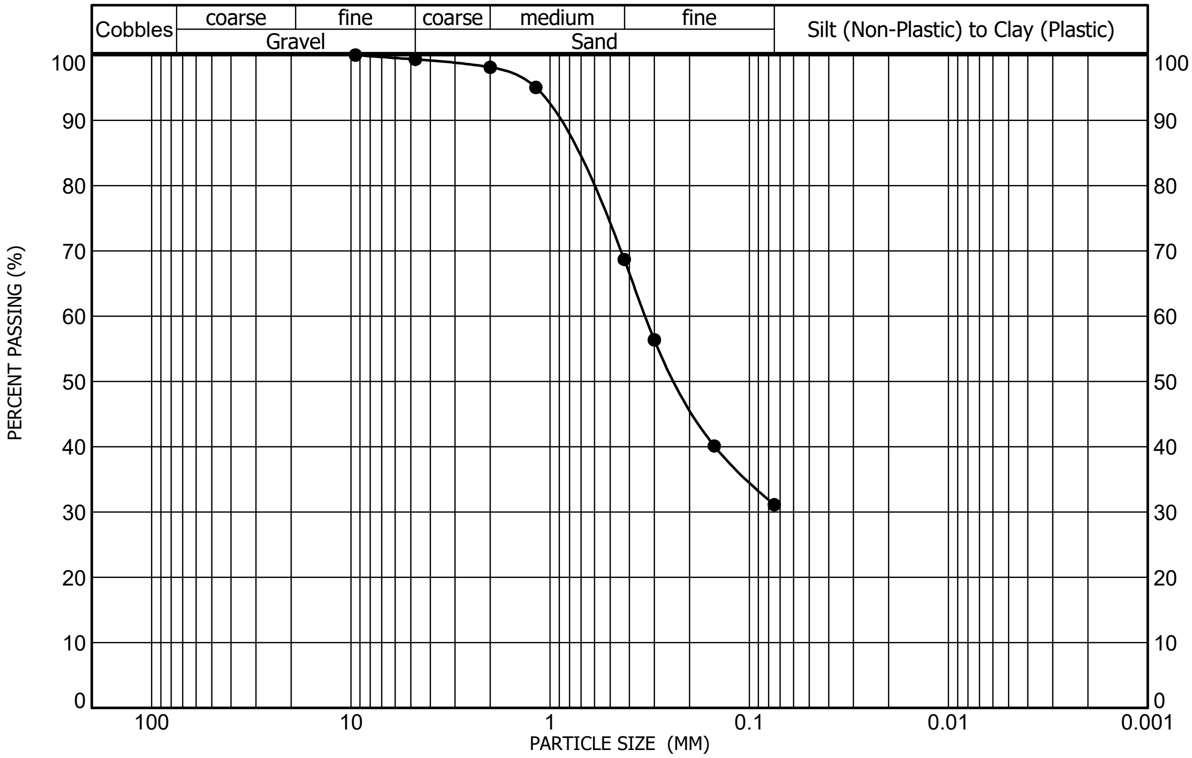


Sample Location: Test Boring No. 16 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey
Classification: A-2-6(1), CLAYEY SAND(SC)
Gravel (%) 0
Sand (%) 68
Clay/Silt (%) 32
Liquid Limit 26
Plasticity Index 13

GRADATION AND ATTERBERG TEST RESULTS

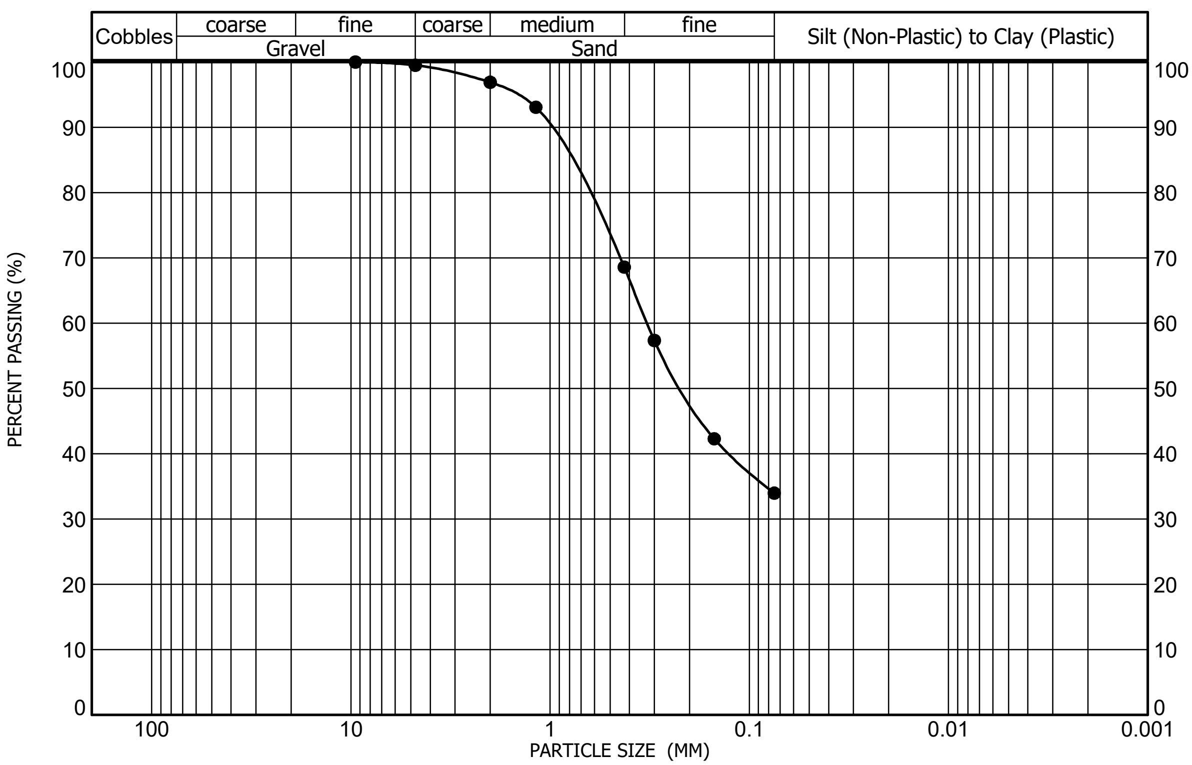
FIGURE A-8

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 17 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey, trace gravel
Classification: A-2-6(0), CLAYEY SAND(SC)

Gravel (%): 1
Sand (%): 68
Clay/Silt (%): 31
Liquid Limit: 24
Plasticity Index: 11



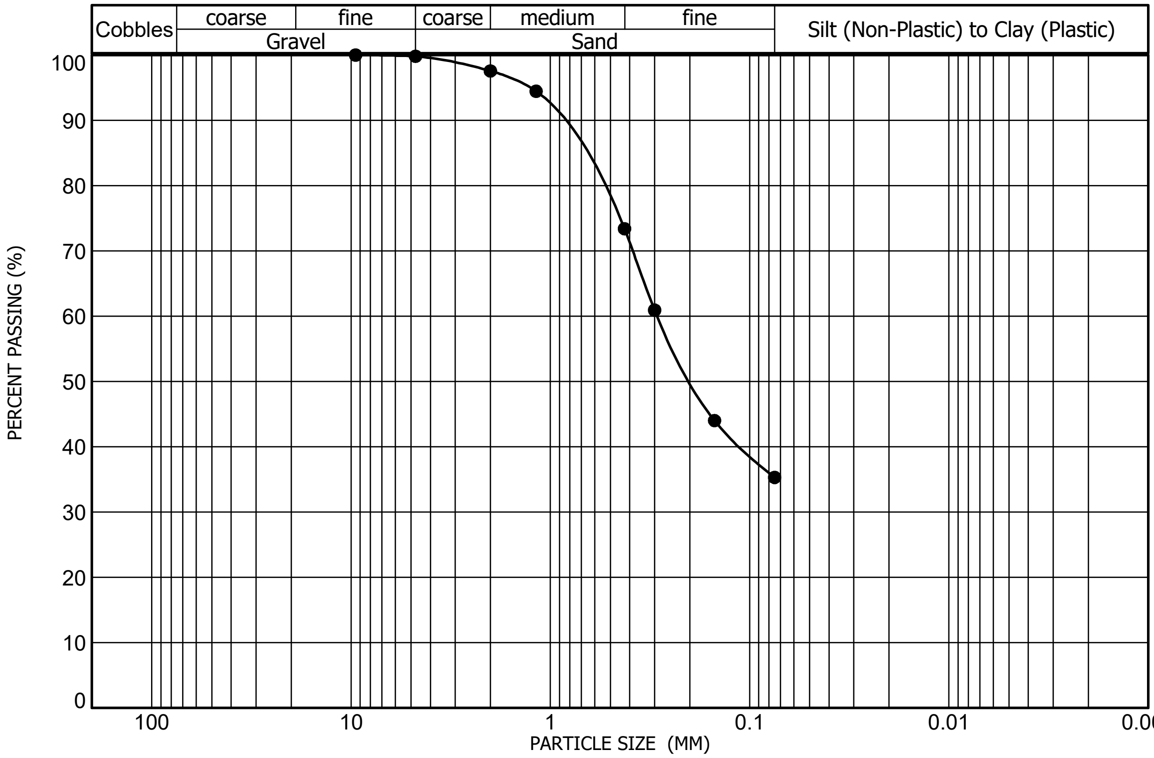
Sample Location: Test Boring No. 18 at a depth of 1 feet to 5 feet
Sample Description: Fill, sand, very clayey
Classification: A-2-6(1), CLAYEY SAND(SC)

Gravel (%): 0
Sand (%): 66
Clay/Silt (%): 34
Liquid Limit: 27
Plasticity Index: 15

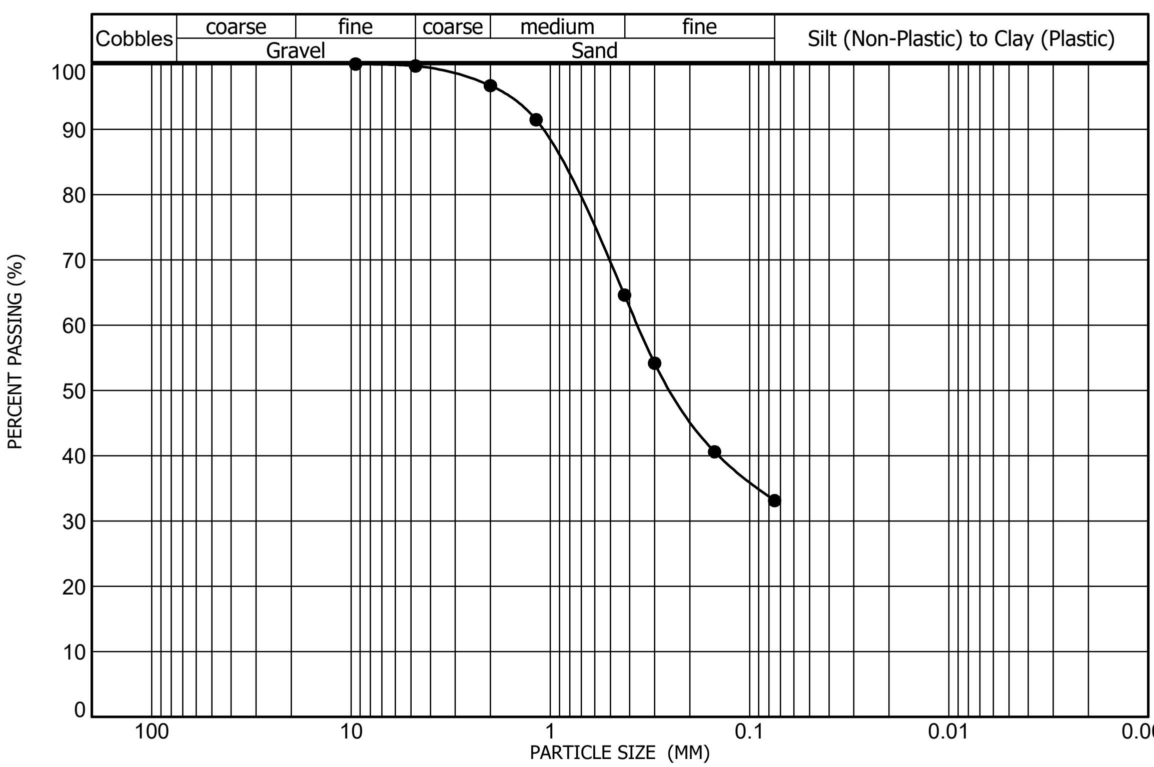
GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-9

PROJECT NO. 256640-P1



Sample Location	Test Boring No. 19 at a depth of 1 feet to 5 feet	Gravel (%) 0	Liquid Limit 31
Sample Description	Fill, sand, very clayey	Sand (%) 65	Plasticity Index 17
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 35	

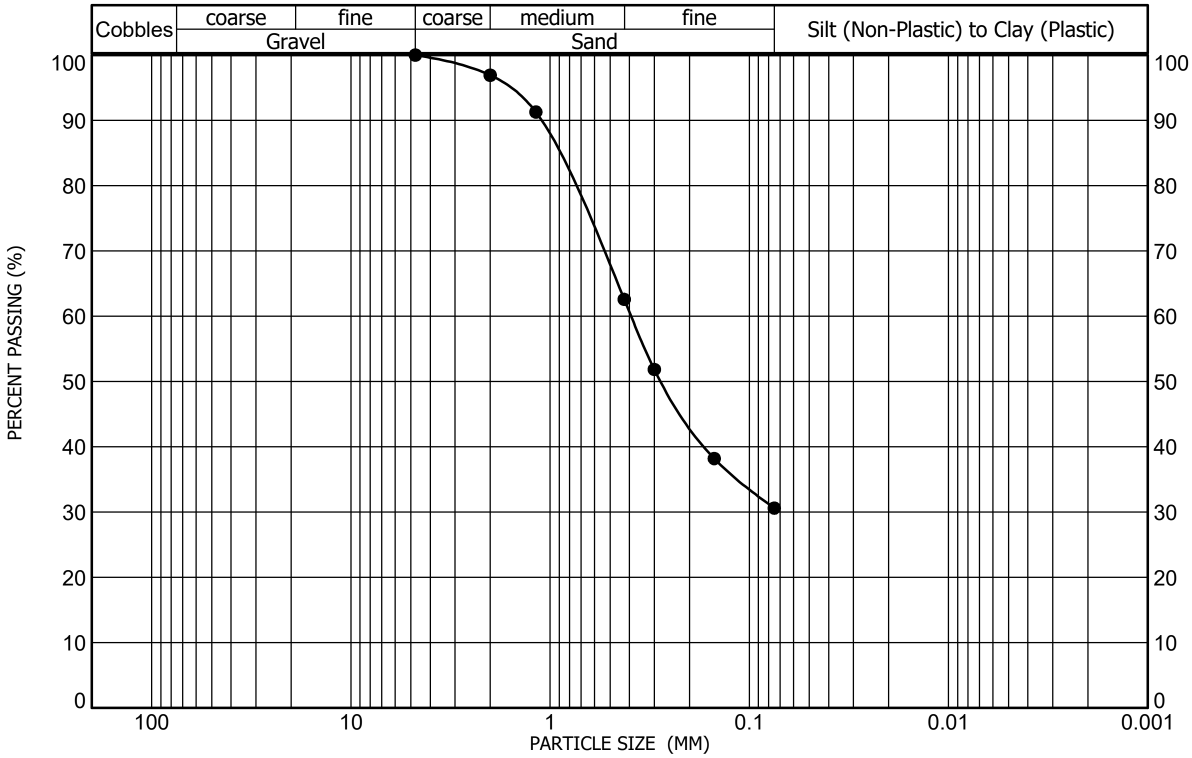


Sample Location	Test Boring No. 20 at a depth of 1 feet to 5 feet	Gravel (%) 0	Liquid Limit 28
Sample Description	Fill, sand, very clayey	Sand (%) 67	Plasticity Index 14
Classification	A-2-6(1), CLAYEY SAND(SC)	Clay/Silt (%) 33	

