

WATER & SEWER BOARD AGENDA

Wednesday November 17, 2021
2:00 p.m.

DISTRICT 6
ADMINISTRATION BUILDING
1025 9th Avenue
Greeley, CO 80631

1. Roll Call: _____ Chairman Harold Evans _____ Vice Chairman Mick Todd
_____ Mr. Fred Otis _____ Mr. Joe Murphy
_____ Mr. Tony Miller _____ Mr. Manuel Sisneros
_____ Mrs. Cheri Witt-Brown _____ Mayor John Gates
_____ Mr. John Karner _____ Mr. Roy Otto
2. Approval of Minutes
3. Approval of and/or Additions to Agenda
4. Welcome New Employees and Promotions

Consent Agenda

The Consent Agenda is a meeting management tool to allow the Board to handle several routine items with one action.

The Board or staff may request an item to be “pulled” off the Consent Agenda and considered separately under the next agenda item in the order they were listed.

5. Approval of First Amendment to the Agreement with the Water Supply Storage Company Permitting Storage at the Terry Ranch Aquifer
6. Resolution in Support of an Application for Federal Assistance from the U.S. Bureau of Reclamation’s WaterSMART Water and Energy Grant Program
7. Approve Water Bond Resolution and Recommend to Council
8. Approve Sewer Bond Resolution and Recommend to Council

End of Consent Agenda

9. 3rd Quarter CIP Report
10. Approve Non-Potable Development Policy and Recommend Associated Code Changes to City Council



If, to effectively and fully participate in this meeting, you require an auxiliary aid or other assistance related to a disability, please contact Shannon Metcalf at 970-350-9818.

11. Approve and Recommend to Council McWilliams' Farm Divestment
12. North Weld County Water District IGA for Temporary Infrastructure Use and Cost Sharing
13. Legal Report
14. Executive Session
15. Director's Report
16. Such Other Business That May Be Brought Before the Board and Added to This Agenda by Motion of the Board



If, to effectively and fully participate in this meeting, you require an auxiliary aid or other assistance related to a disability, please contact Shannon Metcalf at 970-350-9818.

**City of Greeley
Water and Sewer Board
Minutes of October 20, 2021
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:02 p.m. on Wednesday, October 20, 2021.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Fred Otis, Joe Murphy, Tony Miller, Manuel Sisneros, Cheri Witt-Brown, and Mayor John Gates

Water and Sewer Department staff:

Director Sean Chambers, Deputy Director Water Resources Adam Jokerst, Utility Finance Manager Erik Dial, Deputy Director Operations Nina Cudahy, Water Resources Manager Jennifer Petzelka, Water Resources Admin. III Leah Hubbard, Conservation Manager Dena Egenhoff, Civil Engineer I Ken Wallace, and Interim Office Manager Ettie Arnold

Legal Counsel:

Counsel to Water & Sewer Board Attorney Carolyn Burr, Senior Environmental and Water Resources Attorney Jerrae Swanson, Environmental and Water Resources Attorney Dan Biwer, Environmental and Water Resources Attorney Aaron Goldman

Guests: Finance Staff Ben Alexander, Sharon Dunn, Emeritus Board Member Robert Ruyle

2. Approval of Minutes

Mr. Murphy made a motion, seconded by Mr. Miller, to approve the September 15, 2021 Water and Sewer Board meeting minutes. The motion carried 6-0.

3. Approval of and/or Additions to Agenda

Item 7, changed from an action item to information item only.

Consent Agenda

4. Action: Approve Reimbursement Agreement for Wildfire Mitigation Rehabilitation Services with the Big Thompson Watershed Coalition

Recommended action: Approve Reimbursement Agreement for Wildfire Mitigation Rehabilitation Services with the Big Thompson Watershed Coalition.

Mr. Miller made a motion, seconded by Mr. Sisneros, to approve the item on Consent Agenda and the proposed recommended action. The motion carried 6-0.

End of Consent Agenda

Interim City Manager Raymond Lee joined the meeting at 2:09 p.m.

5. Pulled Consent Agenda Items

There were no items removed from the consent agenda.

6. Welcome New Employees and Promotions

Mr. Chambers provided an introduction of new Water and Sewer Department employees starting this month.

7. 3rd Quarter Water Court Update

Leah Hubbard, Water Resource Administrator III, presented an update regarding Water and Sewer Department's legal activities from July of 2021 through September of 2021. The review includes an update on Greeley's current Water Court cases and a summary of the Water Resources Division's legal expenses.

Jen Petrzelka left the meeting at 2:14 p.m.

8. Update to Board regarding the Infrastructure Intergovernmental Agreement with North Weld

The City of Greeley entered into an Intergovernmental Agreement (IGA) with North Weld County Water District (NWCWD) on February 5th, 2013 to allow for the City of Greeley to take over water service to Greeley's Long Range Expected Growth Boundary that is currently served by NWCWD. The IGA requires the City purchase pipeline infrastructure from NWCWD for locations to be served by Greeley.

Water and Sewer Staff provided an update regarding terms within the IGA submitted for Board's consideration now, Greeley and North Weld will also share the costs associated with the design, acquisition, construction, and installation of master meters, and other associated infrastructure, near the intersection of 35th Avenue and O Street and 59th Avenue and O Street.

9. Consideration of Resolution Opposing Changes to City Charter Session 2G & 2H

The resolution concerned the Water and Sewer Board's position on Ballot Questions 2G and 2H, and was included on the agenda by the Board on its own initiative. In accordance with the Fair Campaign Practices Act, there was no presentation or recommendation on this item from City staff.

Chairman Evans moved for approval of the Resolution upon reading it in its entirety. The motion carried 6-0.

10. Meter Replacement Project Update

Water and Sewer Department staff provided an update on project status and provide a summary of customer concerns and resulting corrective actions taken to date.

11. Legal Report

Statement of Opposition: Based on a review of the August, 2021 Water Court Resume, staff and water counsel recommend that the Board file a statement of opposition in the following case:

- a. Case Number: **21CW3125:** Application of Parker Water and Sanitation District for a finding of diligence for conditional water rights decreed in Case No. 03CW428 for the Parker Illiff Intake and Parker Powell Intake water rights (40 cfs combined). These structures and water rights are related to Parker's application in Case No. 19CW3253. We recommend filing a statement of opposition in order to better understand Parker's larger project.

Mr. Miller made motion, seconded by Mr. Murphy that the Board authorize the filing of a statement of opposition in Case No. 21CW3125 and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3-15. The motion carried 6-0.

