

**TOWN OF LYONS,  
COLORADO**

**ORDINANCE 1072**

**AN ORDINANCE OF THE TOWN OF LYONS, COLORADO AMENDING SECTION 17-14-10,  
WATER RIGHTS DEDICATION REQUIREMENTS FOR ANNEXATION**

**WHEREAS**, pursuant to Article XXV of the Colorado Constitution, the Town of Lyons Board of Trustees ("Board") has the authority to establish and operate municipal utilities serving the Town of Lyons ("Town") and pass rates, rules, and regulations governing the operation of those municipal utilities; and

**WHEREAS**; pursuant to C.R.S. Section 13-15-103 the Town has the authority to make and publish ordinances; and

**WHEREAS**, pursuant to that power the Board previously enacted Article 3, Chapter 13, of the Lyons Municipal Code ("LMC") entitled "Water Services" establishing a water utility; and

**WHEREAS**, the Town purchases wholesale water for resale from The City of Longmont ("Longmont"); and

**WHEREAS**, the purchase of water by the Town from Longmont is governed by the Intergovernmental Agreement Between the Town of Lyons and the City of Longmont Concerning Water Treatment originally authorized pursuant to Resolution 2003-19 and which has been amended over time ("the IGA"); and

**WHEREAS**, the IGA requires a water rights dedication by the Town for each new water tap in the Town; and

**WHEREAS**, the IGA and the LMC control the types of water rights accepted by the Town for dedication; and

**WHEREAS**, pursuant to Resolution 2019-31, the Board authorized the Third Amendment to the IGA which allows for the dedication of shares in the Lake McIntosh Reservoir Company when the dedication serves the purposes of "Affordable Housing," "Commercial Development," or "Economic Development Opportunities" as those terms are defined by the IGA; and

**WHEREAS**, the LMC currently allows the dedication of "irrigation company" shares, but does not specifically allow for the dedication of "reservoir company" shares, and clarification is desirable as to whether "reservoir shares" may be dedicated; and

**WHEREAS**, the Board referred the issue of updating the water rights dedication requirements to incorporate reservoir company shares to the Utilities and Engineering Board ("UEB") pursuant to LMC Section 2-2-170; and

**WHEREAS**, the UEB recommended that the Board adopt new standards for water rights dedication to incorporate reservoir company shares and specifically Lake McIntosh Reservoir Company Shares ("the Ordinance") and as reflected in Exhibit A attached hereto; and

**WHEREAS**, it is in the best interests of the public health, safety, and welfare that the Ordinance amending water rights dedications be passed and enactment of accompanying amendments be made; and

**WHEREAS**, The Board has conducted a public hearing to consider evidence and testimony concern to the requirements for water rights dedications, and other proposed changes to Article 14, Chapter 17 of the LMC thus providing adequate opportunity for interested residents and customers to be heard.

**THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF LYONS, THAT:**

**Section 1.** The recitals set forth above are incorporated as if set fully forth herein.

**Section 2.** Article 14 of Chapter 17, Section 10 is hereby amended from the previous Article 14 of Chapter 17, Section 10, to read in full as follows:

Sec. 17-14-10. - Water rights dedication requirements for annexation.

(a) **General Provisions:** Before any land is annexed to the Town, there shall be conveyed, transferred or assigned to the Town a water right or quantity of water that will yield annually to the Town, in the judgment of the Board of Trustees after review and recommendation by the Town's Water Attorney, an amount of water as herein required based upon the type of land use proposed, the potential amount of water to be consumed and the area of the land to be annexed. The water to be transferred shall be subject to the following general provisions:

(1) Such rights shall be represented by stock in a duly recognized and existing ditch company, stock in a duly recognized and existing reservoir company, by ownership of units of Northern Colorado Conservancy District water, or by ownership of such direct flow contract rights as may be attached to the land and recognized by the courts through a valid adjudication of an existing water right that, in the opinion of the Town, are capable of being transferred and used by the Town. The Town may place conditions on acceptance of water rights in order to meet economic or housing goals. For example, stock in the Lake McIntosh Reservoir Company may be accepted by the Town provided that all approvals that are necessary for Town to use water available from such shares has been obtained and that the shares are dedicated for the purposes of "Affordable Housing," "Commercial Development," or "Economic Development Opportunities" as those terms are defined in the Intergovernmental Agreement Between the Town of Lyons and the City of Longmont IGA, as may be amended from time to time, and as shall be determined by the Town in its sole discretion.

**Section 3. Code Revisions.** Because this Ordinance revises an entire Section of the Lyons Municipal Code, minor changes such as the format, numbering, and other such changes may be necessary to unify the revised code. The Town Clerk is hereby authorized to make such changes provided that neither the intent of this Ordinance nor substantive content is altered.

**Section 4. Severability.** Should any one or more sections or provisions of this Ordinance enacted hereby be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

**Section 5. Repeal.** Any and all ordinances, resolutions, or codes, or parts thereof, which are in conflict or inconsistent with this ordinance are repealed, to the extent of such conflict or inconsistency exists. The repeal of any such ordinance, resolution, or code or part thereof, shall not revive any other section or part of any ordinance, resolution, or code provision. This repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance or code hereby repealed prior to this ordinance taking effect.

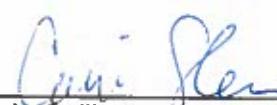
**Section 6. Codification of Amendments.** The codifier of the Town's Municipal Code, Municipal Code Corporation, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of Sections 2 and 3 of this Ordinance within the Lyons Municipal Code.

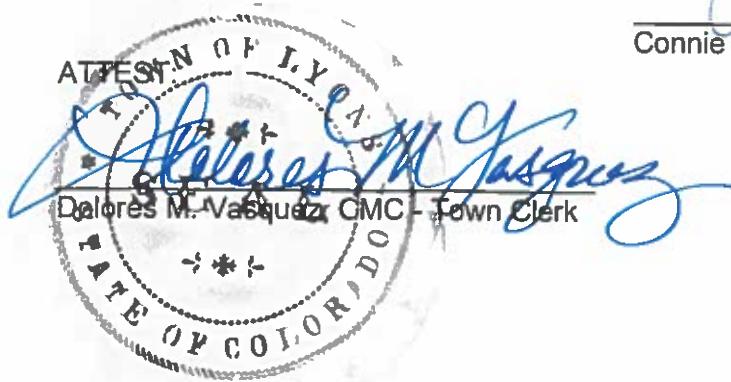
**Section 7. Effective Date.** This Ordinance shall become effective thirty (30) days after publication following final passage in accordance with Section 2-2-160 of the Lyons Municipal Code.

INTRODUCED AND PASSED ON FIRST READING THIS 6<sup>th</sup> DAY OF January 2019.

INTRODUCED, AMENDED, PASSED, ADOPTED AND ORDERED PUBLISHED ON SECOND READING THIS 21<sup>st</sup> DAY OF January 2019.

TOWN OF LYONS, COLORADO

  
Connie Sullivan, Mayor



Attachments: Exhibit A - Redline Changes to Code

## EXHIBIT A

Sec. 17-14-10. - Water rights dedication requirements for annexation.

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