

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE NORTH WELD COUNTY WATER DISTRICT

Held: Monday, the 13th day of March, 2023, at 8:30 A.M.

The meeting was conducted via teleconference.

ATTENDANCE

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Tad Stout, President
Scott Cockroft, Secretary
Matthew Pettinger, Assistant Secretary
Anne Hennen, Assistant Secretary

Brad Cook was absent and excused.

Also present were Eric Reckentine, General Manager of the District; Zachary P. White, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, District general counsel; Garrett Mick, North Weld County Water District; Scott Holwick, Lyons Gaddis, District special counsel; Jamie Cotter, Spencer Fane, District special counsel; George Oamek, Headwaters Corp; Richard Raines and Jan Sitterson, Water Resources; Stephanie Elliott; Stantec Consultants; Stephen Gagliardi, Town of Severance Liaison; Kris Pickett and Mark Dadey, Severance South; Greg Ciecil, Golden Eagle; Katherine Winn, Collins, Cole, Flynn, Winn & Ulmer; Derek Hoffmeister and Ed Gasup, Free Range Management; members of the public.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order at 8:30 A.M.

Declaration of Quorum and Confirmation of Director Qualifications

Mr. Stout noted that a quorum for the Board was present and that the directors had confirmed their qualification to serve.

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest

Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided WHITE BEAR ANKELE TANAKA & WALDRON with notice of potential or existing conflicts of interest, if any, were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Board

had any additional disclosures of potential or existing conflicts of interest about any matters scheduled for discussion at the meeting. All directors reviewed the agenda for the meeting and confirmed that they have no additional conflicts of interest in connection with any of the matters listed on the agenda.

Approval of Agenda

Mr. Reckentine presented the Board with the agenda for the meeting. Upon motion of Mr. Pettinger, seconded by Ms. Hennen, the Board unanimously approved the agenda.

**CONSENT AGENDA
MATTERS**

Mr. Reckentine presented the Board with the consent agenda items.

Upon motion of Ms. Hennen, seconded by Mr. Pettinger, the Board approved the following:

- a. Minutes from February 13, 2023, Regular Meeting (amended)
- b. Unaudited Financials for February 2023
- c. Invoices through March 13, 2023
- d. Wild Wing Pond Temporary Construction Easement
- e. Newt III Easement Acquisition – Kaltenberger (Nunc Pro Tunc)
- f. Edge Energy Oil and Gas Mineral Lease

**Stantec SCTWP Expansion
Evaluation**

Ms. Elliott from Stantec presented to the Board regarding a preliminary study to expand the Soldier Canyon Treatment Plant. No action was taken.

**Severance South Master
Meter Conceptual
Discussion**

Mr. Pickett presented to the Board regarding a request to enter a master meter agreement with the District to serve Severance South. Mr. Reckentine advised the Board that District staff has requested additional information to evaluate the proposal. The Board requested Mr. Pickett submit the additional requested information to the District for review in relation to required easements and master meter analysis and other matters relevant to the proposed development.

**Consider Approval of
Agreement Regarding the
Pleasant Valley Pipeline
Projects**

Mr. Reckentine presented to the Board a Sedimentation Basin Cost Share IGA related to the Cameron Peak and High Park Fire ash and sediment collection. The District will pay a proportionate share of costs at 2013-dollar amounts. Following discussion, upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously approved the IGA.

**a. Sedimentation Basin
Cost Share IGA**

**b. Monroe Canal IGA
NPIC Maintenance**

Mr. Reckentine presented to the Board an IGA re Monroe Canal maintenance. The District will pay a proportionate share of maintenance costs of the Monroe Canal in order to reduce losses of water in the canal. Following discussion, upon a motion by

Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously approved the IGA.

**Consider Approval for
Development Review
Variance Request re
Hoffmeister – Red Barn
Project 38434 CR 13**

Mr. Hoffmeister presented to the Board regarding a request for variance for a fire mitigation tap to meet requirements of the Poudre Valley Fire Department. Mr. Reckentine reported to the Board that the District is not yet able to determine whether the District can meet the fire flow demands until the hydraulic model is completed and new development review is being conducted by the District. The Board requested additional information and tabled the discussion until a later time.

**Consider Approval of
Golden Eagle Non-Potable
Raw Water Dedication
Reduction**

Mr. Ciecil presented to the Board a request to the Board to count water stored in a nearby reservoir to meet the non-potable water dedication requirements to serve the Golden Eagle non-potable system.