12. Executive Session

No executive session took place.

13. Director's Report

- 2022 Bonds Update
- Non-Potable Policy Update
- 1041 Land Use Regulations

14. Such Other Business That May be Brought before the Board and Added to This Agenda by Motion of the Board

There were no additional items brought before the Board and added to the agenda.

Chairman Evans adjourned the meeting at 3:35 p.m.

Harold Evans, Chairman

Raymond Lee, Interim Board Secretary

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 4

TITLE: WELCOME NEW EMPLOYEES AND
 PROMOTIONS

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

Travis May; Distribution Maintenance Tech 1
Doug Talmadge; Distribution Maintenance Tech 1
Joshua Clinton; Distribution Maintenance Tech 1
Christopher Miller; Meter Technician
Sydney Phillips-Grace: Water Quality Tech
Ian McCormick: Reservoirs Maintenance Tech
Ettie Arnold; promotion to Office Manager

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X

NO ENCLOSURE

ITEM NUMBER: 5

TITLE: APPROVAL OF FIRST AMENDMENT TO THE
AGREEMENT WITH THE WATER SUPPLY
STORAGE COMPANY CONCERNING TERRY
RANCH AQUIFER STORAGE

RECOMMENDATION: APPROVAL OF FIRST AMENDMENT TO THE
AGREEMENT WITH THE WATER SUPPLY
STORAGE COMPANY CONCERNING TERRY
RANCH AQUIFER STORAGE

ADDITIONAL INFORMATION:

When the City changed 22.5 of their Water Supply and Storage Company ('WSSC') shares in 2010, they were required to enter into an agreement with WSSC ('Agreement Between the Water Supply and Storage Company and the City of Greeley') which described the means and locations of how and where the City would utilize their water rights under the WSSC system. The City is now pursuing a second change case of their remaining WSSC shares and would like to include the Terry Ranch aquifer recovery and storage project as a location of storage which requires an amendment to the original April 30, 2010 agreement. This amendment allows Greeley to divert, treat, and inject fully consumable WSSC water supplies into the Terry Ranch aquifer for storage and later use as needed. Specific locations for the injection facilities have not been determined at this time, therefore the amendment does not address those details.

**FIRST AMENDMENT TO AGREEMENT BETWEEN
THE WATER SUPPLY AND STORAGE COMPANY AND
THE CITY OF GREELEY**

This AGREEMENT is made effective as of the 14th day of October 2021, by and between the **City of Greeley, Colorado**, acting by and through its Water and Sewer Board ("Greeley"), and **The Water Supply and Storage Company** ("Company", "Water Supply", or "WSSC"), a mutual ditch corporation incorporated under and by virtue of the laws of the State of Colorado. WSSC and Greeley are sometimes collectively referred to as the "Parties" or separately as a "Party."

RECITALS

WHEREAS, Greeley and WSSC entered into an agreement titled "Agreement Between The Water Supply and Storage Company and the City of Greeley" dated April 30, 2010 ("Existing Agreement"), attached hereto as **Exhibit A**;

WHEREAS, pursuant to Paragraphs 1 and 1.a of the Existing Agreement and as relevant to this Agreement, the Parties agreed that Greeley may divert, take delivery, or both of the water represented by the Greeley's then-current and future shares of capital stock in WSSC for direct use, or for storage and later use, or by exchange, but only into or from reservoirs and direct-flow diversion structures listed in paragraph 1.a of the Existing Agreement;

WHEREAS, Greeley is pursuing an aquifer storage and recovery ("ASR") project, whereby Greeley would inject fully consumable water supplies into an underground aquifer to store for later use, and the Parties desire to amend the Existing Agreement to clarify that Greeley may store its current and future shares of capital stock in WSSC ("Greeley's Shares") in underground aquifers as further described below, in addition to the list of storage structures described in paragraph 1.a of the Existing Agreement; and

WHEREAS, the Directors of WSSC have determined that Greeley may divert, take delivery, or both divert and take delivery of the water represented by Greeley's Shares so long as such diversions or deliveries are implemented consistent with the Existing Agreement and this Agreement, and so long as such diversion and deliveries are made without injury to WSSC or its stockholders;

NOW THEREFORE, in consideration of the premises and the terms recited in this Agreement and the Existing Agreement, it is agreed by and between WSSC and Greeley as follows:

1. **Amendment to Paragraph 1.a of Existing Agreement.** The Parties agree that Paragraph 1.a of the Existing Agreement shall be amended to state as follows:
 - a. Greeley may divert and/or take delivery of waters available to Greeley pursuant to Greeley's shares of WSSC for direct use, for storage and later release, or by exchange, but only into or from the following listed reservoirs, aquifer storage and

recovery projects, and direct-flow diversion structures (and none other) as such reservoirs, projects, and structures may exist or in the future be constructed or enlarged from time to time (all structures located west of the 6th P.M., Larimer and/or Weld Counties, Colorado):

2. **Addition of new Paragraph 1.a.26 to Existing Agreement:** The Parties agree that Paragraph 1.a of the Existing Agreement shall be amended to add a new subparagraph 26, as follows:

26. Aquifer Storage and Recovery ("ASR"). Storage in the Upper Laramie Aquifer, as part of the "Terry Ranch Project," which is generally located in Townships 11 and 12 North, Range 67 West, and includes locations where Greeley currently has rights to nontributary groundwater, and additional locations where Greeley may acquire the right to conduct ASR operations from other owners in that vicinity. The water may be diverted from one or more of the points of diversion authorized in this paragraph 1.a, then treated as necessary, and delivered to the ASR facilities for injection, storage, and later withdrawal. The specific locations for the injection facilities have not been determined at this time.

3. **Administrative and Water Court Approval.** Greeley shall be solely responsible for obtaining any necessary administrative and/or Division 1 Water Court approval for use of Greeley's Shares in an ASR project.
4. **Existing Agreement Applies to the Water Represented by Greeley's Shares Diverted and Delivered to ASR.** This Agreement amends the Existing Agreement only to the limited extent described in paragraphs 1 through 3 of this Agreement. No other terms and provisions of the Existing Agreement are amended or otherwise altered by this Agreement. The terms and provisions of the Existing Agreement shall apply to Greeley's diversion and delivery of the water represented by Greeley's Shares to ASR as provided above, as if such structures were originally set forth on Paragraph 1.a of the Existing Agreement.
5. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute the agreement of the Parties.