GRADATION AND ATTERBERG TEST RESULTS

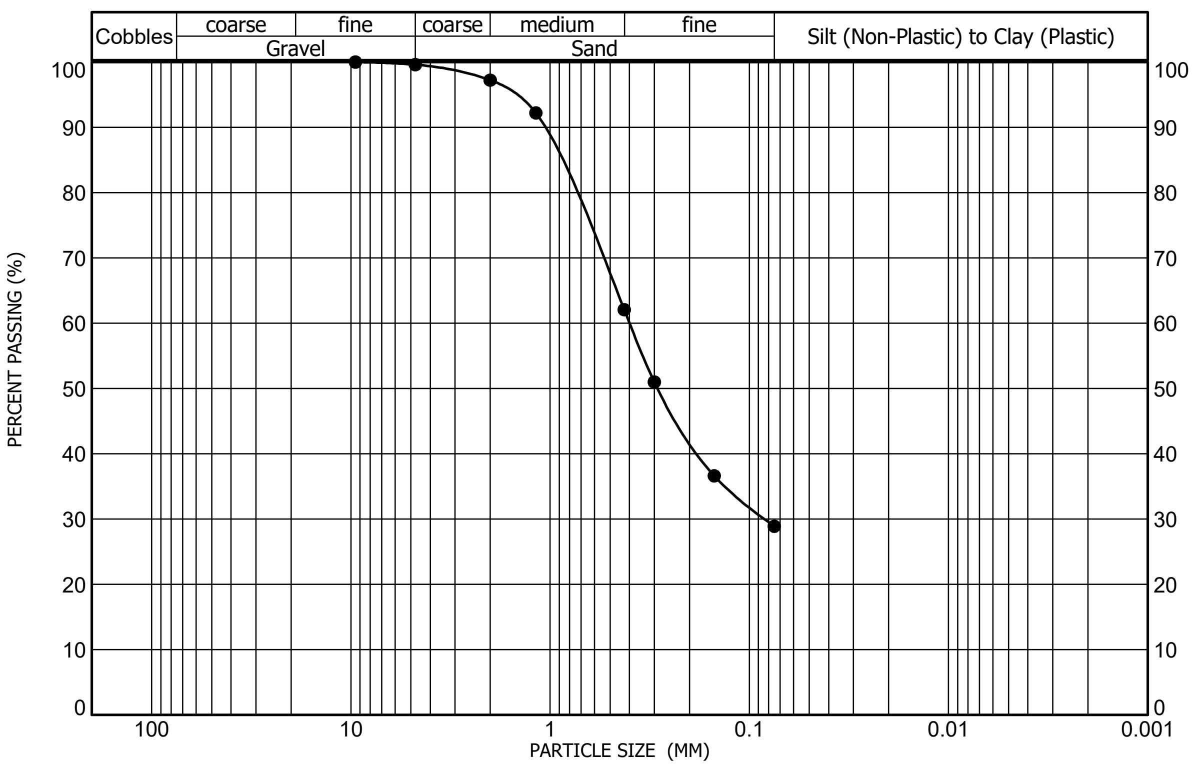
FIGURE A-10

PROJECT NO. 256640-P1



Sample Location Test Boring No. 21 at a depth of 1 feet to 5 feet
Sample Description Fill, sand, very clayey
Classification A-2-6(0), CLAYEY SAND(SC)

Gravel (%) 0
Sand (%) 69
Clay/Silt (%) 31
Liquid Limit 24
Plasticity Index 12



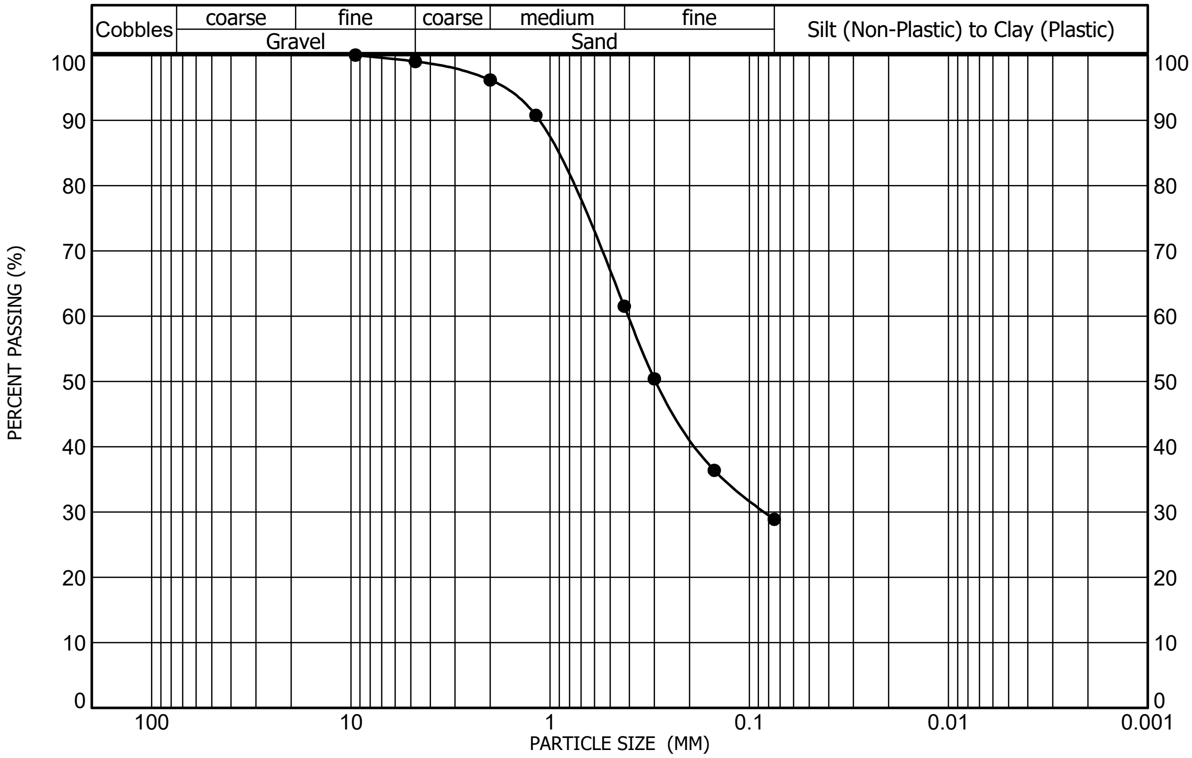
Sample Location Test Boring No. 22 at a depth of 1 feet to 5 feet
Sample Description Fill, sand, clayey
Classification A-2-6(1), CLAYEY SAND(SC)

Gravel (%) 0
Sand (%) 71
Clay/Silt (%) 29
Liquid Limit 26
Plasticity Index 15

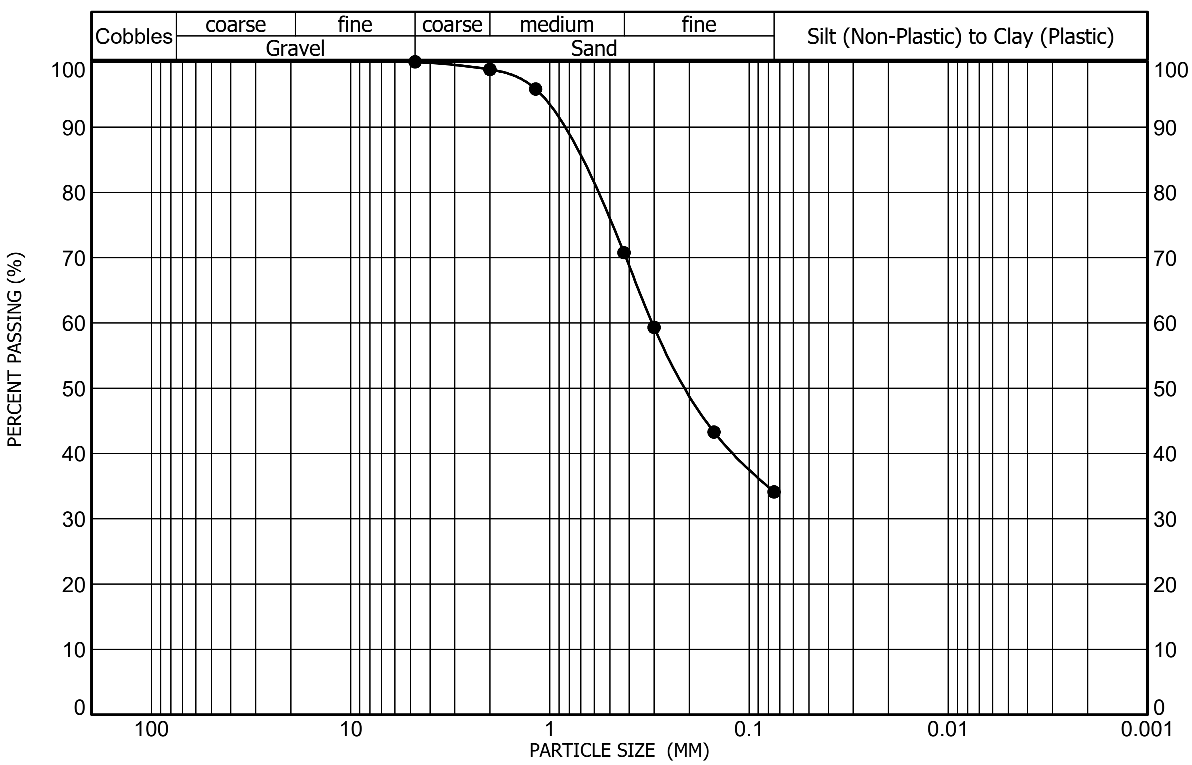
GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-11

PROJECT NO. 256640-P1



Sample Location: Test Boring No. 23 at a depth of 1 feet to 5 feet
Gravel (%): 1
Liquid Limit: 25
Sample Description: Fill, sand, clayey, trace gravel
Sand (%): 70
Plasticity Index: 13
Classification: A-2-6(0), CLAYEY SAND(SC)
Clay/Silt (%): 29

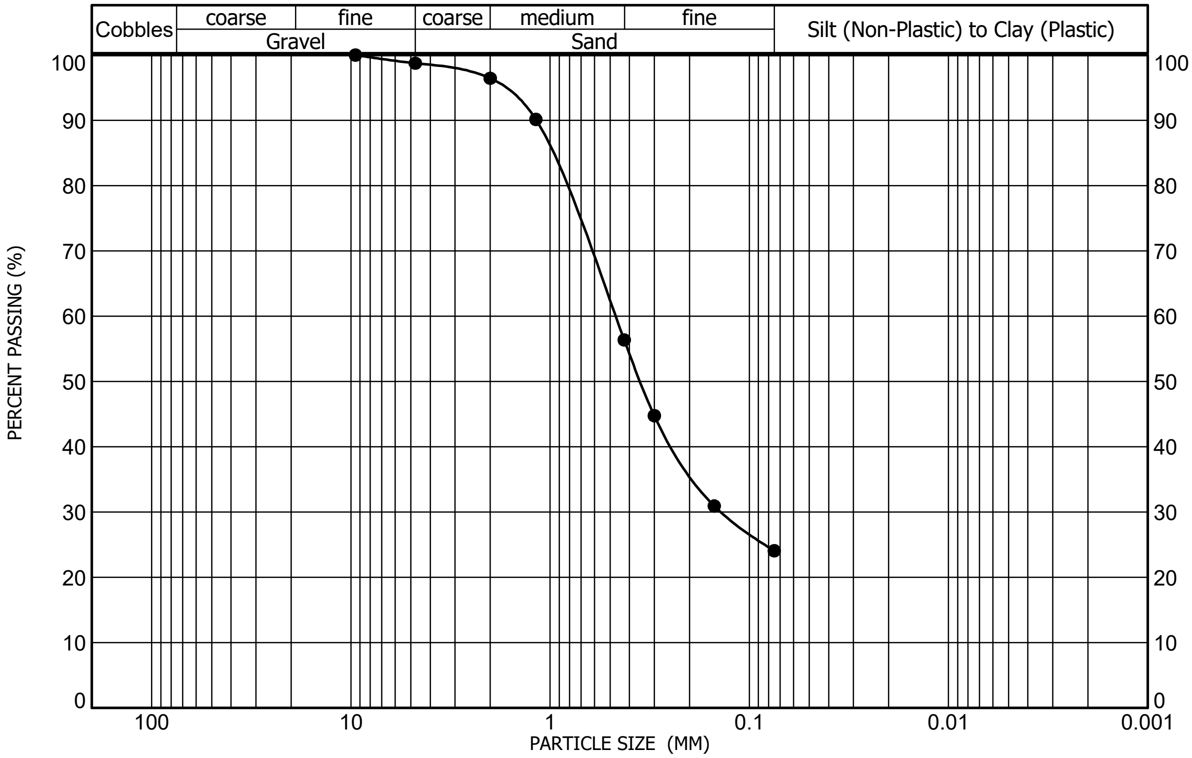


Sample Location: Test Boring No. 24 at a depth of 1 feet to 5 feet
Gravel (%): 0
Liquid Limit: 24
Sample Description: Fill, sand, very clayey
Sand (%): 66
Plasticity Index: 12
Classification: A-2-6(0), CLAYEY SAND(SC)
Clay/Silt (%): 34

GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-12

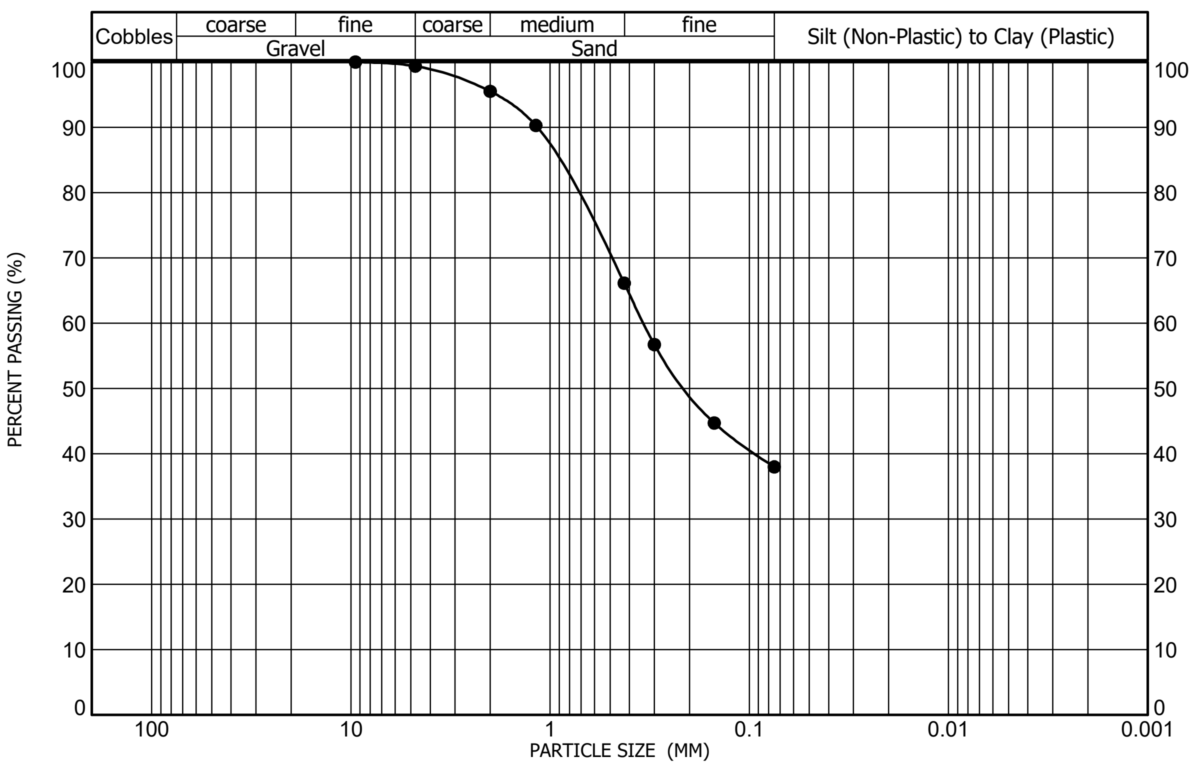
PROJECT NO. 256640-P1



Sample Location Test Boring No. 25 at a depth of 1 feet to 5 feet — Gravel (%) 1 — Liquid Limit 23