Mr. Holwick reported to the Board regarding the information provided by the applicant to verify water storage and usage rights from the reservoir. The applicant will need to provide evidence of storage and water rights to the District for evaluation before any determination can be made.

No action was taken.

**NEWT III Easement
Acquisition Issues –
Easement Sharing
Agreement Larimer &
Weld Irrigation Ditch
Company**

Mr. White presented to the Board regarding easement sharing agreements that will be needed with the Larimer & Weld Irrigation Ditch Company. East Larimer County Water District is currently negotiating with the ditch company, and such agreements will be needed in the future between the District and ditch company. No action was taken.

**Smart Growth Policies
a. Residential Meter
Overuse Surcharge Policy

b. Residential Non-Potable
System Requirement Policy

c. Commercial Meter
Overuse Surcharge Policy**

Mr. Reckentine presented draft smart growth policies to the Board including a Residential Meter Overuse Surcharge Policy requiring residential customers to pay a surcharge for overuse, a Residential Non-potable System Requirement Policy requiring all new residential developments to include non-potable water systems; and a Commercial Meter Overuse Surcharge Policy requiring commercial users to pay a tiered surcharge for use above a maximum annual allowance amount.

No action was taken.

**Memorandum re
Candidate Forums and
Candidate Biographies on
District Website**

Mr. White presented to the Board regarding the option to host a candidate forum, and requests to directors to submit candidate statements for posting on the District Website. The Board determined not to hold a candidate forum. The Board directed legal counsel to provide candidates the opportunity to provide

candidate statements to be posted on the District Website. The Board also discussed establishing a physical ballot drop-off location and determined not to establish a physical ballot drop-off location.

PUBLIC COMMENT

Mr. Todd Bean addressed the Board and asked about a notification received regarding backflow protection and cross connection control and the status of WSSC adjudication.

Mr. Reckentine reported that that all landowners have complied with the letter request related to BPCCC testing. Mr. Holwick responded that the WSSC adjudication process is underway.

DISTRICT MANAGER REPORT

a. Tap Sales

Mr. Reckentine reported that zero taps were sold in February.

b. Letter to Town of Severance

Mr. Reckentine reported to the Board regarding a letter sent to the Town of Severance to clarify statements made about the District and an invitation by the Town Council to speak in their March 14, 2023 meeting. The Board determined not to attend the Town's meeting.

c. Adjustment to Plant Investment Surcharge

Mr. Reckentine reported that Headwaters Corp is studying the PI Surcharge amounts for future presentation to the Board.

d. Adjustment to Non-Potable Irrigation Rates

Mr. Reckentine reported that Headwaters Corp is studying non-potable rates for future presentation to the Board.

e. Harmony Interconnect Agreement Executed by All Entities

Mr. Reckentine reported that all Harmony Interconnect agreements have been executed by all parties.

f. Newt III Timberline Crossing

Mr. Reckentine reported the NEWT III Timberline Crossing is complete.

EXECUTIVE SESSION

Upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously determined to enter into executive session for the purpose of receiving legal advice and discussing matters subject to negotiation and strategy pursuant to § 24-6-402(4)(b) & (e), C.R.S. related to Litigation with Eagle View Farms, LLC, and Commercial Meter Overuse Surcharge Policy

No action was taken following the Executive Session.

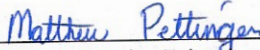
OTHER BUSINESS

Mr. Reckentine reported to the Board regarding backflow meter violation letters.

ADJOURNMENT

There being no further business to be conducted, the meeting was adjourned.

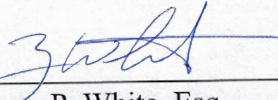
The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting



Secretary for the District

**Attorney Statement
Regarding Privileged Attorney-Client Communication**

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that in my capacity as the attorney representing the North Weld County Water District (the "District"), I attended the Executive Session on March 13, 2023, for the sole purposes of conferencing with the District's Board of Directors for the purpose of giving legal advice on specific legal questions and discussing negotiations with third parties as authorized by §§ 24-6-402(4)(b) and (e), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by § 24-6-402(4)(b), C.R.S., and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S.



Zachary P. White, Esq.

WHITE BEAR ANKELE TANAKA & WALDRON
General Counsel to the District