IN WITNESS WHEREOF, the undersigned Parties have entered into this Agreement to be executed on the day and year first written above.

THE WATER SUPPLY AND STORAGE COMPANY

By: Keith Pomeroy
[INSERT NAME] President

ATTEST:

By: Heather Thiede
[INSERT NAME] Secretary

CITY OF GREELEY, COLORADO,
A Municipal Corporation Acting By and Through Its Water and Sewer Board

By: _____
Board Chairman

APPROVED AS TO SUBSTANCE:

By: _____
City Manager

By: _____
City Clerk

APPROVED AS TO LEGAL FORM:

AS TO AVAILABILITY OF FUNDS:

By: _____
City Attorney

By: _____
Director of Finance

RECOMMENDED:

By: _____
Director of Water and Sewer

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 6

TITLE: RESOLUTION IN SUPPORT OF AN
APPLICATION FOR FEDERAL ASSISTANCE
FROM THE U.S. BUREAU OF
RECLAMATION'S WATERSMART WATER
AND ENERGY EFFICIENCY GRANT
PROGRAM

RECOMMENDATION: APPROVE RESOLUTION IN SUPPORT OF
GREELEY'S APPLICATION TO THE U.S.
BUREAU OF RECLAMATION'S WATER AND
ENERGY EFFICIENCY GRANT PROGRAM

ADDITIONAL INFORMATION:

The Water and Sewer Department has prioritized replacing all water meters within its service area with new Advanced Metering Infrastructure (AMI) meters. AMI meters save water through increased accuracy and frequency of meter reads, enhanced leak detection, and the streamlined communications and monitoring capabilities. The Water and Sewer Department has replaced over 4,000 meters in 2021, funded in part by a 2019 award from the U.S. Bureau of Reclamation (USBR) for \$1.5 million.

In early November 2021 the Water and Sewer Department applied for an additional \$2 million in USBR grant funding through the WaterSMART Water and Energy Efficiency Grant Program for purchase and installation of an additional 11,193 AMI meters. The grant requires Greeley to cost match federal funds. Greeley budgeted approximately \$4 million for AMI meter replacement in 2022. Staff recommends that the Water & Sewer Board adopt the enclosed resolution in support of this grant application.



**City of Greeley Water & Sewer Department
Engineering Division**

Advanced Meter Infrastructure Project

**WaterSMART: Water and Energy Efficiency
Grants for Fiscal Year 2022
Grant Application
November 1, 2021**

PREPARED FOR:

Bureau of Reclamation Financial Assistance Support Section
Attn: Mr. Josh German P.O. Box 25007, 84-27133 Denver, CO 80225



PREPARED BY:

City of Greeley Water & Sewer, Engineering Division

Project Manager: Adam Prior, Chief Engineer
(970) 350-9875

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1001 11th Avenue, Second Floor
Greeley, CO 80631-3823

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TECHNICAL PROPOSAL AND EVALUATION CRITERIA

EXECUTIVE SUMMARY

Stewardship of precious water resources is a benchmark by which future generations will judge the City of Greeley's current citizens and water leaders. As a proactive step, in July 2020, the City of Greeley launched an Advance Metering Infrastructure Project (AMI Project) to install aging and inaccurate water meters. The AMI Project demonstrates the City's ongoing commitment to honor the call to water stewardship. As of October 2021, over 5,898 AMI meters have been installed in the Phases I and II Greeley's AMI Project.

Providing real-time water management capabilities has delivered around the clock vital water use and leak detection information to our customers and staff. Through the AMI Project, the City's residents and businesses has reduced water consumption, fixed leaks and resolved water issues. Popularity of the AMI Project has increased and customers are increasingly requesting new advanced AMI meters. Over 7,000 customers have signed-up for the City's WaterSmart software, which paired with AMI meters provides the City with the ability have a focused and data-driven approach in assisting customers manage their water use.

Using this initial momentum, Greeley is seeking a Phase IV AMI Project grant to expand the installation of advanced meters and allow wider adoption of water management software for our customers. Completion of Phase IV will cover 90 percent of all customers with AMI resources. The Phase IV Greeley AMI Project will convert the remaining 11,193 outdated meters (8,879 residential; 2,314 commercial/wholesaler purchaser accounts) to AMI meters equipped with advanced, wireless technology. The requested funds of \$2,000,000 cover costs to purchase the AMI meters to be integrate Greeley Water's Supervisory Control and Data Acquisition (SCADA) system.

This project delivers wide-spread benefits. It will:

- Provide the technology necessary to conserve water supplies: at least 475 acre-feet/year (AFY) in improved meter accuracy, 280 AFY in leak detection/elimination, and 392 AFY in water conservation, for a total savings of 1,146 AFY or 4.5 percent annually.
- Provide 24/7 real-time monitoring and alert capabilities that will detect high usage and leaks.
- Reduce pumping and treatment requirements associated with saved water, which will reduce energy usage and associated greenhouse gas emissions.
- Give Greeley's water customers safe, secure, real-time access to their water usage through an online customer portal. Accurate information allows customers to proactively partner with the City in its conservation efforts by monitoring and adjusting their personal usage—a feature that will be especially beneficial to commercial and landscape customers who have higher usage rates and thus, higher water bills.
- Deliver accurate metering of all water flows, potentially helping to reduce raw water purchases for lower rates overall.
- Positively impact public health by replacing existing meters, of which 67 percent contain lead.

Date | 10-25-2021

Applicant | Greeley Water & Sewer Dept., Engineering Division

City | Greeley

County | Weld

State | Colorado

Project Length | 3 years

Completion | Dec. 2025

On Federal Facility | No

- Lower overall water use, which will help to reduce new raw water purchases and scale down the size of future water resource infrastructure projects, saving the City significant costs and lowering water rates overall.
- Allow Greeley to meet or exceed Safe Drinking Water Act requirements to reduce finished water exposure to lead and prevent leaching of lead into drinking water supplies.
- Support the Bureau of Reclamation's (BOR) goals to manage, develop and protect water in an environmentally and economically sound manner.

Category Application | A

Project Manager | Adam Prior

Title | Chief Engineer, Greeley Water & Sewer Department

Phone | 970-350-9875

Email | Adam.Prior@greeleygov.com

Funding Group | Group II

Grant Funding Request | \$2,000,000.00

Non-Federal Matching Funds | \$5,526,964.84

Total Project Cost | \$7,526,964.84

Unique Entity Identifier | VJG3QJJKZ1X6



Water Supply The majority of future growth along Colorado's Front Range is projected to occur in northern Colorado, with Greeley's population by 2024 estimated at approximately 133,000. Along with significant growth comes significant water demand.