Sample Description Fill, sand, clayey, trace gravel — Sand (%) 75 — Plasticity Index 12

Classification A-2-6(0), CLAYEY SAND(SC) — Clay/Silt (%) 24



Sample Location Test Boring No. 26 at a depth of 1 feet to 5 feet — Gravel (%) 1 — Liquid Limit 29

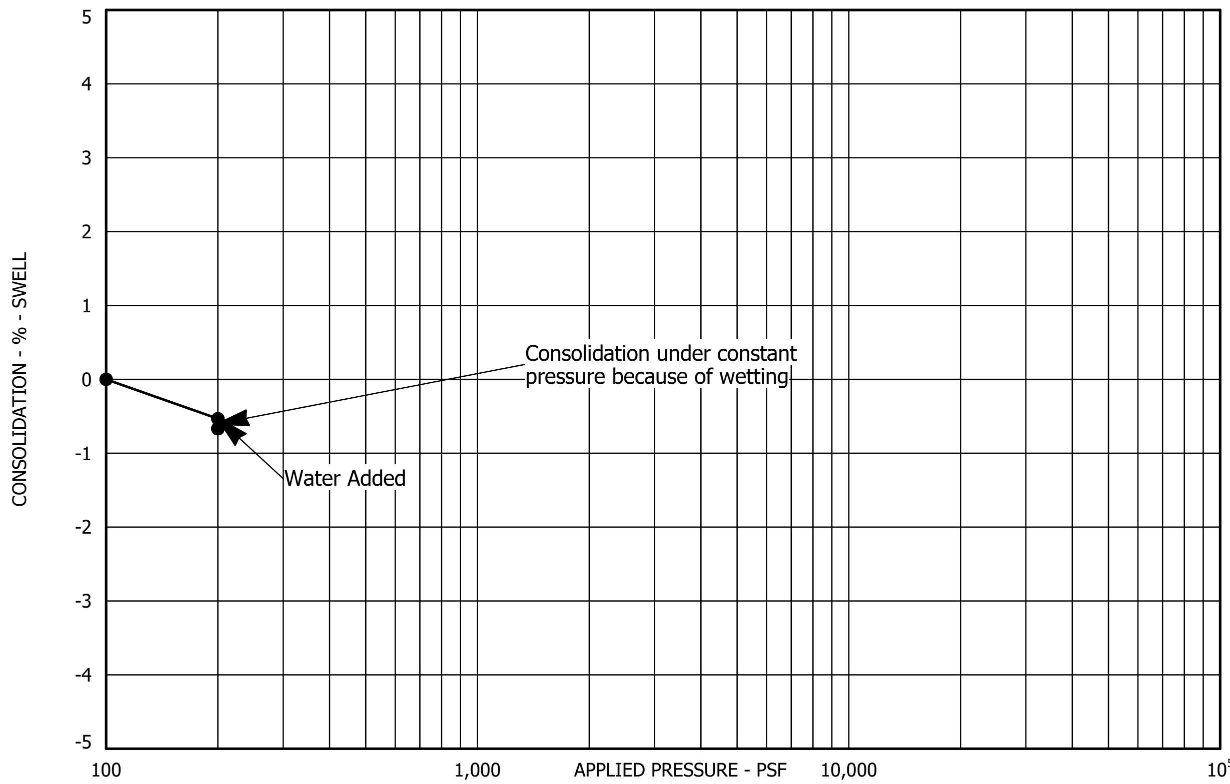
Sample Description Fill, sand, very clayey, trace gravel — Sand (%) 61 — Plasticity Index 16

Classification A-6(2), CLAYEY SAND(SC) — Clay/Silt (%) 38

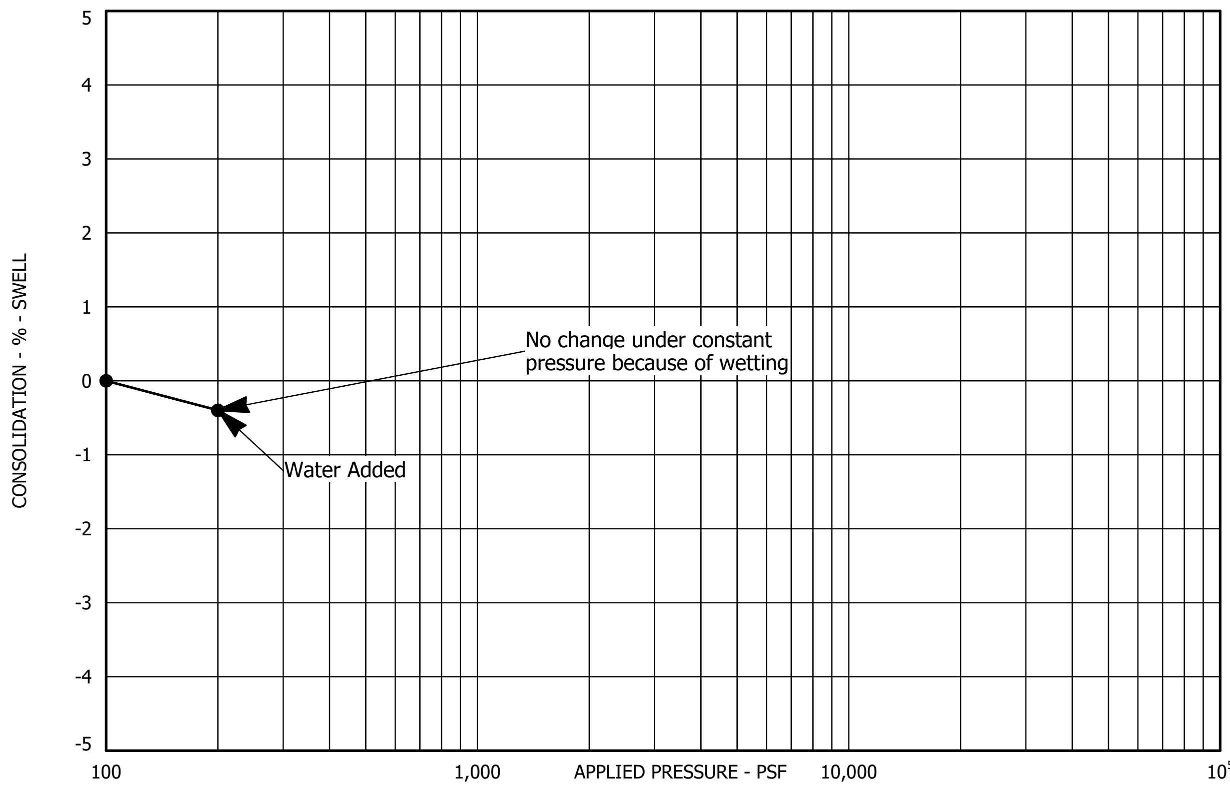
GRADATION AND ATTERBERG TEST RESULTS

FIGURE A-13

PROJECT NO. 256640-P1



Sample Location	Test Boring No. 1 at a depth of 2 feet	Dry Unit Weight (pcf)	111
Sample Description	Fill, sand, very clayey, trace gravel	Moisture Content (%)	16

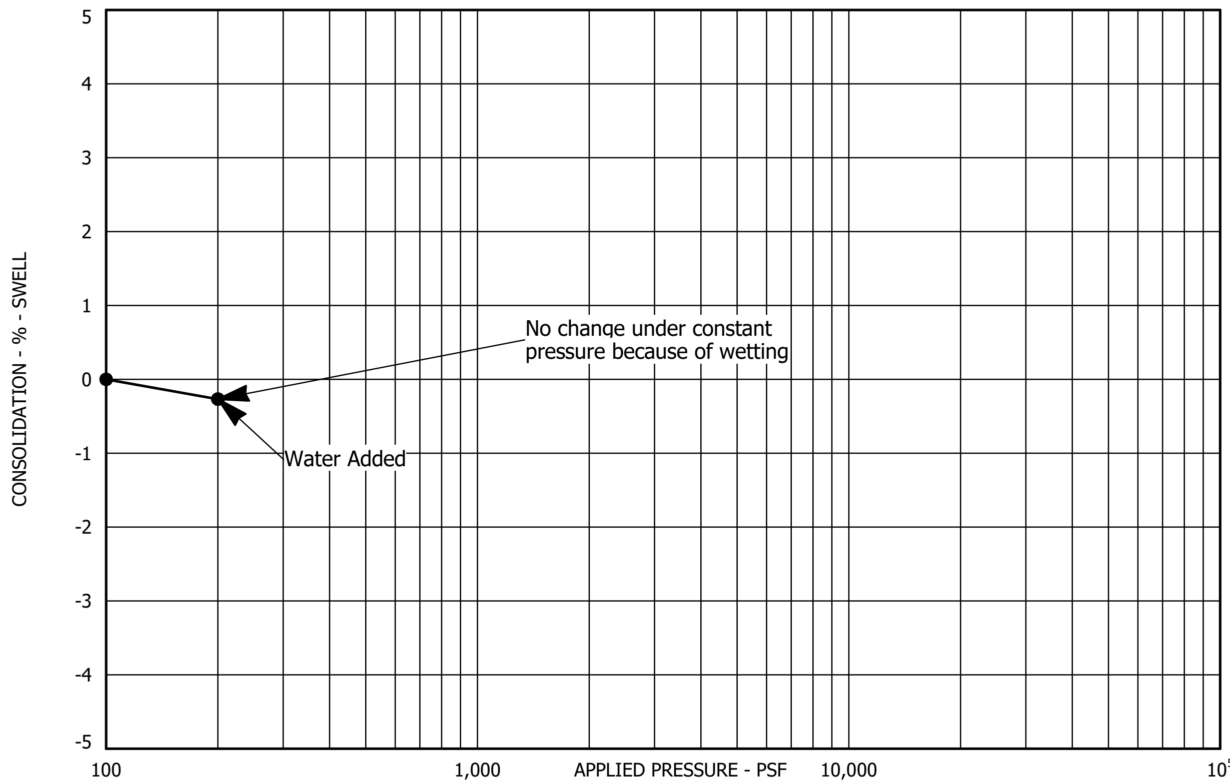


Sample Location	Test Boring No. 3 at a depth of 2 feet	Dry Unit Weight (pcf)	114
Sample Description	Fill, sand, very clayey, trace gravel	Moisture Content (%)	13

SWELL - CONSOLIDATION TEST RESULTS

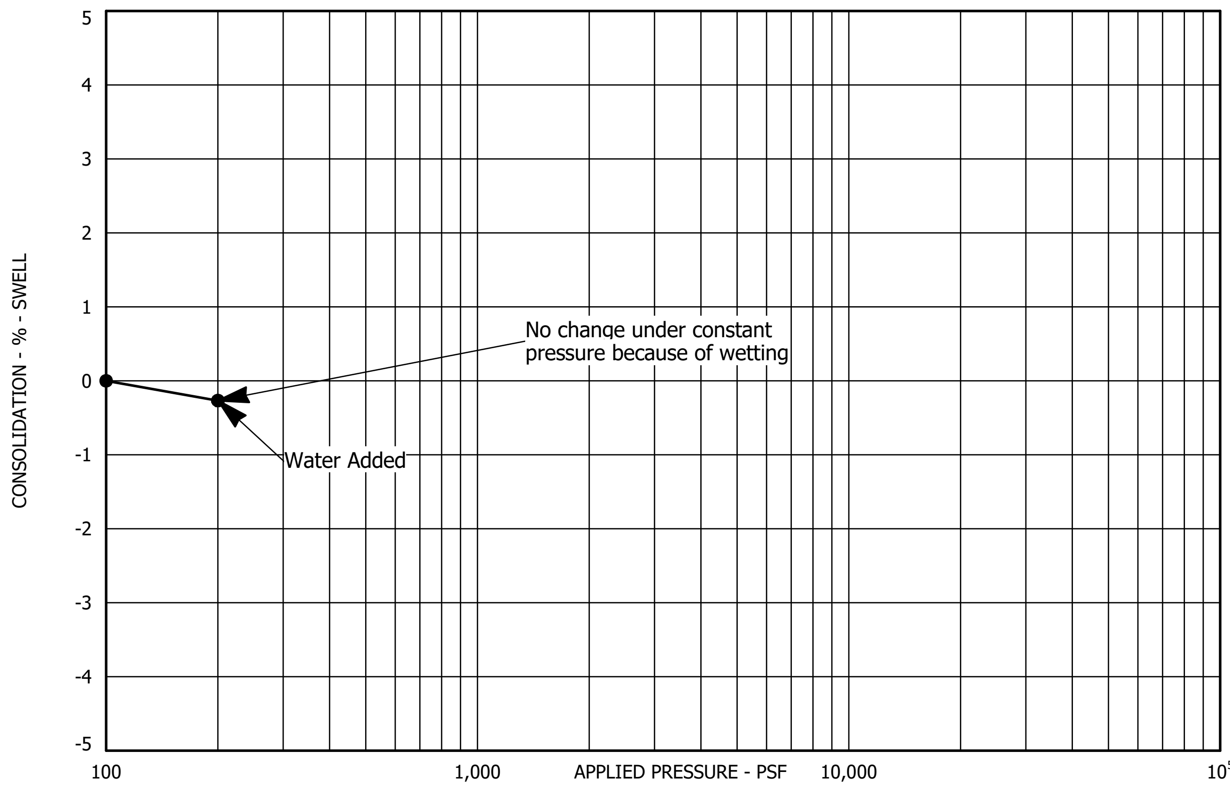
FIGURE A-14

PROJECT NO. 256640-P1



Sample Location Test Boring No. 4 at a depth of 2 feet Dry Unit Weight (pcf) 113

Sample Description Fill, sand, very clayey Moisture Content (%) 14



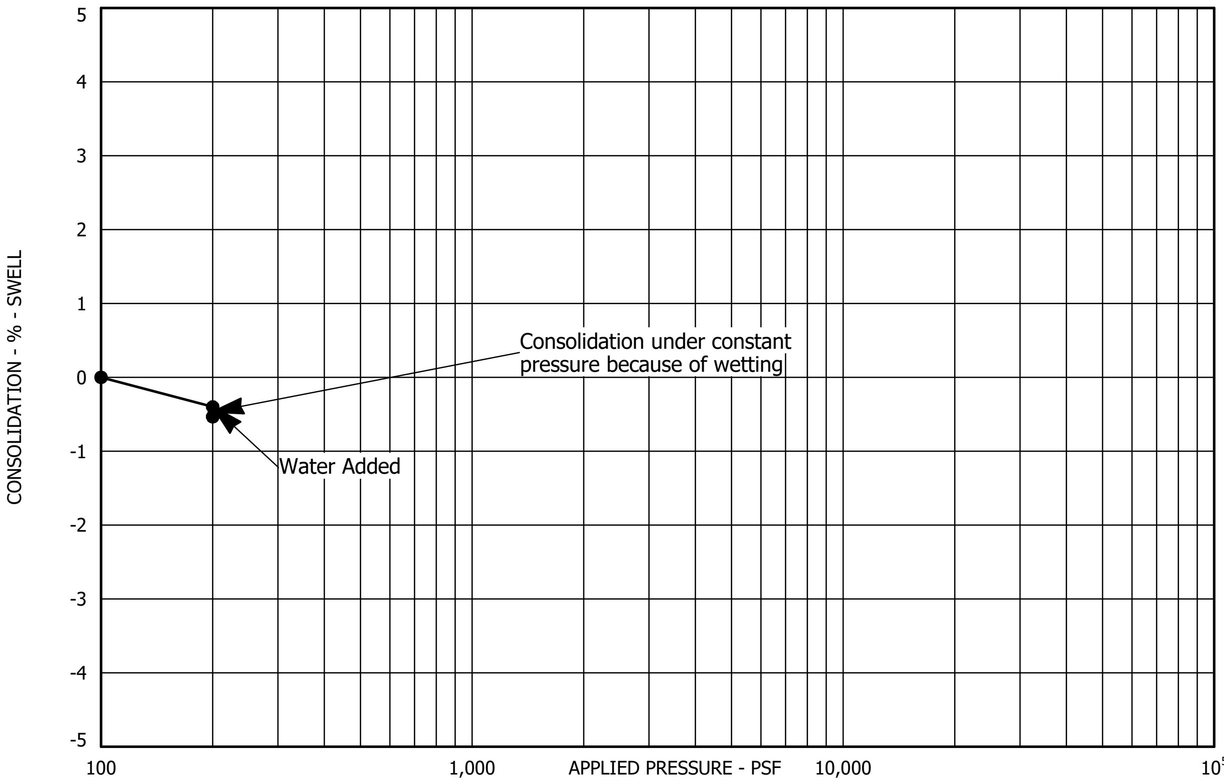
Sample Location Test Boring No. 7 at a depth of 2 feet Dry Unit Weight (pcf) 115

