

RESOLUTION NO. 20201012-01

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
NORTH WELD COUNTY WATER DISTRICT**

AMENDING AMENDED AND RESTATED WATER DEDICATION POLICY

WHEREAS, on August 10, 2020, North Weld County Water District (the “District”) adopted Resolution No. 20200810-01, *A Resolution Adopting an Amended and Restated Water Dedication Policy* (the “Resolution”), which adopted the North Weld County Water District Amended and Restated Water Dedication Policy (“Policy”); and

WHEREAS, under the Resolution the District expressly reserved the right to amend the Policy in whole or in part, from time to time, in order to further the purpose of carrying on the business, objects and affairs of the District; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that it is necessary and in the best interest of the District to amend the Policy to address water dedication requirements for developers/owners with recorded exemptions and to allow for cash-in-lieu payments; and

WHEREAS, the Board has also determined that it is necessary to amend the Policy in order to address water dedication requirements for recorded exemptions approved by a County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AS FOLLOWS:

1. Pursuant to the findings set forth above, the Board amends section I, paragraph B.1 of the Policy to address recorded exemptions (underlined text to be added; ~~stricken~~ text to be deleted):

B. Projects in which a Water Service Agreement between the Owner/Developer and District was not executed as of September 13, 2020.

- i. Raw Water Dedication. The owner or developer shall transfer acceptable raw water rights to the District in satisfaction of one-hundred percent (100%) of the raw water requirements for such development project. The District will not accept cash payments in lieu of such raw

water dedication. Notwithstanding the foregoing, owners or developers purchasing a single tap from the District may make a cash-in-lieu payment to the District in lieu of making a raw water dedication, which cash-in-lieu payment shall be in accordance with the then applicable cash-in-lieu payment schedule adopted by the District, as may be amended from time to time. ~~The foregoing exception to dedication of one hundred percent (100%) of the raw water requirements for single tap purchases is not available for recorded exemptions approved by a County.~~ In the event a recorded exemption is approved by a County, owners and/or developers of such divided and exempted properties seeking more than a single tap are not eligible to ~~purchase single taps from~~ make a cash-in lieu payment to the District, and, therefore, are required to transfer the required raw water rights to the District in satisfaction of one-hundred percent (100%) of the raw water rights requirements as set forth in this paragraph.

2. The entire Policy, as amended by this Resolution, is attached hereto and incorporated herein as **Exhibit A**.

This Resolution and the amendment to the Policy shall be effective immediately. Except as specifically amended hereby, all the terms and provisions of the Policy shall remain in full force and effect.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

APPROVED AND ADOPTED THIS 12th DAY OF OCTOBER, 2020.



NORTH WELD COUNTY WATER DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

Gene Stille, President
President

ATTEST:

Scott A. [Signature]
Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

James D. [Signature]
Special Counsel to the District

Signature page to Resolution Amending Amended and Restated Water Dedication Policy

EXHIBIT A

NORTH WELD COUNTY WATER DISTRICT

AMENDED AND RESTATED WATER DEDICATION POLICY

I. Water Dedication Requirements

A. Projects in which the District has an executed Water Services Agreement with Owner/Developer as of September 13, 2020.

i. Development Requiring Less than 5-Acre Feet of Water. Any owner or developer of real property who has an executed Water Service Agreement with the District as of September 13, 2020, and who is requesting water taps requiring less than five (5) acre feet of water for a development project, whether on one (1) or more separate lots, tracts or parcels, shall, at its election, either (i) pay to the District a cash payment in lieu of dedication of raw water in accordance with the then applicable cash-in-lieu payment schedule adopted by the District from time to time or (ii) transfer acceptable raw water rights to the District in satisfaction of the raw water requirements for such development project.