Greeley owns surface water rights in four major river basins—the Cache la Poudre River, Big Thompson River, Laramie River and Colorado River—and operates six water storage reservoirs year-round as part of its public drinking water system. The high mountain reservoirs are Barnes Meadow, Comanche, Hourglass, Milton Seaman, Peterson, and Twin Lakes. The reservoirs capture spring snowmelt, and water is released to meet Greeley's water demands.

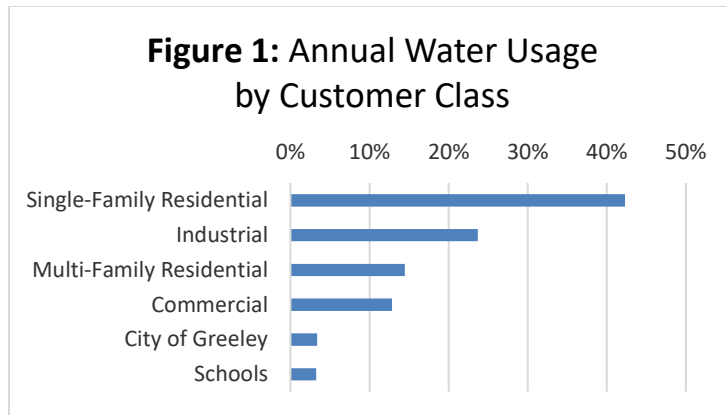
In 2021, Greeley has launched an innovative water supply and storage project that will allow further water sustainability. The Terry Ranch Project will serve Greeley water only in times of drought and is an aquifer storage and recovery project (greeleygov.com/services/ws/trp).

Situated in a semi-arid environment and recognizing the very real possibility that certain water supplies may dwindle or no longer be available

Greeley offers one of the most robust water conservation programs in Colorado. With just over 13 inches of rainfall per year, Greeley is considered a semi-arid climate, which means local water supplies are scarce and must be used prudently.

in as little as 10 to 15 years, the City of Greeley looks to this project to bolster water conservation and increase Greeley’s water sustainability.

Current Water Uses Greeley has a mixture of Residential, Industrial, Commercial, and Institutional (ICI) water users. Greeley also treats and delivers water to three nearby municipalities and rents water (10,000 to 20,000 AFY) to agriculture in adequate water years. Figure 1 shows the break down by customer class.



PROJECT LOCATION

The AMI Project is located in the City of Greeley, located at 40.4233°N, 104.709°W, in a region known as northern Colorado, approximately 49 miles north/northeast of Denver (see Figure 2). Greeley is the Weld County seat and the largest City in the county, with a population now exceeding 111,000 people. Total population served in 2020 was 149,512, which includes wholesale water-purchasing municipalities near Greeley. The City’s elevation is 4,658 feet above sea level. The City has a total area of 30,730 acres. Greeley’s long-range growth area adds an additional 27,599 acres to the City’s size.

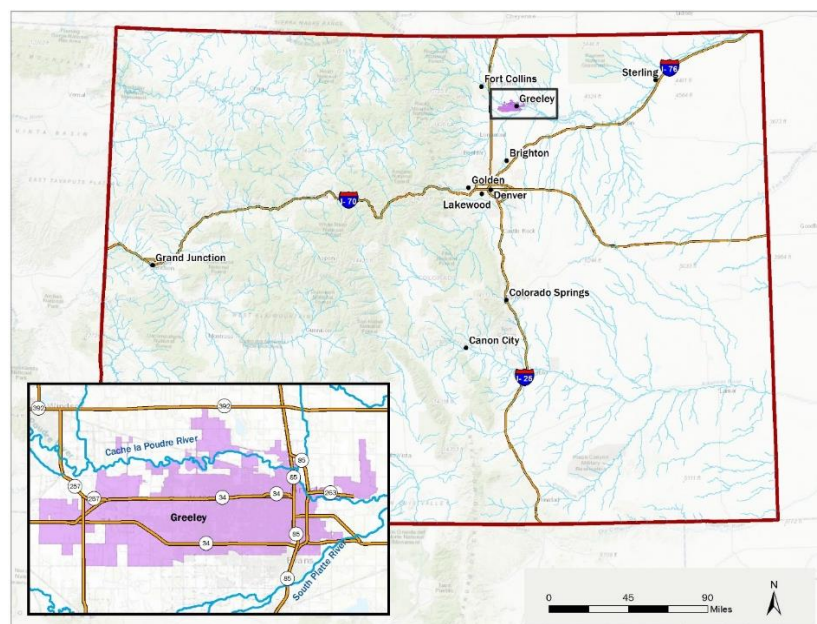


Figure 2: City of Greeley Location

TECHNICAL PROJECT DESCRIPTION

The AMI Project Phase IV will continue to enhance Greeley's water stewardship and conservation, with the planned project taking three years to implement. The proposed project timeline is from summer 2022 through December 2025. The City proposes to purchase and install 11,193 Badger E-series AMI meters (8,879 residential; 2,314 commercial/wholesaler purchaser accounts) and hire a third party contractor, such as UMS in Raleigh, NC, for installation services, project setup and initiation, and software integration.

The Phase IV AMI Project meters will allow 90 percent of existing residential, commercial, industrial, and water purchaser on AMI. From a previously installed AMI meters, the City has first-hand noticed the key benefits of AMI which include enabling water customers, particularly high water users, to monitor real-time water usage and allow the Greeley's Water Department to locate leaks in real-time. These benefits will promote an anticipated total 4.5 percent annually in water savings once all the new AMI meters are installed. These savings are enumerated in detail in the "Quantifiable Water Savings" section below.

EVALUATION CRITERIA

A. Quantifiable Water Savings

Describe the Amount of Estimated Water Savings *For projects that conserve water, please state the estimated amount of water expected to be conserved (in acre-feet per year) as a direct result of this project. Please include a specific quantifiable water savings estimate; do not include a range of potential water savings.*

Quantifiable water saving and improved water management have been shown when switching from standard volumetric meters to AMI smart meter. AMI meters provide real time, two-way communication electronically for both City staff and customers. With the Phases I and II AMI smart meters, the City has been able to mitigate water leaks and losses, improve water conservation techniques and educate customers on how to reduce water usage. AMI provides extra controls to manage water during water emergencies, shortages and droughts, and to enforce water conservation standards by existing City codes. By having additional access to real-time, daily meter readings (rather than once-per-month readings), the City estimates it can reduce non-revenue water by a significant amount (see below). Additionally, meter accuracy will significantly increase (from 0.5 to 0.1 gallons per reading), and operational staff time will become more available to enhance the existing leak detection program.