Sample Description Fill, sand, very clayey Moisture Content (%) 13

SWELL - CONSOLIDATION TEST RESULTS

FIGURE A-15

PROJECT NO. 256640-P1

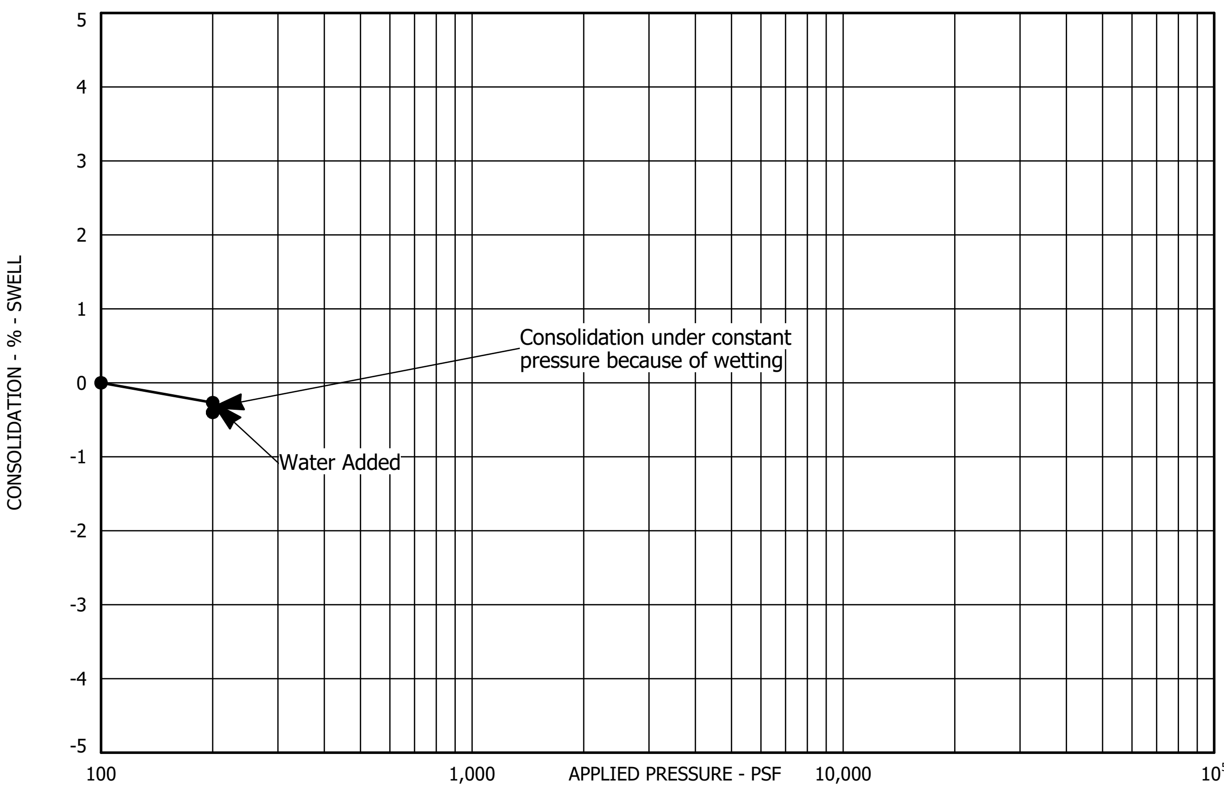


Sample Location Test Boring No. 8 at a depth of 2 feet

Sample Description Fill, sand, very clayey, trace gravel

Dry Unit Weight (pcf) 111

Moisture Content (%) 15



Sample Location Test Boring No. 13 at a depth of 2 feet

Sample Description Fill, sand, very clayey, trace gravel

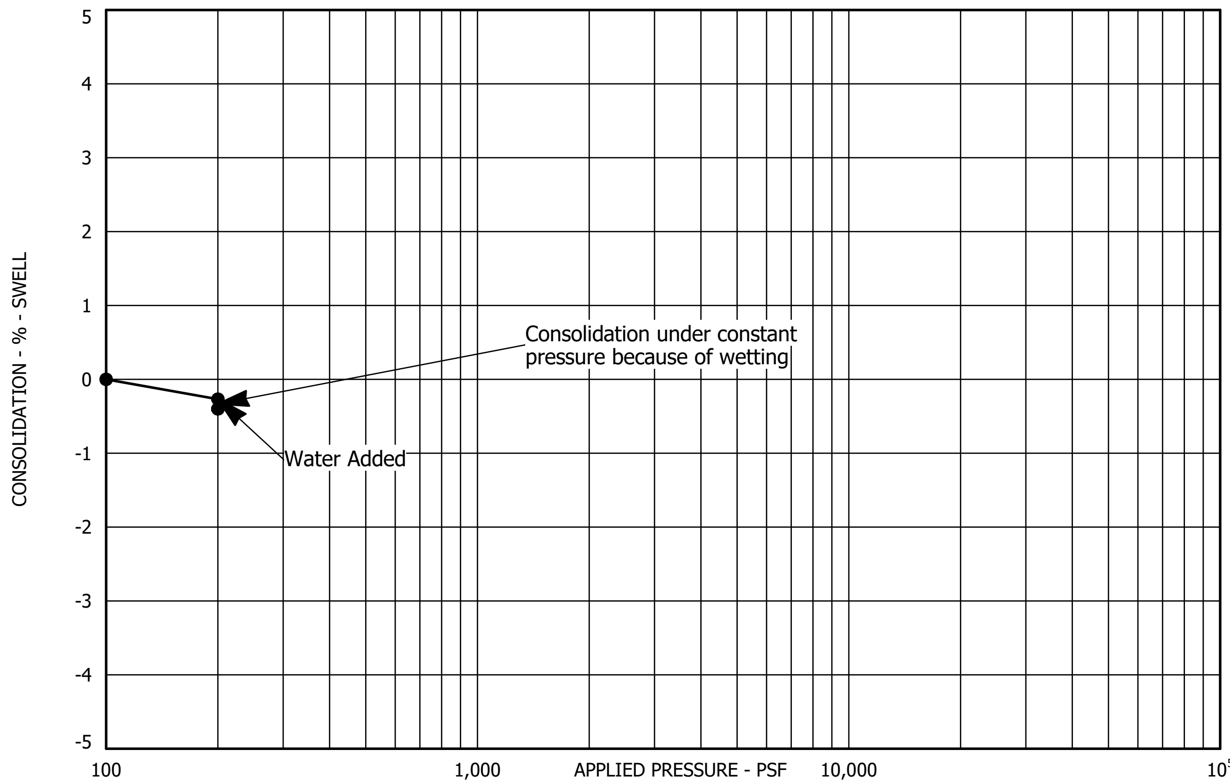
Dry Unit Weight (pcf) 114

Moisture Content (%) 14

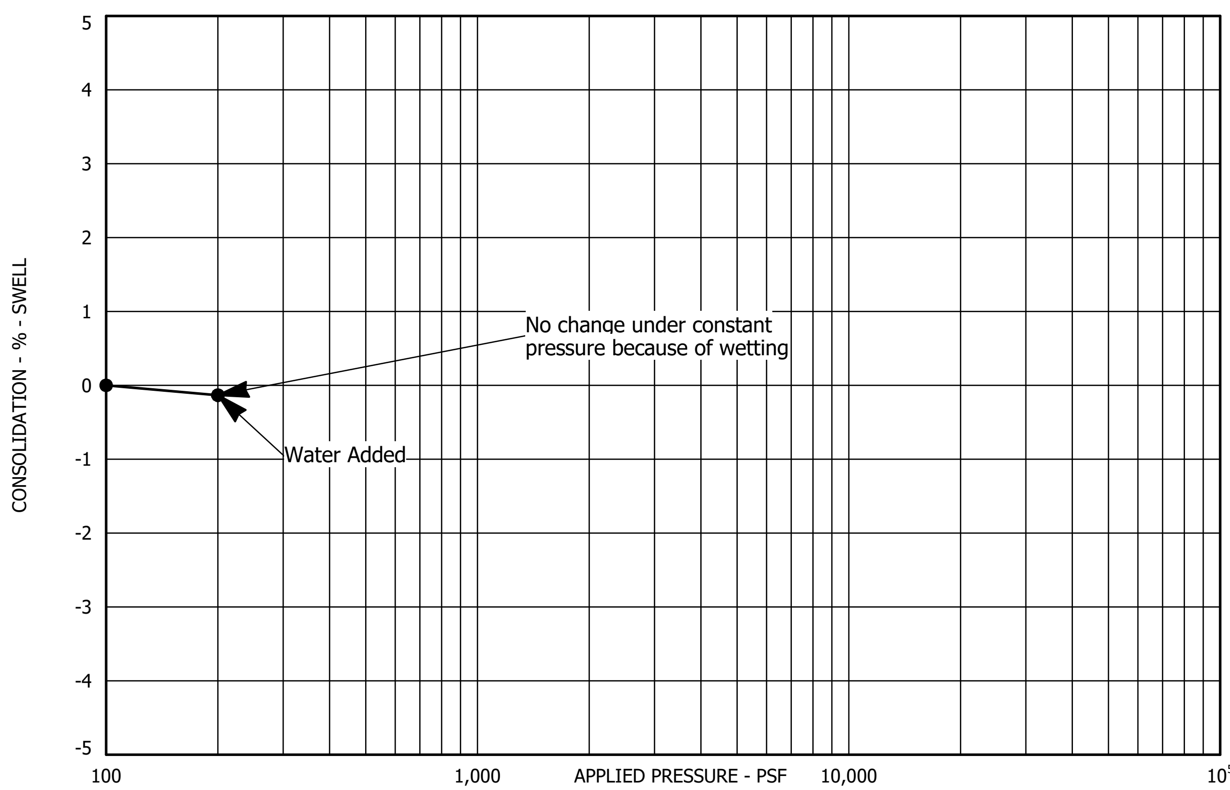
SWELL - CONSOLIDATION TEST RESULTS

FIGURE A-16

PROJECT NO. 256640-P1



Sample Location	Test Boring No. 20 at a depth of 2 feet	Dry Unit Weight (pcf)	112
Sample Description	Fill, sand, very clayey	Moisture Content (%)	13



Sample Location	Test Boring No. 26 at a depth of 2 feet	Dry Unit Weight (pcf)	111
Sample Description	Fill, sand, very clayey, trace gravel	Moisture Content (%)	14

SWELL - CONSOLIDATION TEST RESULTS

FIGURE A-17

PROJECT NO. 256640-P1

MOISTURE-DENSITY RELATIONSHIP

CLIENT Terracina Design

PROJECT NAME Hillside Improvements

PROJECT NUMBER 256640-P1

PROJECT LOCATION Elizabeth, Colorado

TEST RESULTS

Maximum Dry Density	**120.0**	**PCF**
Optimum Water Content	**11.1**	**%**

Sample Location	Blended Bulk Sample from TB's 5 and 26
Sample Source	
AGW Description	Fill, sand, very clayey, trace gravel
USCS Classification	
AASHTO Classification	A-6(2)
Test Method	D698A

Gravel (%)	
Sand (%)	
Silt/Clay (%)	
Liquid Limit	
Plasticity Index	

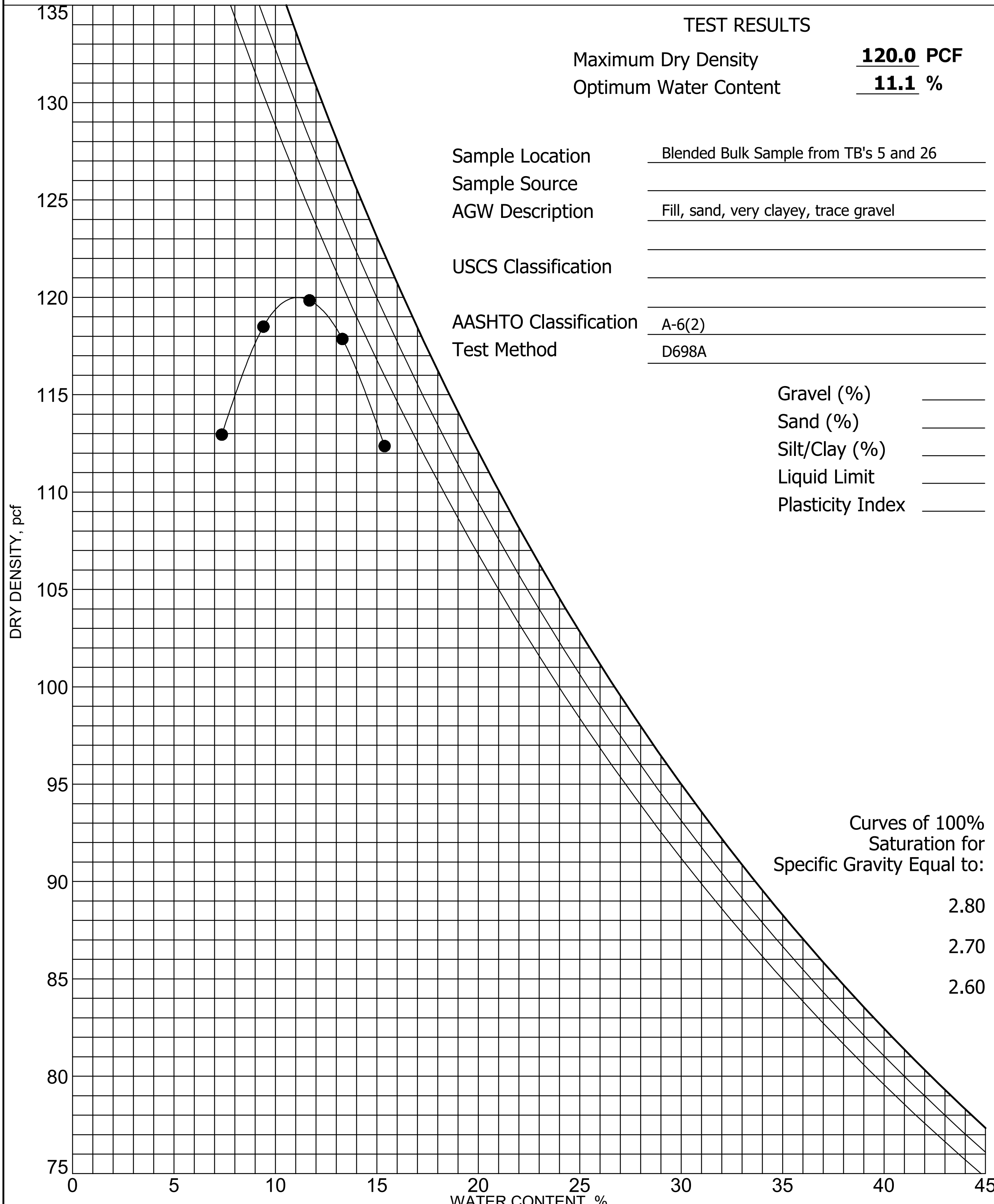
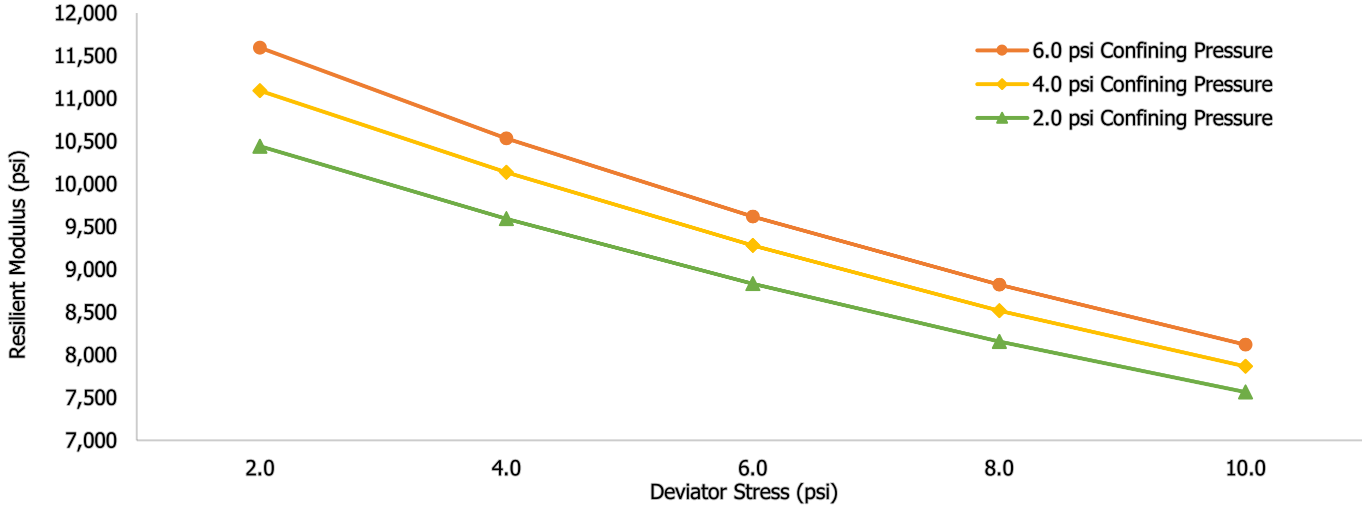