ii. Development Requiring 5-Acre Feet or More. Any owner or developer of real property, whether acting alone or through one (1) or more Affiliates, who has an executed Water Service Agreement with the District as of September 13, 2020, and who is requesting water taps requiring five (5) acre feet or more of water for a development property, whether on one (1) or more separate lots, tracts or parcels, shall, at its election, either (i) transfer acceptable raw water rights to the District in satisfaction of the raw water requirements for such development project or (ii) transfer acceptable water rights to the District in satisfaction of seventy percent (70%) of the raw water requirements for such development project and pay to the District a cash payment in lieu of dedication of raw water in satisfaction of the remaining thirty percent (30%) of the raw water requirements in accordance with the then applicable cash-in-lieu payment schedule adopted by the District from time to time. For purposes of this Resolution, the term “Affiliate” shall mean any individual or entity that directly or indirectly through one (1) or more intermediaries controls or is controlled by or is under common control with another specified individual or entity.

iii. Cash-in-Lieu Payment Rate. The cash-in-lieu payment rate to be charged by the District in lieu of dedication of raw water shall be Fifty-Eight Thousand

Dollars (\$58,000.00) per Colorado-Big Thompson (C-BT) unit until further modified by the Board of Directors.

B. Projects in which a Water Service Agreement between the Owner/Developer and District was not executed as of September 13, 2020.

i. Raw Water Dedication. The owner or developer shall transfer acceptable raw water rights to the District in satisfaction of one-hundred percent (100%) of the raw water requirements for such development project. The District will not accept cash payments in lieu of such raw water dedication. Notwithstanding the foregoing, owners or developers purchasing a single tap from the District may make a cash-in-lieu payment to the District in lieu of making a raw water dedication, which cash-in-lieu payment shall be in accordance with the then applicable cash-in-lieu payment schedule adopted by the District, as may be amended from time to time. In the event a recorded exemption is approved by a County, owners and/or developers of such divided and exempted properties seeking more than a single tap are not eligible to make cash-in-lieu payment to the District, and, therefore, are required to transfer the required raw water rights to the District in satisfaction of one-hundred percent (100%) of the raw water rights requirements as set forth in this paragraph.

ii. Phased Approach. Dedication of raw water rights may be in a phased approach to be agreed upon in writing by the District and the owner or developer, and which shall be memorialized in a Water Services Agreement between the District and the owner or developer. No water taps for any phase of development shall be issued until the agreed upon raw water dedication has been made for the applicable phase of development.

C. Developers/Owners subject to Paragraph I.A Requirements May Opt-in to Paragraph I.B Requirements. Developers and owners subject to the raw water and cash-in-lieu dedication requirements set forth in paragraph I.A, above, may opt to be subject to the requirements set forth in paragraph I.B by submitting a written request to the District and entering into an amended Water Services Agreement with the District setting forth the new dedication requirements. Any District costs associated with the amendment to the existing Water Services Agreement shall be paid in full by the developer or owner.

II. General Requirements for all Water Rights Dedications

A. Water Rights Acceptable to District. Only those water rights determined to be acceptable by the District shall be eligible for use in satisfying the District's raw water requirements. Conversion factors for such raw water rights and the determination of the amount of water available for allocation from such raw water rights shall be within the sole discretion of the Board of Directors.

B. Transfer of Water Rights. Water rights dedicated to the District and assigned for use to a subdivision or other real property shall not thereafter be re-assigned to another subdivision or other real property without the prior written authorization of the District, which authorization shall be within the sole and absolute discretion of the Board of Directors. All water rights dedicated to the District shall be owned by the District and the person or entity dedicating such water rights to the District shall have no further ownership interest in the raw water rights.

C. Costs and Expenses of Water Dedication. All costs and expenses to dedicate water rights to the District to satisfy the raw water requirements of the District shall be paid by the person or entity required to dedicate the water rights to the District. All costs and expenses necessary to change such water rights so that they can be diverted and used by the District for potable and non-potable water use shall be paid by the person or entity required to dedicate the water rights to the District, or his, her or its successor in interest, by payment of all required Water Court transfer fees.

D. Overlapping Municipalities with Higher Water Dedication Requirements. Notwithstanding anything in this Amended and Restated Water Dedication Policy to the contrary, if a municipality overlapping with the District or the District's Service Area, as may be defined in any agreement between the District and the overlapping municipality, requires a higher amount of water dedication under its water dedication policies and/or under a water service agreement between the municipality and the District, then the owner/developer shall be required to dedicate such higher amount to the District.