Given Phase I and II AMI rollout occurred just recently, there is limited data to conduct a pre- and post-statistical analysis. However, the City been able to use the current AMI data to quantify leaks as described below. The City has attempted to estimate the most accurate, reasonable, and conservative quantities of water that could be saved with the new 11,193 Badger Beacon AMI meter system. Assumption are described below in further details. In summary, Greeley believed is can save:

- Non-revenue water (meter accuracy)- **475 AFY**
- Improved leak detection- **280 AFY**
- Improved water conservation- **392 AFY**

The total water savings is 1,146 acre-feet per year or 4.5 percent annually.

Describe Current Losses

Please explain where the water that will be conserved is currently going and how it is being used. Consider the following: a. Explain where current losses are going (e.g., back to the stream, spilled at the end of the ditch, seeping into the ground)? b. If known, please explain how current losses are being used. For example, are current losses returning to the system for use by others? Are current losses entering an impaired groundwater table becoming unsuitable for future use? c. Are there any known benefits associated with where the current losses are going? For example, is seepage water providing additional habitat for fish or animal species?

Currently, Greeley's annual water demand on a rolling, five-year average is 8,242,510,000 gallons or 25,295 acre-feet. Treated sources of water loss include:

- Water seeping into soils surrounding distribution and customer piping;
- Water seeping into soils from over-watered lawns;
- Runoff from overwatering, which seeps into surrounding soils and eventually enters the South Platte River alluvial aquifer, and;
- Building sources, such as leaking toilets, which ends up in the City's wastewater collection/treatment system.

Table 1: Common Water Loss Examples		
Source	Rate	Total
Leaking toilet	0.5 gallons per minute (gpm)	21,500 gallons per month (gal/mo)
Drip irrigation	1 gpm	43,200 gal/mo
Garden watering	2 hours @ 5 gpm	18,000 gal/mo
Garden watering	2 hours @ 10 gpm	36,000 gal/mo
Unattended water hose	1 night (9 hrs.) at 10 gpm	5,400 gal/mo
Broken service lines	1 night (9 hrs.) @ 15 gpm	8,100 gal/mo
	1 day @ 15 gpm	21,600 gallons
	1 week @ 15 gpm	151,200 gallons
	1 month @ 15 gpm	648,000 gallons

Describe Support/Documentation of Estimated Water Savings

Please provide sufficient detail supporting how the estimate was determined, including all supporting calculations. Note: projects that do not provide sufficient supporting detail/calculations may not receive credit under this section. Please be sure to consider the questions associated with your project type (listed below) when determining the estimated water savings, along with the necessary support needed for a full review of your proposal. In addition, please note that the use of visual observations alone to calculate water savings, without additional documentation/data, are **not** sufficient to receive credit under this section. Further, the water savings must be the result of reducing or eliminating a current, ongoing loss, not the result of an expected future loss.

Three categories of water savings can be accomplished with the AMI Project.

- 1) Increase accuracy of meter readings (non-revenue water)
- 2) Improved leak detection
- 3) Improved residential water conservation.

Additional details are provided in the "Municipal Metering" section below.

1. Increase accuracy of meter readings (non-revenue water)

The existing City of Greeley meters are Badger Recordall Disc meters with an operating range of 0.5 to 25 gpm and a low-flow rate of 0.25 gpm. The proposed new AMI meter will be the E-Series Ultrasonic meter with an operating range of 0.1 to 32 gpm and an extended low-flow rate of 0.05 as shown on the attached meter data sheets. From the Journal of AWWA, the article *Apparent Losses Caused by Water Meter Inaccuracies at Ultralow Flows* discusses how water meters have inaccuracies in the low flow and high flow ranges that impacts non-revenue water and utility revenue. The article noted that approximately 16 percent of all domestic water consumption occurs in flows below 1 gpm indicting a water savings component with increase meter accuracy. The noted changes in accuracy from 0.5 to 0.1 gpm could impact low flow meter readings of approximately 4,047 ac-ft. (25,295 ac-ft. * 16%) of water each year.

Furthermore, based on the *Texas A&M AgriLife Research – Consideration for adopting AMI and AMR paper*, water loss is greatly reduced for utilities that have AMI features that notify of unauthorized use and meter tampering in real time which limit the severity of the major water loss. This is a non-estimated non-revenue water that could be reduced with the AMI meters. *San Jose Water – How AMI Systems Are Driving Water Conservation* noted that AMI data can also alert water utilities about suspicious changes in water use and trigger early response. This helps identify leaks in the distribution network before water even reaches a residence or commercial location. Most utilities estimate that 10 percent to 30 percent of distributed water is lost due to leaks before it even reaches customer meters. Within the water distribution system, AWWA's 2007 *State of the Industry* reported estimated losses at 10-20 percent throughout the nation.

The Greeley staff considered that current meter readings are taken once a month and have a low-flow range accuracy of 0.5 gpm that correlates to a reading every 43,200 minutes (1,440 minute per day * 30 days = 43,200 minutes/month). The new meters will take readings every 15 minutes and have a low-range accuracy of 0.1 gpm. This means that the City will now take an additional 2,880 readings per month (43,200 minutes/15 minutes). Each reading has an accuracy of ± 0.4 gallons, which corresponds to 1,152 gal per meter per month or 13,824 gallons per year (2880 x 0.4 gal/meter reading = 1,152 gal/meter/month = 13,824 gal/meter/year) not registered per meter. The City plans to replace 11,193 meters, resulting in 154,732,032 gallons not registered. **This potential increased accuracy of meters reading could result in a savings of 475 acre-feet of water each year.**

2. Improved leak detection

Over the last 14 years, the City has detected an annual average of approximately 10 residential leaks, detection of which is typically delayed for at least a month given the current monthly meter-reading schedule. Leaks in the irrigation system leak down rather than up and may go unnoticed until water surfaces or a large bill arrives. Toilets, sometimes referred to as silent leaks, may leak for months before a homeowner realizes. Within implementation Phase I and II AMI Project, Greeley's customers become more aware of leaks and began resolving them. Greeley will also be able to track residential leaks better and target customers with leaks more accurately and quickly. Because of AMI the city of Yakima, Washington needed to hire a full-time person to work with customers on leak detection.