FIGURE A-18

Resilient Modulus Testing - AASHTO T307

Client	Terracina Design 10200 East Girard Avenue, Suite A-314 Denver, Colorado 80231	**Project Number** **Project Name** **Date**	256640-P1 Hillside Improvements February 12, 2026

Resilient Modulus Vs. Deviator Stress Graph



Sample Location	**Test Borings 5 and 26**	**AASHTO Classification**	**A-6 (2)**
Soil Description	**Fill, sand, very clayey, trace gravel**	**-No. 200 (%)**	**-**
Height (in)	**5.9**	**Liquid Limit**	**-**
Diameter (in)	**2.8**	**Plastic Limit**	**-**
Area (in^2)	**6.2**	**Plasticy Index**	**-**
Volume (in^3)	**36.3**	**Proctor Type**	**ASTM D698A**
Remold Dry Density (pcf)	**114.0**	**Max Dry Density (pcf)**	**120.0**
Remold Moisture (%)	**14.1**	**Optimum Moisture (%)**	**11.1**
Percent Compaction (%)	**95**	**Material Type**	**2**
Water Content after (%)	**14.0**		

Loading Sequence and Test Results

Test Sequence	Actual Confining Pressure (psi)	Nominal Maximum Axial Stress (psi)	Actual Maximum Axial Load (lbs)	Actual Cyclic Load (lbs)	Actual Contact Load (lbs)	Actual Max Deviator Stress (psi)	Actual Cyclic Stress (psi)	Actual Contact Stress (psi)	Recoverable Deformation			Measured Resilient Strain (%)	Resilient Modulus (psi)
									LVDT 1 (mils)	LVDT 2 (mils)	LVDT Average (mils)		
0	6.0	4.0	25.0	22.0	3.0	4.1	3.6	0.5	1.83	1.89	1.86	0.033	N/A
1	6.0	2.0	12.0	11.0	1.0	1.9	1.8	0.2	0.86	0.86	0.86	0.015	11,595
2	6.0	4.0	24.0	22.0	3.0	3.9	3.6	0.5	1.78	1.84	1.81	0.032	10,534
3	6.0	6.0	37.0	33.0	4.0	6.0	5.4	0.6	3.03	3.13	3.08	0.055	9,618
4	6.0	8.0	49.0	44.0	5.0	8.0	7.1	0.8	4.57	4.82	4.69	0.084	8,821
5	6.0	10.0	62.0	55.0	6.0	10.1	8.9	1.0	6.20	6.63	6.42	0.114	8,119
6	4.0	2.0	12.0	11.0	1.0	1.9	1.8	0.2	0.90	0.94	0.92	0.016	11,091
7	4.0	4.0	25.0	22.0	2.0	4.1	3.6	0.3	1.99	2.10	2.05	0.036	10,135
8	4.0	6.0	37.0	33.0	4.0	6.0	5.4	0.6	4.62	3.48	3.38	0.060	9,282
9	4.0	8.0	49.0	44.0	5.0	8.0	7.1	0.8	4.66	4.98	4.82	0.086	8,515
10	4.0	10.0	62.0	55.0	6.0	10.1	8.9	1.0	6.11	6.49	6.30	0.112	7,865
11	2.0	2.0	12.0	11.0	1.0	1.9	1.8	0.2	0.94	0.98	0.96	0.017	10,442
12	2.0	4.0	25.0	22.0	2.0	4.1	3.6	0.3	2.09	2.21	2.15	0.038	9,592
13	2.0	6.0	37.0	33.0	4.0	6.0	5.4	0.6	3.44	3.64	3.54	0.063	8,831
14	2.0	8.0	49.0	44.0	5.0	8.0	7.1	0.8	4.79	5.09	4.94	0.088	8,156
15	2.0	10.0	61.0	55.0	6.0	9.9	8.9	1.0	6.14	6.51	6.33	0.113	7,565

Resilient Modulus **7,565 psi** (result of test sequence 15)

FIGURE A-19

APPENDIX B

PAVEMENT THICKNESS CALCULATIONS

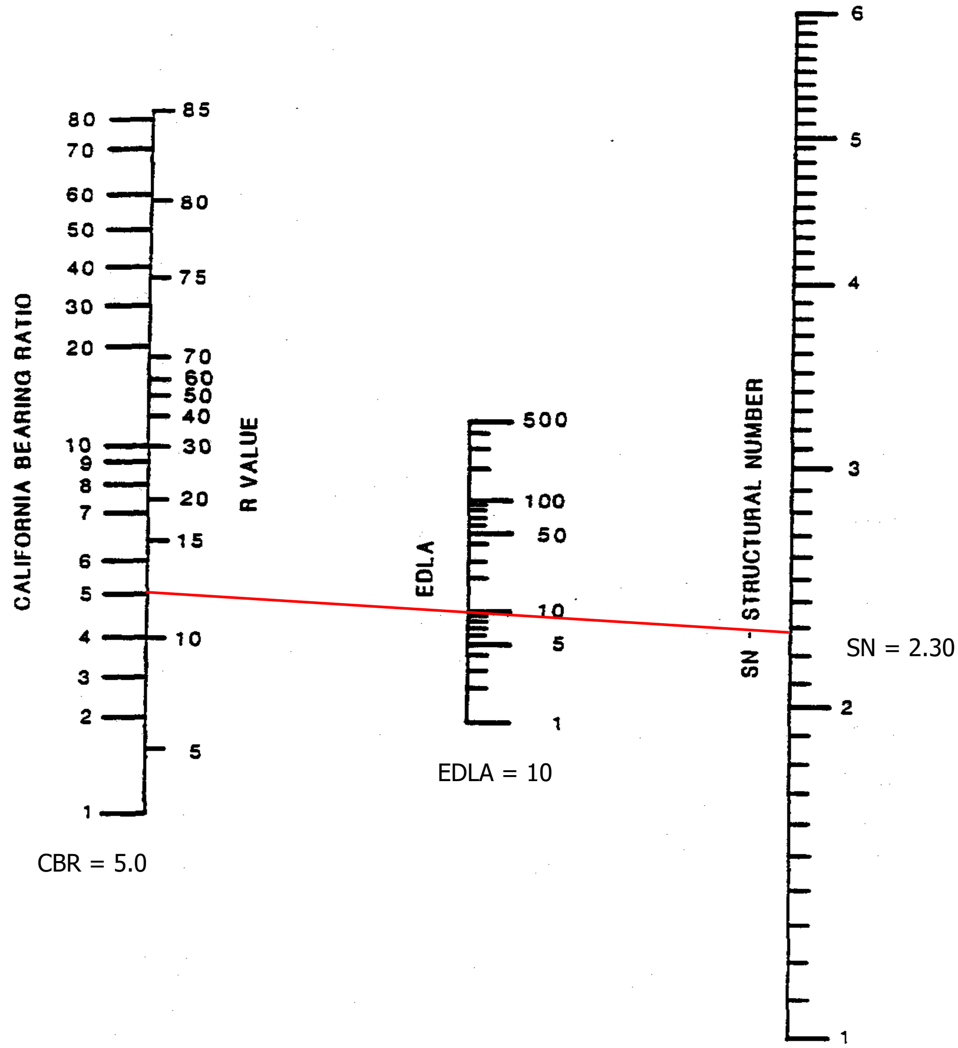


TABLE 4.1
NOMOGRAPH FOR FLEXIBLE PAVEMENT DESIGN WITH SI=2.0

FIGURE B-1

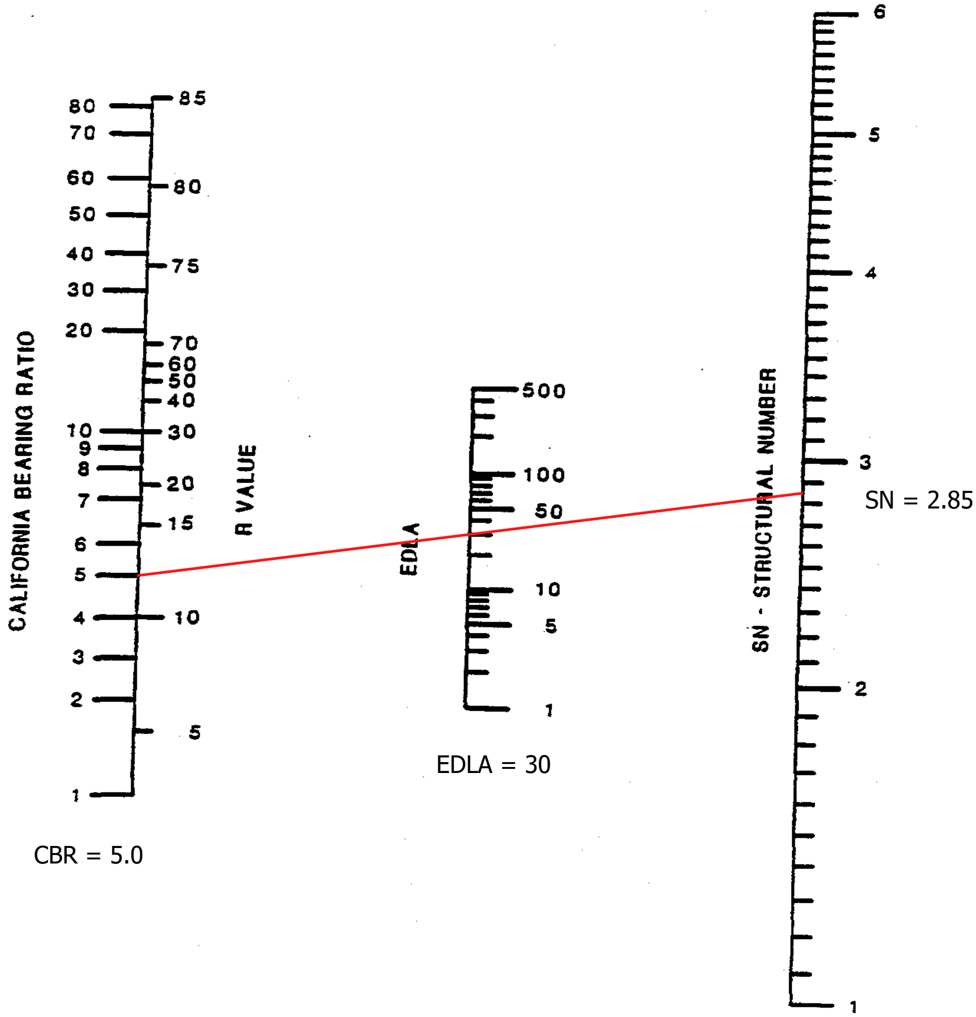


TABLE 4.2
NOMOGRAPH FOR FLEXIBLE PAVEMENT DESIGN WITH SI=2.5

FIGURE B-2

FLEXIBLE PAVEMENT THICKNESS CALCULATIONS

Project: Hillside Improvements **Project Number:** 256640-P1

Design Data:

Classification: Local Residential — EDLA = 10
Serviceability Index: 2.0 — CBR = 5
Structural Number (SN): 2.30
$SN = A_1 D_1 + A_2 D_2 + A_3 D_3$
Strength Coefficients:

A_1 = (Asphaltic Concrete Surface – ACS) = 0.40
A_2 = (Aggregate Base Course – ABC) = 0.12
A_2 = (Chemically Treated Subgrade – CTS) = 0.14

Pavement Alternatives:

I. Full Depth Section
$SN = A_1 D_1$
$2.30 = (0.40) D_1$
$D_1 = 5.8$ inches

We recommend a composite pavement section of 6.0 inches of ACS for this alternative.

II. Composite Section
$SN = A_1 D_1 + A_2 D_2$
$2.30 = (0.40) D_1 + (0.12) (6.0)$
$D_1 = 4.0$ inches

We recommend a composite pavement section of 4.0 inches of ACS over 6.0 inches of ABC for this alternative.

III. Composite Section
$SN = A_1 D_1 + A_3 D_3$
$2.30 = (0.40) D_1 + (0.14) (8.0)$
$D_1 = 3.0$ inches

We recommend a composite pavement section of 3.0 inches of ACS over 8.0 inches of CTS for this alternative.

FLEXIBLE PAVEMENT THICKNESS CALCULATIONS

Project: Hillside Improvements **Project Number:** 256640-P1

Design Data:

Classification: Local Commercial EDLA = 30
Serviceability Index: 2.5 CBR = 5
Structural Number (SN): 2.85
$SN = A_1 D_1 + A_2 D_2 + A_3 D_3$
Strength Coefficients:

A_1 = (Asphaltic Concrete Surface – ACS) = 0.40
A_2 = (Aggregate Base Course – ABC) = 0.12
A_2 = (Chemically Treated Subgrade – CTS) = 0.14

Pavement Alternatives:

I. Full Depth Section
$SN = A_1 D_1$
$2.85 = (0.40) D_1$
$D_1 = 7.1$ inches

We recommend a composite pavement section of 7.5 inches of ACS for this alternative.

