

Paragraph III. 7 of the Town of Ridgway Annexation Guidelines and Policies adopted as part of the Towns Mater Plans is amended to read as follows:

III. Annexation Criteria

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7.

- (A) The Town will require dedication of water rights or fees in lieu of dedication commensurate with future water demands on the property. The Town's water rights diverted from Beaver Creek, which are the primary source for its potable water system, could be susceptible to a call under certain conditions during dry years. Additional property should not be annexed into the Town unless accompanied by water rights, or payments in lieu thereof, which can be used to insure that the annexation will not exacerbate this situation. Water rights, currently available on lands which may be proposed for annexation in the future, should be retained for conveyance to the Town for this purpose upon annexation.
- (B) The Town expects that any water rights used on the property proposed for annexation or available for use thereon as of December 1, 2008, shall be available for conveyance to the Town as a term of the pre-annexation agreement. In the event that such rights are not available for conveyance to the Town the proposed annexation may be rejected unless other water rights of equal usefulness to the Town are conveyed to the Town or the Town accepts a payment in lieu thereof in an amount at a minimum equal to the greater of the value of the unavailable water rights, the amount of any proceeds that may have been obtained from selling such rights, or such other amount as the Town deems necessary, to help insure an availability of an adequate water supply for the property to be annexed.
- (C) The Town shall evaluate the usefulness of any such water right for use at the Town's treatment plant, for use as part of the Town's non-potable water system or use as a supply of irrigation water for any development on the property proposed for annexation, or for other uses.
- (D) For those proposed additions, which do not have any available water rights, a payment in lieu will be required in an amount, adequate at a minimum, to purchase augmentation water from the Ridgway Reservoir at the present value thereof.

Adopted by the Ridgway Town Council this 11th day of February, 2009.

Pat Willits, Mayor

Attest: Pam Kraft, Town Clerk