Greeley considered the article *AWWA OpFlow – Savings Multiplied: Conserve Water and Energy to Maximize Efficiency, Reduce Emissions* that US households can waste an average of 11,000 gallons

annually from running toilets, dripping faucets, and other leaks. The *US EPA Statistics and Facts* estimates the average family can waste 9,400 gallons annually from household leaks. If the volume of 9,400 gallons of water could be conserved with AMI notifications to customers, the City of Greeley could potentially save 105,214,200 gallon each year or **322 ac-ft. per year on leaks alone**. (9,400 gallons x 11,193 AMI meters)

According to the *Journal of AWWA - Apparent Losses Caused by Water Meter Inaccuracies at Ultralow Flows* investigated residential water leaks and found that 21.9 gpd per residence of estimated indoor water use water waste because of leakage. Using literature value of 21.9 gpd x 365 days/year x 11,193 AMI meters would provide 89,471,245.50 gallons each year or **275 ac-ft. per year on leaks** as an example of different methodology.

Since Phases I and II of the AMI Project have been implemented, Greeley detected 328 leaks in the system from July 2020 to September 2021 from the 5,898 AMI meters installed equaling a 5.5 percent leak rate. A leak is determined automatically by the metering system whenever flow occurs continuously for longer than 24 hours. Based on Greeley's data leaks were approximately 80 percent minor (264/328) and 20 percent major (64/328).

Phase I and II AMI: Reported Leak Rates	
Leak Rate (GPH)	No. of Occurrences
<10	264
10 – 30	52
30 – 60	9
>60	3

Using Greeley's current AMI data, it is estimated that 622 customers will detect leaks with an additional 11,193 AMI meters (5.5% of 11,193 meters). Specifically for Greeley, 80 percent of leaks are defined as less than ten gallons per hour defining 498 customers with potential minor leaks (80% of 622 meters) and 124 customers with major leaks (20% of 622 meters). Without AMI, it would take a customer at least 30 days to discover a leak. From U.S. *Environmental Protection Agency (EPA) WaterSense – Water Efficiency Management Guide Bathroom Suite* defined a constantly running fill valve on a tank toilet as wasting between 0.5 to 3 gpm and therefore the City defined a minor leak as a rate of 0.5 gallons per minute resulting in **10,756,800 gallons per year or 33 ac-ft. in minor leaks** (0.5 gpm x 60 min/hr. x 24 hr./day x 30 days x 498 customers). Using the U.S. *Environmental Protection Agency (EPA) WaterSense – WaterSense at Work: Best Management Practices for Commercial and Institutional Facilities* defined a broken distribution line or service line as 15 gallons per minute and therefore the City defined this flow rate as a major leak that results in **80,352,000 gallons per year or 247 ac-ft in major leaks** (15 gpm x 60 min/hr x 24 hr./day x 30 days x 124 customers). **The City believes it can save a total of 280 acre-feet per year with leak improvements.**

3. Improved residential water conservation

Greeley as a water budget made up of four tiers (efficient, inefficient, excessive and unsustainable) to incentivize those who stay within their budget. Potential savings can be generated with the AMI Project as customers are able to monitor their use compared to their budget throughout the month. In drought situations, when customers are asked to decrease their water budgets by 20 to 80 percent, **a potential savings of 1,600-6,400 acre-feet per year could be generated**. Additionally, Greeley intends to add commercial, industrial and multi-family accounts to the water budget rate structure program in the future, which will result in even more savings through the AMI Project.

The AMI Project aligns with a number of State, regional and City best management practices targeting water conservation and curbing water losses through rates. Current water customers have their meters read monthly and wait at least 34 days to receive their water bill for that cycle. The project will eliminate these delays and provide immediate, 24/7 access to data regarding leaks and excessive water use. Accounting for water losses that are currently unable to be billed to clients due to inaccurate, outdated meters will help the City generate additional revenue.

The *Texas A&M AgriLife Consideration for adopting AMI and AMR* research paper states that AMI/AMR system improve conservation in two main ways. First is notification of both the utility and customers of major and minor leaks and atypical use patterns that can help reduce the volume of lost and waste water. Second, collecting data can offer customers greater access to detailed information of their use than previously possible. As part of the Phase I and II AMI Project, Greeley has launched its WaterSmart customer portal that has more than 7,000 account registered. Water Conservation Program and Utility Billing has teamed-up to support water conservation methods using AMI. The outdoor audit program is already booked one month in advance in 2022 with a majority of customers who are on AMI and understand their outdoor irrigation habitats are causing higher water consumption. From an internal water efficiency study, water audits conducted will save 9 acre-feet annual from the 1,476 customer audits conducted.

From literature review in AWWA Opflow, the article “*Detect Leaks and Conserve water with AMI*” highlighted the benefits by the City of Fountain Valley, California with the installation of an AMI system for 55,000 residential customers and thousands of commercial customers. A City of Santa Barbara AMI Business Case study by Westin Engineering, Inc. stated “The industry-standard water conservation savings estimate for AMI systems is 20% water demand reduction of 20% of customers.”

Fountain was able to reduce total water demand by 30% whereas Greeley estimated a total demand conservation of only 4% (20% water demand reductions in 20% of the customers). City staff is optimistic that more than 20% of customers will achieve water conservation savings from AMI, and perhaps overall savings will be higher. However, City staff feels that there will be a range of savings its customers will achieve (e.g., not all City customers will achieve a 20% savings), so the 20% demand reduction of 20% of City customers is a sound and conservative estimate for use in this business case analysis.

For Greeley water conservation (20 percent water use reductions in 20 percent of the customers) equates to approximately 392 AFY (25,295 AFY/28,902 customers x 20% water reduction x 20% of customers x 11,193 meters).

In short, Greeley believes it can save at least 1, 146 acre-feet per year with the AMI Project.