II. Composite Section
$SN = A_1 D_1 + A_2 D_2$
$2.85 = (0.40) D_1 + (0.12) (6.0)$
$D_1 = 5.3$ inches

We recommend a composite pavement section of 5.5 inches of ACS over 6.0 inches of ABC for this alternative.

III. Composite Section
$SN = A_1 D_1 + A_3 D_3$
$2.85 = (0.40) D_1 + (0.14) (8.0)$
$D_1 = 4.3$ inches

We recommend a composite pavement section of 4.5 inches of ACS over 8.0 inches of CTS for this alternative.

INTERGOVERNMENTAL AGREEMENT REGARDING WASTEWATER SERVICES

THIS INTERGOVERNMENTAL AGREEMENT REGARDING WASTEWATER SERVICES (the "Agreement") is made and entered into this 11th day of September 2023, by and between the Town of Elizabeth, a statutory town of the State of Colorado (the "Town"), and the Elizabeth School District, a political subdivision of the State of Colorado (the "School District") (collectively, the "Parties," and each individually a "Party").

WHEREAS the Town's Public Works Department provides water, wastewater, and transmission and treatment services in accordance with its rules and regulations; and

WHEREAS, the School District owns and operates Singing Hills Elementary School, which is located at 41012 Madrid Drive, Parker, Elbert County, Colorado 80138 (the "School Site"); and

WHEREAS the legislature of the State of Colorado adopted C.R.S. § 29-1-203 to authorize and enable governmental entities to enter into cooperative agreements, and the Parties intend this Agreement to constitute such an intergovernmental agreement; and

WHEREAS, the Town, has the required professional skills, personnel and technical resources, and has agreed to provide the Services on the terms and conditions set forth in this Agreement; and

WHEREAS the School District and the Town desire to establish the terms and conditions for the treatment of School District potable water and wastewater in accordance with the terms set forth below.

AGREEMENT

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

1. Term. The Town will commence performing the Services described herein first set forth above ("Effective Date"). Unless terminated as provided herein, the term of this Agreement shall be three (3) years from the Effective Date. The parties may elect to renew this Agreement for one (1) additional three (3) year term, subject to a price adjustment and increase of three percent (3%) for any additional term.

2. Responsibilities of the Town.

a. Potable and Wastewater Services. The Town shall perform the potable and wastewater services set forth in the attached Exhibit A at the School Site, which hereinafter shall collectively be referred to as the "Services".

b. Personnel. The Town shall employ qualified and experienced personnel as are required to carry out the performance of the Services. The Town shall abide by all School District policies and procedures, including without limitation, those related to the prohibited use and/or possession of alcohol, tobacco or firearms on School District grounds. The School District policies are available at https://www.elizabethschooldistrict.org/Page/258, and should the School District amend such applicable policies, the School District shall notify the Town within thirty (30) days of the School District's approval of any such amendments. The Town shall at all times strictly enforce this prohibition among its own employees, agents or subcontractors and their employees, agents or subcontractors.

c. Records. The Town (i) shall keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance with industry accepted accounting principles and in such form and detail as will clearly identify all relevant time charges and cost, and the bases thereof, and (ii) shall permit the School District or its designated representatives periodically to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the School District.

d. Standards. The Town shall perform all Services in a diligent, safe, and workmanlike manner, using its best skill and judgment pursuant to the standards, techniques and practices used in the wastewater industry for the Services. The Town represents that the work performed will be in conformance with all applicable laws, statutes, rules, regulations, ordinances, codes and orders of any governmental bodies, agencies, authorities and courts and all equipment, machinery, materials, and methods are safe and effective. If the Town's performance does not conform to such standards and School District notifies Town of same, the Town agrees to immediately take all action necessary to remedy the nonconformance. Any costs incurred by Town to correct such nonconformance shall be at the Town's sole expense.

3. Responsibilities of the School District.

a. School District Representative. The School District appoints its facilities coordinator as the individual who has responsibility for the day-to-day management of the Town's performance of the Services. The School District further agrees to commit and approve expenditures to a level commensurate with the Town's obligations to implement the Services successfully. The School District representatives shall cooperate and not interfere with the Town's employees or contractors in their execution of their duties or in the Town's day-to-day management of the Services.

b. Access to School Property. The School District shall make available to the Town and its authorized employees and contractors, access to the School Property that is required for the performance of the Services.

4. Rates, Charges. and Billing.

a. The School District agrees to pay the Town for water and wastewater treatment services at a rate of one thousand, eight hundred dollars ($1,800.00) per month ("Rate"). Any adjustment in the Rate made during the term of this Agreement shall be in the form of an amendment to this Agreement, signed by each of the parties hereto, and shall become a part of this Agreement. This rate shall be subject to the rate adjustment established under Section 1, should the contract be extended to an additional term. The parties envision that the services to be provided herein shall not exceed ten (10) hours per month, including travel time. In the event additional or emergency labor is required, the School District agrees to reimburse the Town at the rate of forty-five dollars ($45.00) per hour.

b. In addition, the School District shall reimburse the Town for the direct costs associated with Water and Sewer Water Quality Testing, Engineering and other Professional Services. Any such reimbursement shall be made by the School District upon receipt of appropriate documentation of the costs incurred by the Town.

c. Unless otherwise expressly stated in this Agreement, licenses, materials, supplies, equipment, and reimbursables shall be incorporated into the monthly charge, in an amount not to exceed five thousand dollars ($5,000.00) per year. In the event those expenses detailed in this paragraph exceed five thousand dollars ($5,000.00), the School District agrees to reimburse these additional costs upon receipt of appropriate documentation of the costs incurred by the Town.

d. The School District will pay the Rate on or before the 10th day of each month during the term of this Agreement. All payments under Section 4(b) and 4(c) shall be made only after all reports pursuant to Section 2(c) required prior to the statement have been submitted by the Town and approved as satisfactorily by the School District.

5. <u>Indemnification</u>. Each Party to this Agreement shall be responsible to the fullest extent allowed under Colorado law for its own negligence, and the negligence of its employees acting within the scope of their actual authority. It is expressly understood and agreed that nothing contained in this Agreement shall be construed as an express or implied waiver by the Town or the School District of its governmental and sovereign immunities, as an express or implied acceptance by the Town or the School District of liabilities arising as a result of actions that lie in tort or could lie in tort in excess of the liabilities allowable under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.,* or as the assumption by any of the parties of a debt, contract or liability of each other in violation of Article XI, Section 1 of the Constitution of Colorado. The Town and the School District are liable for breach of contract in the same manner as any private party would be under Colorado law under the same or similar circumstances. The Town shall obtain and keep in full force and effect during the term of this Agreement general liability and property damage insurance covering its actions and activities permitted under this Agreement in an amount at least equivalent to Town's liability under the Colorado Governmental Immunity Act, as amended from time to time. A certificate of insurance will be provided at the request of the School District.

6. <u>Termination</u>.

a. <u>Termination With Cause</u>. This Agreement may be terminated by the School District upon not less than ten (10) days' written notice should the Town fail to perform in accordance with the terms of this Agreement through no fault of the School District. Subject to the ability of the Town to terminate this Agreement for convenience pursuant to Section 6(b) of this Agreement, the Town shall not terminate this Agreement, without the written consent of the School District; provided, however, that if the School District fails to make payment when due, the Town may, upon ten (10) days' written notice to the School District, suspend performance of Services and, unless payment is received by the Town within (10) days of the date of the notice, the suspension shall take effect without further notice.

b. <u>Termination For Convenience</u>. This Agreement may be terminated by either Party at any time and without cause by giving ninety (90) days' prior written notice to the other Party of such termination.

c. <u>Effect of Termination</u>. Upon such termination, all rights and obligations of the Parties set forth in this Agreement shall terminate and be of no further force and effect, unless expressly stated otherwise, and all potable and wastewater obligations and ongoing Town monitoring shall be governed by applicable ordinances, policies, and practices in effect at the time. The Town shall be compensated for all services successfully performed through the effective date of termination.

7. <u>Independent Contractor</u>. The Town understands and acknowledges that this Agreement is a contract for services and that an employee-employer relationship does not exist between the Town and the School District. The Town shall perform all Services using its judgment and expertise as an independent contractor and not as an employee of the School District. Neither the Town nor any agent or employee of the Town shall be an agent or employee of the School District nor shall any of them have any authority, express or implied, to bind the School District to any agreement or incur any liability or obligation attributable to the School District. The Town acknowledges that it is not entitled to workers' compensation or other benefits from the School District and that the Town is obligated to pay federal and state income tax on any moneys earned from the School District pursuant to this Agreement.

8. <u>Dispute Resolution</u>. In the event that any dispute between the parties arises out of this Agreement, the parties shall meet and confer in good faith to resolve such dispute. In the event such efforts do not resolve the dispute within fifteen (15) days from the date the dispute arises, either party may elect to submit the dispute to the mediation before the Judicial Arbiter Group or other independent mediation service. This provision shall survive termination of this Agreement. This provision shall not be considered an election of remedies. Either party may elect to pursue litigation for any dispute arising under this Agreement at any time.

9. <u>Immunities</u>. Notwithstanding anything in this Agreement to the contrary, the parties retain all of their rights and immunities under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101. *et seq.*

10. <u>Modification</u>. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by the Parties.

11. <u>Counterparts: Electronic Copy</u>. This Agreement may be executed in one or more counterparts, each of which will constitute an original agreement, but all of which

together will constitute a single agreement. An electronic copy of this Agreement executed by one of the Parties hereto will be accepted as a copy of this Agreement originally executed by such Party.

12. Governing Laws and Venue. This Agreement shall be governed by, and enforced in accordance with, the laws of the State of Colorado. Any suit or proceeding arising from or relating in any way to the subject matter of this Agreement shall be brought only in the District Court for Elbert County, Colorado. Each Party hereby consents to the exclusive personal jurisdiction and venue of the Elbert County District Court.

13. Rule of Ambiguities. The Parties agree that the rule that ambiguities in a contract are to be construed against the drafting party shall not apply to the interpretation of this Agreement.

14. Binding Agreement. This Agreement shall inure to and be binding on the heirs, successors, and permitted assigns of the Parties hereto.

15. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provisions herein, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided, nor shall the waiver of any subsequent default hereunder.

16. Authority to Enter into Agreement. Each Party hereby confirms it is lawfully authorized to enter into this Agreement and has taken all steps necessary to authorize the execution of the Agreement by the respective signatories below.

17. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to or shall create a contractual relationship with cause of action in favor of, or claim for relief for, any third-party, including any agent, consultant or sub-consultant or contractor of a Party. Absolutely no third-party beneficiaries are intended by this Agreement. Any third-party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.

18. No Agency or Other Relationship. This Agreement is not intended to create any partnership or agency between the Parties.

19. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, then the legality, validity and enforceability of the remaining provisions of this Agreement will not be affected thereby; and in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and which will be legal, valid and enforceable.

20. No Assignment. This Agreement may not be assigned by the Town without the School District's prior written consent.

21. Subject to Annual Appropriation. Consistent with Article X, Section 20 of the Colorado Constitution, any financial obligations of either party not to be performed during the

current fiscal year are subject to annual appropriation.

22. Notice. All notices, consents or other instruments or communications provided for under this Agreement will be in writing, signed by the party giving the same, and will be deemed properly given and received (a) when actually delivered and received personally, by messenger service, by fax or telecopy delivery; (b) upon confirmation of delivery if sent by an overnight courier service such as Federal Express or United Parcel Service; (c) three business days after deposit in the United States mail, by registered or certified mail with return receipt requested; or, (d) upon acknowledgement of receipt if sent by e-mail. All such notices or other instruments will be transmitted with delivery or postage charges prepaid, addressed to the party at the address below for that party or to such other address as such party may designate by written notice to the other parties:

School District: Superintendent of Elizabeth School District
P.O. Box 610
Elizabeth, CO 80107

Town: Town Administrator
Town of Elizabeth
P.O. Box 159
Elizabeth, CO 80107

IN WITNESS WHEREOF, the Parties hereto have duly executed this AGREEEMENT on the date(s) set forth below.

ELIZABETH SCHOOL DISTRICT, a political subdivision of the State of Colorado

Board of Education President

09/11/2023
Date

ATTEST:

Mary Powell
Board of Education Secretary

TOWN OF ELIZABETH, a statutory Town of the State of Colorado

Nick Snively, Mayor, Town of Elizabeth

Date

ATTEST:

Michelle Oeser, Town Clerk

TOWN OF ELIZABETH

MICHAEL DEVOL/PUBLIC WORKS DIRECTOR

TO: Madam Mayor, Madam Mayor Pro-Tem, Elizabeth Town Board of Trustees
FROM: Mike DeVol, Town of Elizabeth Public Works Director
DATE: May 12, 2026
SUBJECT: DISCUSSSION AND POSSIBLE ACTION REGARDING ADDENDUM OF RESOLUTION 23R38 FOR AN INTERGOVERNMENTAL AGREEMENT REGARDING WATER AND WASTEWATER SERVICES BETWEEN THE TOWN OF ELIZABETH AND THE ELIZABETH SCHOOL DISTRICT

Public Works wishes to have discussion and possible action of approval regarding an addendum to the existing Water and Wastewater agreement with the Elizabeth School District. This addendum would only change to include the dates for services being extended for three more years. Public Works believes keeping the monthly fee of $1,800.00 and $45.00 hourly for any time needed beyond the 10 hours monthly normal services is more than sufficient and will enable the Elizabeth School District to budget and not place undue burden on the district.

Regards,

Mike DeVol
Town of Elizabeth
Public Works Director
GCWWTP Operations

FIRST ADDNDUM TO INTERGOVERNMENTAL AGREEMENT REGARDING WASTEWATER SERVICES

THIS FIRST ADDENDUM TO INTERGOVERNMENTAL AGREEMENT REGARDING WASTEWATER SERVICES (the "First Addendum") is made and entered into this 12th day of May 2026, by and between the Town of Elizabeth, a statutory town of the State of Colorado (the "Town"), and the Elizabeth School District, a political subdivision of the State of Colorado (the "School District") (collectively, the "Parties," and each individually a "Party").

WHEREAS the Town's Public Works Department provides water, wastewater, and transmission and treatment services in accordance with its rules and regulations; and

WHEREAS, the School District owns and operates Singing Hills Elementary School, which is located at 41012 Madrid Drive, Parker, Elbert County, Colorado 80138 (the "School Site"); and

WHEREAS the legislature of the State of Colorado adopted C.R.S. § 29-1-203 to authorize and enable governmental entities to enter into cooperative agreements, and the Parties intend this Agreement to constitute such an intergovernmental agreement; and

WHEREAS, the Town has the required professional skills, personnel, and technical resources, and has agreed to provide the Services on the terms and conditions set forth in this Agreement;

WHEREAS the School District and the Town previously entered into that Agreement dated September 11, 2023 (the "Original Agreement") by which the Parties established the terms and conditions for the treatment of School District potable water and wastewater by the Town; and

WHEREAS, consistent with the Original Agreement, the Parties desire to extend the Original Agreement for one additional three (3) year term.

AGREEMENT

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

1. Term. The term of the Original Agreement is hereby extended for one additional three (3) year term, commencing on September 11, 2026, and terminating on September 10, 2029, unless terminated earlier consistent with Section 6 of the Original Agreement.

2. Section 4 of the Original Agreement is amended to read as follows:

4. Rates, Charges. and Billing.

a. The School District agrees to pay the Town for water and wastewater treatment services at a rate of $1,800.00 per month ("Rate"). Any additional adjustment in the Rate made during the term of this Agreement shall be in the form of an amendment to this Agreement, signed by each of the parties hereto, and shall become a part of this Agreement. The parties envision that the services to be provided herein shall not exceed ten (10) hours per month, including travel time. In the event additional or emergency labor is required, the School District agrees to reimburse the Town at the rate of Forty-five dollars ($45.00) per hour.

b. In addition, the School District shall reimburse the Town for the direct costs associated with Water and Sewer Water Quality Testing, Engineering, and other Professional Services. Any such reimbursement shall be made by the School District upon receipt of appropriate documentation of the costs incurred by the Town.

c. Unless otherwise expressly stated in this Agreement, licenses, materials, supplies, equipment, and reimbursables shall be incorporated into the monthly charge, in an amount not to exceed five thousand dollars ($5,000.00) per year. In the event those expenses detailed in this paragraph exceed five thousand dollars ($5,000.00), the School District agrees to reimburse these additional costs upon receipt of appropriate documentation of the costs incurred by the Town.

d. The School District will pay the Rate on or before the 10th day of each month during the term of this Agreement. All payments under Section 4(b) and 4(c) shall be made only after all reports pursuant to Section 2(c) required prior to the statement have been submitted by the Town and approved as satisfactorily by the School District.