- Non-revenue water (meter accuracy)- **475 AFY**
- Improved leak detection- **280 AFY**
- Improved water conservation- **392 AFY**

Type of Infrastructure: Municipal Metering

Municipal metering projects can provide water savings when individual user meters are installed where none exist to allow for unit or tiered pricing, when existing individual user meters are replaced with advanced metering infrastructure (AMI) meters, and when new meters are installed within a distribution system to assist with leakage reduction. To receive credit for water savings for a municipal metering project, an applicant must provide a detailed description of the method used to estimate savings, including references to documented savings from similar previously implemented projects. Applicants proposing municipal metering projects should address the following:

- a. **How has the estimated average annual water savings that will result from the project been determined? Please provide all relevant calculations, assumptions and supporting data.**

Increased accuracy of meter readings (non-revenue water)

The existing City of Greeley meters are Badger Recordall Disc meters with an operating range of 0.5 to 25 gpm and a low-flow rate of 0.25 gpm. The proposed new AMI meter will be the E-Series Ultrasonic meter with an operating range of 0.1 to 32 gpm and an extended low-flow rate of 0.05 as shown on the attached meter data sheets. From the Journal of AWWA, the article *Apparent Losses Caused by Water Meter Inaccuracies at Ultralow Flows* discusses how water meters have inaccuracies in the low flow and high flow ranges that impacts non-revenue water and utility revenue. The article noted that approximately 16 percent of all domestic water consumption occurs in flows below 1 gpm indicating a water savings component with increase meter accuracy. The noted changes in accuracy from 0.5 to 0.1 gpm could impact low flow meter readings of approximately 4,047 ac-ft (25,295 ac-ft * 16%) of water each year.

Furthermore, based on the *Texas A&M AgriLife Research – Consideration for adopting AMI and AMR paper*, water loss is greatly reduced for utilities that have AMI features that notify of unauthorized use and meter tampering in real time which limit the severity of the major water loss. This is a non-estimated non-revenue water that could be reduced with the AMI meters. *San Jose Water – How AMI Systems Are Driving Water Conservation* noted that AMI data can also alert water utilities about suspicious changes in water use and trigger early response. This helps identify leaks in the distribution network before water even reaches a residence or commercial location. Most utilities estimate that 10 percent to 30 percent of distributed water is lost due to leaks before it even reaches customer meters. Within the water distribution system, AWWA's 2007 *State of the Industry* reported estimated losses at 10-20 percent throughout the nation.

The Greeley staff considered that current meter readings are taken once a month and have a low-flow range accuracy of 0.5 gpm that correlates to a reading every 43,200 minutes (1,440 minute per day * 30 days = 43,200 minutes/month). The new meters will take readings every 15 minutes and have a low-range accuracy of 0.1 gpm. This means that the City will now take an additional 2,880 readings per month (43,200 minutes/15 minutes). Each reading has an accuracy of ± 0.4 gallons, which corresponds to 1,152 gal per meter per month or 13,824 gallons per year (2880 x 0.4 gal/meter reading = 1,152 gal/meter/month = 13,824 gal/meter/year) not registered per meter. The City plans to replace 11,193 meters, resulting in 154,732,032 gallons not registered. **This potential increased accuracy of meters reading could result in a savings of 475 acre-feet of water each year.**

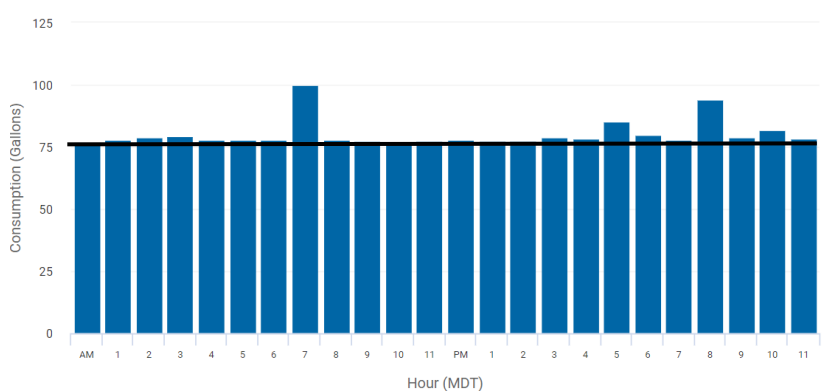
Improved leak detection

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unnoticed until water surfaces or a large bill arrives. Toilets, sometimes referred to as silent leaks, may leak for months before a homeowner realizes. Within implementation Phase I and II AMI Project, Greeley’s customers become more aware of leaks and began resolving them. Greeley will also be able to track residential leaks better and target customers with leaks more accurately and quickly. Because of AMI the city of Yakima, Washington needed to hire a full-time person to work with customers on leak detection.

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With Phase I and II AMI implemented, Water and Sewer along with Utility billing is experiencing customer interface with leak detections. Since September 2021, Water Conservation has been running weekly leak reports and alerting customers of leaks. For example, residential customer “A” below had a 77 gallon per hour leak. With the older meter read monthly, this leak would have resulted in a 55,400 gallon monthly loss. However, this outdoor leak was detected within seven days results in 12,936 gallons or only a 23 percent loss. Since then customer “A” engaged in the WaterSmart portal which provide text, voice and/or email alerts instantaneously which may have results in less than 1,848 gallon loss in the future.



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Improved residential water conservation

Since the 1900s, Greeley has had a strong conservation ethic as evidenced by being one of the first cities in Colorado to be fully metered and have a conservation plan in place. Furthermore, Greeley has had watering restrictions in place since the early 1900s. In 1997, a specific Water Conservation program started. Evidence of this robust Water Conservation Program is clear since **Greeley is the only utility in Colorado that has both a water budget rate structure and proposed water tap fees that promote water conservation.**

Greeley implemented a water budget rate structure that calculates an individual water budget for each resident. The water budget is based on the indoor and outdoor water needs specific to each single-family residence, including persons per household, any landscaped area around the house, and real-time weather data. During the non-watering season (November 1 – April 14), the total water budget is comprised only of indoor use; during the non-watering season (April 15 – October 31), both indoor and outdoor use make up the total water budget. The indoor budget is based on the number of people in a household (persons per household), with each person allocated 45 gallons per person per day, (gpcd) for every day of the year. Therefore:

$$\text{Indoor budget} = 45 \text{ gpcd} \times \text{persons per household} \times \text{number of days in billing period}$$

The outdoor budget is based on the actual water need of bluegrass (the “irrigation water requirement,” which is based on real-time Greeley weather) and the resident’s total “irrigable area” (in square feet), which is the total area of the non-pervious surfaces around the house. Although the irrigation water requirement (IWR) is based on water needs of bluegrass, it is more than adequate to sustain other plants and trees. The irrigable area includes rights-of-way, shrubs, and trees but excludes driveways, sidewalks, and rooftops. The IWR is calculated on a daily basis (in gallons per square foot), and every household is given the IWR for their water budget. Therefore:

$$\text{Outdoor budget} = \text{Irrigable area} \times \text{total IRW for each billing period}$$

A water budget is made up of four tiers (efficient, inefficient, excessive and unsustainable) to incentivize those who stay within their budget. Potential savings can be generated with the AMI Project as customers are able to monitor their use compared to their budget throughout the month. In drought situations, when customers are asked to decrease their water budgets by 20 to 80 percent, **a potential savings of 1,600-6,400 acre-feet per year could be generated.** Additionally, Greeley intends to add commercial, industrial and multi-family accounts to the water budget rate structure program in the future, which will result in even more savings through the AMI Project.