3. Except as to Term and Rate as amended herein by this First Addendum, the terms of the Original Agreement are incorporated herein, remain in full force and effect, and are hereby ratified by the Town and the school District.

IN WITNESS WHEREOF, the Parties hereto have duly executed this FIRST ADDENDUM on the date(s) set forth below.

ELIZABETH SCHOOL DISTRICT, a political subdivision of the State of Colorado

____
Board of Education President

____
Date

ATTEST:

____
Board of Education Secretary

TOWN OF ELIZABETH, a statutory Town of the State of Colorado

____
Angela Ternus, Mayor

____
Date

ATTEST:

____
Michelle Oeser, Town Clerk

ADMINISTRATOR REPORT
05/12/2026

- Letter in support of Fire District opposition to road vacations has been sent
- Spoke with Kara regarding the process that Fire District is following. They do not expect further action by the County. At some point, we will need to discuss the legal ramifications if the County does not reverse course on at least the Palomino vacation
- Will be scheduling informal meeting with Triple M per email from them
- Worked on some personnel issues this week, nothing to report
- Finished work on purchasing policy revisions. A memo and the draft will be on your May 26 agenda. I did not want to overload the May 12 agenda.
- Reviewed draft of audit documents
- Talked with Mike about the school district agreement and agreed we should continue what is a very positive working relationship

TOWN OF ELIZABETH POLICE DEPARTMENT

ACCOUNTABILITY•INTEGRITY•RESPECT•TEAMWORK•EXCELLENCE

Town of Elizabeth Police Department Monitoring Report

May 12, 2026

Departmental Updates:

- The Police Department assisted the Elbert County Sheriff's Office during a homicide/suicide investigation. The police department assisted with answering calls for service and impounding a dog that was on scene.
- The Town of Elizabeth Police Department and the Elbert County Sheriff's Office are working with the Federal Bureau of Investigation (FBI), investigating two SWATTING calls occurring at schools in the Elizabeth School District. Several calls were received throughout the metro area.
- Officer Tucker, Records Manager Manday Donatelli, and Victim Advocate PattyAnn Fontenot are diligently working on setting up the National Night Out, to be held on August 4, 2026, at Running Creek Park.
- Planning for the 2026 Stampede is ongoing. With a change in parking for the event, there could be an increased number of vehicles parking in nearby neighborhoods of the Stampede.
- Command staff are finalizing training with Vector Solutions on various platforms. We are slowly transitioning to this platform to aid scheduling, inventory, fleet maintenance, employee acknowledgment, and early-warning notifications.

Training Updates:

- Records Manager Mandy Donatelli and Officer Daisy Tucker attended a one-day Property and Evidence conference in Boulder. Key takeaways from the conference will aid with efficient evidence processing and evidence storage.
- Officer Josh Hunter attended a Traffic Incident Management Instructor course. Currently, we have two in-house instructors in Traffic Incident Management.

425 S. Main St., P.O. Box 1527, Elizabeth, Colorado, 80107
Phone: 303-646-4664 Fax: 303-646-0616
Email: Police@townofelizabeth.org
www.townofelizabeth.org

Colorado Association of Chiefs of Police

TOWN OF ELIZABETH POLICE DEPARTMENT

CHIEF OF POLICE JEFF ENGEL

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

ELIZABETH POLICE DEPARTMENT'S MISSION STATEMENT:

"The Elizabeth Police Department is committed to service excellence in protecting life and property, impartial enforcement of law, and building community with those who live, work, and visit, the Town of Elizabeth."

The following is an informational breakdown of EPD police activity from **04/19/2026 at 12:01 a.m. to 05/02/2026 at 11:59 p.m.** This information is compiled from our Records Management System (RMS), identified as New World (NW), as well as Douglas County Regional Dispatch (DCRD) records.

**All suspects/defendants are presumed innocent until proven guilty in a Court of Law. **

425 S. Main St., P.O. Box 1527, Elizabeth, Colorado, 80107
Phone: 303-646-4664 Fax: 303-646-0616
Email: Police@townofelizabeth.org
www.townofelizabeth.org

Colorado Association of Chiefs of Police

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Total Calls for Service:

260

Traffic Stops:

Total Stops:	Penalty Assessments Issued:	Warnings Issued:
46	17	29

Other Calls for Service:

Call Type:	Number of Calls:
911 Landline	2
911 Rapid SOS	2
Alarm-Bank	1
Alarm-Business Burglary	1
Animal Bite	1
Animal Complaint	1
Assist to Fire Department	2
Assist to Other Agency (Non-Urgent)	9

425 S. Main St., P.O. Box 1527, Elizabeth, Colorado, 80107
Phone: 303-646-4664 Fax: 303-646-0616
Email: Police@townofelizabeth.org
www.townofelizabeth.org

TOWN OF ELIZABETH POLICE DEPARTMENT

CHIEF OF POLICE JEFF ENGEL

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Assist to Other Agency (Urgent)	3
Bar Check	3
Business Check	19
Citizen Assist	18
Citizen Contact	15
Crime Prevention	7
Dead Animal	1
Drug Offense	2
Flock	1
Follow Up	24
Found Property	1
Fraud	2
Harassment	1
Increased Patrol	32
Informational Report	4
Juvenile Complaint	3
Littering Complaint	1
Livestock Complaint	1
Medical Assist	8

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Mental Health Hold	1
Motorcycle Complaint	1
Motorist Assist	1
Municipal Ordinance Violation	7
Motor Vehicle Crash with Property Damage	2
Park Check	1
Parking Complaint	3
Report Every Drunk Driver Immediately (REDDI)	1
Repossession	1
School Education	1
Solicitor	1
Suspicious Circumstance	4
Suspicious Person	1
Suspicious Vehicle	7
Theft	2
Traffic Complaint	5
Traffic Hazard	3
Trespass	1
Traffic Stop	46

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

VIN Verify	1
Welfare Check	5

Open Patrol Division Criminal Investigations:

Case Number:	Call Type:	Details:
25-6683	Fraud	Investigation into theft and fraud of a local business.
26-1889	Financial Crimes	Investigation into theft and fraud of a resident.
26-1417	Financial Crimes	Investigation into fraud of a resident.
26-1996	Theft	Investigation into theft from a local business.
26-2384	Drug Investigation	Investigation into possible multiple drug violations
26-2427	Financial Crimes	Investigation into fraud of a resident.

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Open Community Services Division Municipal Ordinance Violations:

Case Number:	Call Type:	Notes:
26-1619	Animal Control	Investigation into code violations at a property within Town.

**Please note that limited information regarding open investigations is available. This is to protect the integrity of the investigations. **

Closed Case/Incident Reports:

Case/Incident Number:	Call Type:	Details:
26-1305	Animal Control	EPD Community Services closed a case regarding a property that had numerous unregistered dogs. The property owner came into compliance with Town codes.
26-1475	Sex Offense	An EPD SRO closed a case involving a possible sex offense. After investigation, there was insufficient probable cause to support criminal charges.
26-1908	Agency Assist	EPD Officers assigned to the ICAC taskforce assisted in a large scale ICAC operation.
26-2128	Mental Health Hold	An EPD SRO responded to a local school on a reported suicidal subject. The subject was placed on a mental health hold and transported to a mental health facility.

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

26-2148	Animal Control	EPD Community Services responded to a local school to assist in the capture of a wild bat. The bat was humanly capture and released.
26-2159	Child Abuse	EPD responded to a potential child abuse in Town. After investigation, there was no evidence to support child abuse charges.
26-0673	Assault	EPD closed a long-standing assault case. The case was forwarded to the Elbert County District Attorney's Office for a charging decision.
26-1862	Motor Vehicle Crash	EPD closed a case regarding a hit and run crash. The driver who had fled the scene was located and issued a summons for traffic offenses.
26-2197	Domestic Violence	EPD Officers responded to a report of a physical domestic violence call. After investigation, it was determined that no crime had occurred.
26-2279	Traffic Complaint	EPD Officers responded to a reported aggressive driver. The driver was quickly identified and issued a municipal summons for a traffic offense.
26-2288	Sex Offense	An EPD SRO responded to a reported sex offense involving juveniles. After investigation, it was determined the offense that occurred was a civil violation. The SRO

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

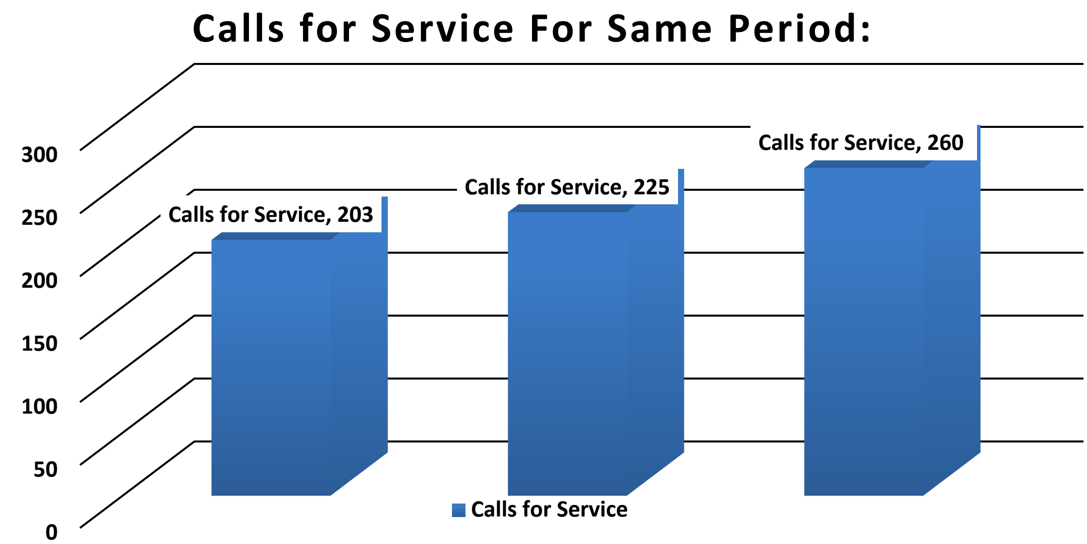
Period: 04/19/2026 to 05/02/2026

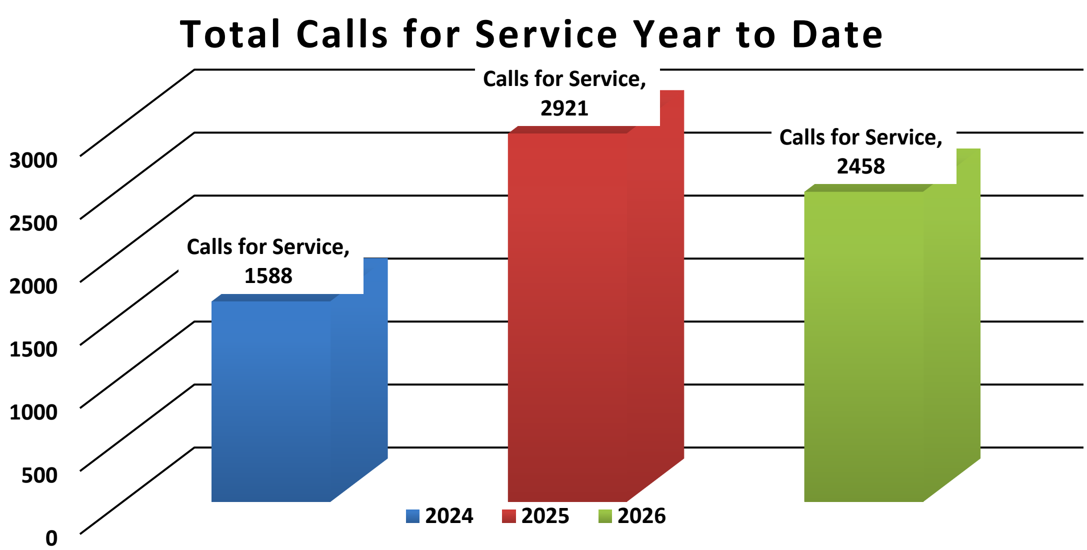
		provided counseling, and turned the case over to school administration.
26-2300	Theft	EPD received a report of a stolen license plate. After a canvass of the area and a complete investigation, the suspect was not identified. The case was closed pending further information.
26-2303	Shooting	Several EPD Officers responded to assist the Elbert County Sheriff's Office (ECSO) on a shooting. Once the scene was safe, the case was turned over to ECSO for investigation.
26-2357	Informational Report	EPD turned over almost 100 pounds of unused prescription medications to the DEA during the National Drug Takeback.

ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Historical Data:





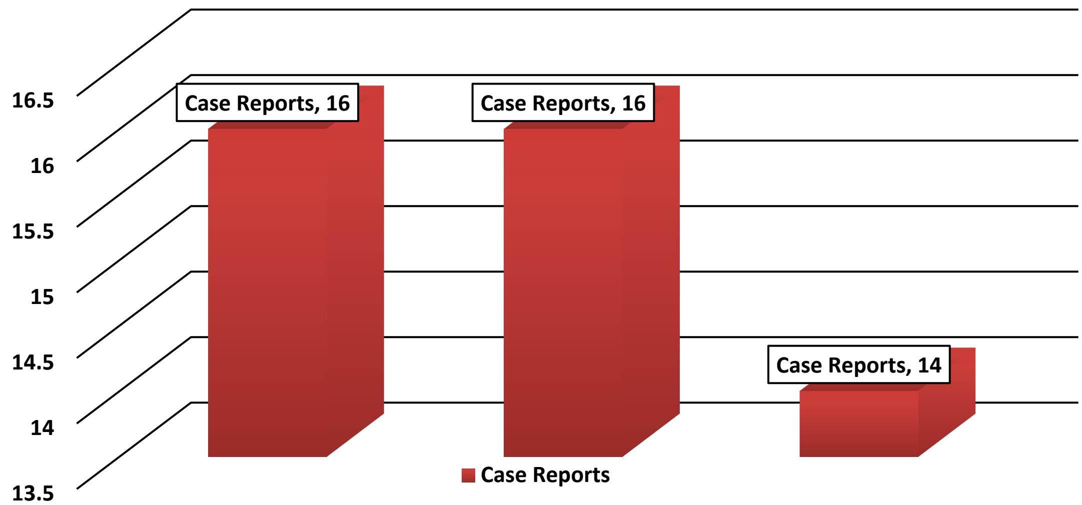
TOWN OF ELIZABETH POLICE DEPARTMENT

CHIEF OF POLICE JEFF ENGEL

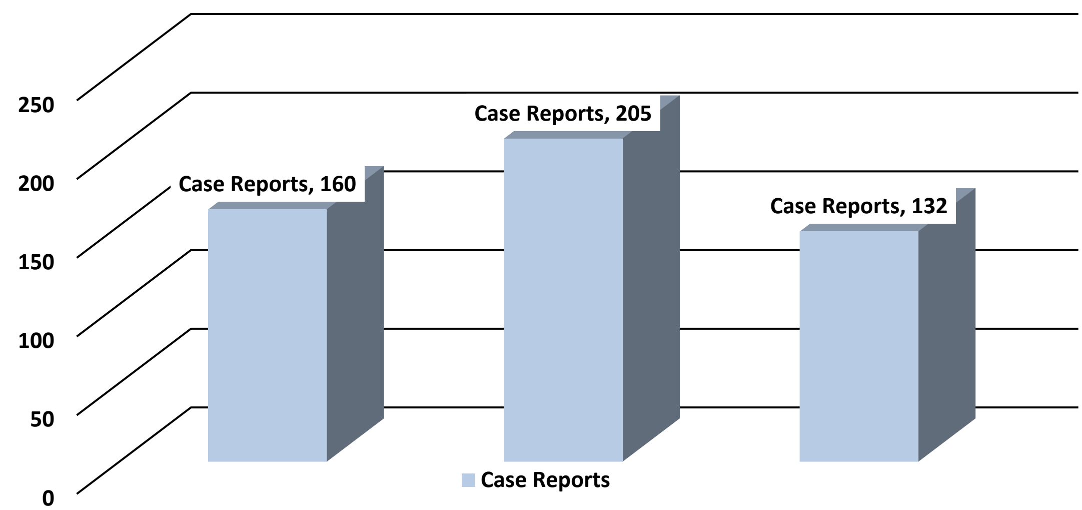
ELIZABETH POLICE DEPARTMENT ACTIVITY STATISTICS REPORT

Period: 04/19/2026 to 05/02/2026

Case Reports Pulled For Same Period:



Total Case Reports Pulled Year to Date:



425 S. Main St., P.O. Box 1527, Elizabeth, Colorado, 80107
Phone: 303-646-4664 Fax: 303-646-0616
Email: Police@townofelizabeth.org
www.townofelizabeth.org

Colorado Association of Chiefs of Police

May 12th, 2026

Management Team Updates

Community Development — Alexandra Cramer, AICP, Planner/Project Manager

Current Activities (2025-2026)

- **Façade Grant Program:** Staff is preparing to launch this year's Façade Grant Program round and anticipates strong interest based on prior year patterns. A volunteer from the Board of Trustees will be needed to serve on the Façade Grant Program voting committee, which is comprised of one member each from the BOT, HAB, and MSBOD. Staff will be asking the BOT at their May 12th meeting who is interested in serving on this committee.
- **HAB:** The 2nd Annual Historic Building Coloring Contest has wrapped up with 42 submissions — double the entries received last year. Winners will be announced throughout Historic Preservation Month (May) via the Town's social media channels. The HAB's "Preservation Myths" social media campaign has also concluded. Staff is now working on compiling a reference document and/or brochure with links to preservation resources that will be posted to both the Town and HAB websites.
- **2026 Event Planning:** Staff is actively planning the Main Street 5K/Color Run and the 250/150 Community Celebration, which are scheduled on the same day. Staff is also preparing final documents for the Backyard BBQ Contest, with materials rolling out the week of May 11th. Multiple organizations and businesses have already expressed interest in sponsoring Town events this year. Amanda Love will be handling sponsorship recruitment and organization for both the BBQ Contest and the 5K/Color Run. A full calendar of Town events is available on the Town's website.
- **2026 Licensing Activity:** In 2026, the CD Department has processed 17 new business licenses to date, 12 of which were issued in April alone. New businesses include*: TPLO2GO (313 E Kiowa Ave), Legends Real Estate (276 E Kiowa Ave #104), Elizabeth Card and Game (210 S Elizabeth St), Rock Canyon Roofing (375 S Main St), Sizzor Magic Hair & Nail Salon (796 E Kiowa Ave #109), All Star Pet Grooming (724 E Kiowa Ave #106), Montessori School of Elizabeth (635 W Beverly St), Light to Wellness (810 E Kiowa Ave #107), Golden Spur Feed Store (125 S Tabor St), Elizabeth Liquors (787 Crossroads Circle), Heritage Cleaners (276 E Kiowa Ave #106), Doug's Diner (724 E Kiowa Ave), Insightful Healing Therapy (286 S Main St), Safeway Fuel Center #1532 (110 S Elizabeth St), ECC Kitchen & Bath (755 Crossroads Circle #101/102), Elevated Auto Body 2 LLC dba Bender Menders LLC (763 Crossroads Circle), and The Pokémon Company International Inc (220 S Elizabeth St).*
- **MSBOD:** Main Street Board is interested in revisiting the Gesin Lot RFP and has requested staff look into what an RFQ would look like for this site. Staff and MSBOD will be discussing this at their May 11th meeting. Staff also intends to establish a quarterly meeting between the BOT and MSBOD beginning in May to discuss Main Street matters, specifically with the Gesin Lot. Members of the MSBOD have also been working hard at building a new vendor map layout for

events on Main Street in collaboration with the Elizabeth Chamber of Commerce and the Elizabeth Fire District. This new layout will be presented to the BOT during their quarterly meeting with the MSBOD. Staff and two members of the MSBOD recently attended the Main Street Now Conference in Tulsa, OK in April – insights from this conference will be brought to the attention of the BOT over the next few weeks.

- **Code Updates:** Staff is working on identifying areas in the code that are recommended to be updated/revised. Staff has seen a notable uptick in resident inquiries regarding ADUs — specifically how property owners can pursue them on their properties. This trend appears consistent with broader challenges around home ownership affordability and the need for income supplementation. In reviewing the Town's current ADU requirements, staff has found them to be outdated relative to other Colorado municipalities. Staff plans to bring this to the attention of the Planning Commission and Board of Trustees in the coming month. Staff is also continuing research on downtown district height standards. If the Board has additional code topics it would like to see addressed, please let staff know.
- **Planning Commission:** The Planning Commission now has 6 of their 7 seats filled. Onboarding packets and reference guides have been prepared for new and returning members and will be posted to the Town's website. Looking ahead, the PC has expressed interest in meeting with the Town's advisory boards — those meetings will be scheduled for April — and in pursuing additional code updates.

Background & Context — Main Street Board

- **2025 Permit and Licensing Activity:** Building permit fees remain unchanged since Resolution 22R55 adoption. Staff utilizes SAFEbuilt's valuation calculator for consistent use tax assessment. *2025 activity included: 166 building permits issued, 23 new business licenses processed, and 14 sign permits issued.*
- **Chamber Collaboration (October 25):** Some members on the MSBOD will be assisting the Elizabeth Chamber of Commerce at their BooBash on October 25th. This cooperation came out of several meetings the MSBOD had with Chamber on how to better collaborate and assist with each organization's events and efforts. The MSBOD is also sponsoring a musician to play on Main Street during the event from 11am-1pm to encourage attendees to stay and patronize the businesses.
- **2025 5K and Family Color Run:** The 5K and Family Color Run was a success this year. We had approximately 240 participants. We were sponsored by the following organizations/businesses: Waste Management, Independence/Craft Companies, Potestio Brothers, Bobo Bars, EBC, EPR District. We partnered with the Elizabeth Chamber of Commerce to help coordinate sponsorships to pay for the t-shirts this year. We received donations from the following businesses: RNK Running & Walking, Sprouts, Mountain Man, Randy's Antiques, IC Threads, The Nest, EBC, The Prickly Pear and Coffee House on Mainstreet, Carriage Shoppes. We had volunteers from the following organizations: EHS Poms Team, Running Creek PTCO, Boy Scout Troop 636, Elbert Schools Booster Club, Elbert County Fair Royalty, Kiowa Schools, and Redstone Bank.

- **DOLA Colorado Main Street Manager Summit:** Staff attended the Colorado Main Street Manager Summit in Lyons, where Main Street communities across the state presented their recent work. Notable accomplishments included: Windsor received the Colorful Colorado Choice Award for their Downtown Master Plan and launched a new 501(c)(3) Main Street Partnership; Silverton secured full funding for their Blair Street Revitalization Project; Town of Lyons completed town-wide wayfinding signage; Pagosa Springs supported downtown businesses through a two-year US 160 reconstruction; Rifle launched "Third Thursday on Third Street"; Wellington completed two new downtown murals and launched their Walk of Fame project; Victor adopted a new Land Use Code and launched a Revitalization Program providing $7,500 property improvement grants to 10 businesses. The MSBOD will review all accomplishments presented at the summit to identify programs and initiatives that could be adapted for Elizabeth.
- **Main Street Car Show (September 5, 2025):** The Main Street Car Show took place on September 5th, 2025. There were over 80 cars that participated. We had 3 food trucks and a local musician. We received good feedback from both participants and attendees—some that were visiting Elizabeth Main Street for the first time. The MSBOD would like to explore another car show in the spring.
- **Colorado Main Street Community of the Year Award (2024):** The MSBOD was named the Colorado Main Street Community of the Year in 2024. As part of this recognition, the Town was awarded professional services from DOLA Main Street with Ayres Associates to conduct a development analysis for the Gesin Lot. The analysis was completed in June with the report scheduled for presentation to the BOT in July.
- **Oddfellows Building Mural (May):** Through DOLA mini grant funds, Staff and MSBOD members collaborated to install a mural on the Oddfellows building in May. The public art installation has received positive community reactions.
- **Chamber of Commerce Partnership Development:** The MSBOD is working to build stronger partnerships with the Chamber of Commerce. Staff and MSBOD members have met with the Chamber several times over the past six months to identify collaboration opportunities and improve resources for the business community. Staff also coordinated a meeting with DOLA Main Street and the Chamber to further these discussions. All meetings have been successful, with the Chamber moving forward to assist with 5K sponsorships for the first time.
- **Locable Website Development:** The MSBOD's Locable website continues to grow with approximately 40 local businesses and organizations registered in the directory. The website has been opened to all businesses within Town limits and features numerous events in the calendar. Staff and the MSBOD will continue promoting the website as the Elizabeth area's primary event calendar resource.
- **ElizaBash Weekend Promotion:** During ElizaBash weekend, the MSBOD provided Main Street stickers, temporary tattoos, and bags to participating Main Street businesses for patron distribution. The businesses expressed appreciation for these promotional offerings.
- **Networking Event (May):** The MSBOD held a networking event at Elizabeth Brewing Company in May with approximately 50 attendees from various boards,

organizations, businesses, and the general public. The event was catered by the Elizabeth High School Culinary Class and was successful.

- **Stampede Participation:** The MSBOD attempted to attend the Stampede, but their participation was cut short due to storms and tent malfunctions.

Background & Context — Historic Advisory Board

- **Oral History Program:** The HAB continues to expand their oral history collection available at historicelizabethco.org. Bob Rasmussen and Lynn Mitchell, with the assistance of Dianna Hiatt, have been conducting interviews and compiling oral histories. The website currently features 10 completed oral histories with a backlog of additional interviews to be posted. These have proven to be an effective community engagement tool, with social media generating 250+ engagements on Facebook.
- **11th Historic Walk and Talk (September 27):** The HAB held their 11th Historic Walk and Talk on September 27th at 9:30am with approximately 100 attendees. The event received positive feedback from both new and returning participants. Highlights included a tour of the Oddfellows building and a first-person historic character enactment performed by a Historic Advisory Board member, who dressed in historically accurate attire and portrayed Elsie Banes through monologue. Staff created brochures focusing on the town's historic figures for distribution at the event. American Legion provided lunch, and Elizabeth Brewing Company featured their "Elizabrew" commemorating the town's 135-year anniversary.
- **Museum Tour:** The HAB recently took a tour of the Elbert County Museum and got to meet some of their board members.
- **Historic Building Coloring Contest:** The HAB completed their first historic building coloring contest and received 14 entries. Community voting determined winners from each grade level (K-3rd). The four winners received award bags presented at the First Friday Night Market, and all participants were offered complimentary DQ ice cream cones. The Town thanks the Library District and Elbert County Artist Guild for their partnership on this project. All contest entries can be viewed on the HAB's website.
- **Historic Property Research:** Historic property research efforts are ongoing with several properties completed. As research is finalized, properties are added to the virtual walking tour map on the HAB's website. Property owners receive completed packets of research findings. Staff has received positive feedback from property owners expressing gratitude for the opportunity to meet with HAB members and learn previously unknown history about their properties.
- **Partnership Development:** The HAB is exploring new partnerships with the Library District as well as the Elbert County Historical Society and Museum.

Additional Department Updates

- **Consulting Services Clarification:** At the workshop on October 20th, a comment was made that suggested eliminating SAFEbuilt consulting services as a budget cut, with the implication that Community Development staff should be doing this work instead. This assumes the work is not already being done in-house, which is incorrect. Community Development manages project coordination, stakeholder communication, code compliance, public engagement, Board presentations, and long-range planning. Consulting services provide technical input on specific matters, not ongoing project management or regular planning review. Since the Planner/Project Manager position was filled in 2023, Community Development staff has managed and reviewed all projects. Multiple projects have been presented to and approved by the Board without any third-party consultation. This includes projects managed after the department was reduced by a third in December 2024. The 350 S Elbert Street Subdivision represents a specific exception where the former director established a third-party arrangement in 2022 for project management due to applicant difficulties, and this was kept in place for continuity with both staff and the applicant through the director's departure. With Walnut Grove, SAFEbuilt was used as a planning resource and second opinion through coordination with the applicant, engineering consultants, and staff on how planning and engineering considerations intersected. Plan review against code is only one small part of what planning and project management entails. The reality is that the town's zoning code and PUDs are outdated and create situations that are rarely black and white. Relying on a single planner to interpret these ordinances without peer review at times is not responsible planning. SAFEbuilt has worked with the Town for over eight years and knows how things generally work here. Getting a second set of eyes on certain situations is standard practice and ultimately protects the Town.

Background & Context — Ongoing Initiatives

- **Greater Elizabeth PROST Master Plan:** The master plan was approved by the Town's BOT, EPR District, and Elizabeth School District.
- **2025 Neighborhood Block Parties:** Neighborhood block parties took place over the course of June, July, and August. *If the BOT plans to move forward with long-range planning initiatives such as a Facilities Master Plan or a Comprehensive Plan Update in 2026-2027, neighborhood block parties should be considered for a way to reach and receive authentic feedback from residents.*
- **Advisory Board Onboarding Packets:** Staff is working on developing onboarding packets for all three boards: Planning Commission, Historic Advisory Board, and Main Street Board of Directors.
- **Permit Document Updates:** Staff is updating permit documents and creating a one-stop shop informational packet to streamline the permitting process.
- **Strong Towns Workshop Series:** The Planning Commission participated in Strong Towns workshops on 08/20/2024 and 09/03/2024. More information can be found on the Town's website under Community Development and Planning Commission. Additional PC training will be researched to help prepare them for a potential comprehensive plan update.

May 12, 2026

The Clerk's / Finance report reflects updates provided by individual Staff members.

Hannah

Allison

- I attended a CAMCA (Colorado Association for Municipal Court Administration) training. This was a two-day training; I attended one full day.

Michelle

- Mary with the Elizabeth Chamber has provided two sponsorships for the town. One is the Town Board, and the other is for the Main Street Board. The board will be provided with a booth at no cost for the Meet Me on Main Street Event and the town logo will be in the advertising. The Main Street Board logo will be in the advertising. I have signed the board up for a booth space. The event is on June 6th from 8:30 am to 3:00 pm. Please mark your calendars to man the booth.
- I will be attending the IIMC (International Institute Municipal Clerks) Conference from May 16th to 21st. I am then staying to take a bit of vacation time. I will return to the office on May 28th. Allison will be clerking the May 26th Board Meeting.
- A Trail of Christmas Lights could be a collaborative initiative that both communities continue to build upon. This could include forming a team to capture drone footage showcasing each town for marketing purposes, as well as developing a holiday lights viewing map highlighting the best displays in Kiowa and Elizabeth—essentially a guide to the top places in our communities to enjoy Christmas lights. This partnership could serve as a fun and engaging addition to the Town's Annual Christmas Light Contest. The Board may wish to consider whether they would like to move forward with this concept. Staff would appreciate direction on this.
- The Town Birthday Bash and Movie Night have been scheduled for Saturday, September 19. Due to concerns raised about holding the event on a Friday night at the high school, the date was adjusted to better accommodate the school and students.