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have their meters read monthly and wait at least 34 days to receive their water bill for that cycle. The project will eliminate these delays and provide immediate, 24/7 access to data regarding leaks and excessive water use. Accounting for water losses that are currently unable to be billed to clients due to inaccurate, outdated meters will help the City generate additional revenue.

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Fountain was able to reduce total water demand by 30% whereas Greeley estimated a total demand conservation of only 4% (20% water demand reductions in 20% of the customers). City staff is optimistic that more than 20% of customers will achieve water conservation savings from AMI, and perhaps overall savings will be higher. However, City staff feels that there will be a range of savings its customers will achieve (e.g., not all City customers will achieve a 20% savings), so the 20% demand reduction of 20% of City customers is a sound and conservative estimate for use in this business case analysis.

For Greeley water conservation (20 percent water use reductions in 20 percent of the customers) equates to approximately 392 AFY (25,295 AFY/28,902 customers x 20% water reduction x 20% of customers x 11,193 meters).

- b. How have current distribution system losses and/or the potential for reductions in water use by individual users been determined?**

The current distribution system losses and/or potential for reductions in water use by all water customers is calculated as a percent difference between total metered water deducted from metered water produced by both water treatment plants. Greeley has also participated in annual M36 reporting requirements to further investigate system losses.

- c. For installing individual water user meters, refer to studies in the region or in the applicant’s service area that are relevant to water use patterns and the potential for reducing such use. In the absence of such studies, explain in detail how expected water use reductions have been estimated and the basis for the estimations.**

The Badger Meter Company has done several studies on actual water savings that followed municipal utilities installing advanced metering analytics in the City of Merced, CA (BEA-CS-02480-EN-01, July 2017); the Highway 71 Water District No. 1 in Alma, AR (BEA-CS-02420-EN-01, May 2017); and at the University of California–Merced (BEA-CS-01607-EN-01, May 2015).

The studies revealed the following benefits:

- Leaks were detected faster and more accurately.
- Non-revenue water loss was tracked daily.
- The new system was easily deployed and flexible. Increased operational efficiency and cost savings were realized by all three utilities.
- Reduced fleet trucks on the road and employee costs generated cost savings.
- Water savings enabled the utilities to hire new employees and replace older meters.
- Customers got leak notifications quicker than waiting for their bill and could respond faster.
- Customers easily accessed water usage via smartphone or tablet, which gave them direct insight into their water usage and knowledge needed to make habit changes.
- More detailed water usage information enabled each utility to proactively reach out to customers who may have an issue and quickly resolve billing questions.

Supporting resources for water savings due to increased meter accuracy

The article titled *Apparent Losses Caused by Water Meter Inaccuracies at Ultralow Flows* (*Journal of AWWA*) discusses how water meters have inaccuracies in the low- and high-flow ranges that impact non-revenue water and utility revenue. The article noted that approximately 16 percent of all domestic water consumption occurs in flows below 1 gpm. **The noted changes in accuracy from 0.5 to 0.1 gpm could impact low-flow meter readings of approximately 3,927 ac-ft (24,545 ac-ft * 16 percent) of water each year.**

Supporting resources for water savings due to improved leak detection

The article titled *Savings Multiplied: Conserve Water and Energy to Maximize Efficiency, Reduce Emissions* (*AWWA OpFlow*), indicates that U.S. households can waste an average of 11,000 gal/year through running toilets, dripping faucets, and other leaks. The U.S. EPA Statistics and Facts estimates the average family can waste 9,400 gallons annually from household leaks. If these 9,400 gallons could be conserved with AMI notifications to customers, the City of Greeley could potentially save 165,000,000 gallons each year, or 432 AFY, in small leaks alone.

Another paper by Badger Meter entitled *Beacon Advanced Metering Analytics (AMA) Powered By ORION Cellular Technology Increases Efficiency and Reduces Water and Energy Consumption for City of Merced, California* found that after the City of Merced installed a new Beacon AMA system that help detect leaks that were only losing 8.3 gpm which would historically go undetected for a month for a total water loss of 360,000 gallons.

In *How AMI Systems Are Driving Water Conservation* (San Jose Water), it was stated an AMI system can also alert water utilities about suspicious changes in water use and trigger early response. This helps identify leaks in the distribution network before water even reaches a residence or commercial location. Most utilities estimate that 10 percent to 30 percent of distributed water is lost before it even reaches customer meters due to leaks. In addition, *AWWA's 2007 State of the Industry* reported estimated losses at 10 to 20 percent in water distribution systems throughout the nation.

This level of leak detection savings is also supported through the paper *Detect Leaks and Conserve water with AMI (AWWA Opflow)*, which documented the results of the City of Fountain Valley, California, installing an AMI system for 55,000 residential customers and thousands of commercial customers. The City of Fountain found that improved accuracy and data of the new AMI system allow Fountain Valley to identify 35 small leaks per month (down from 35 leaks per week initially after AMI meters installed) after the initial installation of AMI meters. From correlating data from the current AMI data from Greeley, there are potential to 498 minor leaks and 124 major leaks. The article titled *Leverage AMI for Sustainability (AWWA OpFlow)* describes how AMI systems can be a fundamental conservation component by detecting and stopping leaks in multiple ways, including metered leak detection, district metering leak detection, and acoustic leak detection. The City of Greeley has averaged approximately 37 distribution leaks and 10 transmission leaks per year for the past 14 years (this number represents only leaks actually found and repaired). **If the City estimates that a major leaks are 15 gpm (very low and conservative) and flow for one month before repair, the loss could equate to approximately 247 AFY.**

Supporting resources for water savings due to improved water conservation

In 2015, the Water and Sewer Board, Greeley City Council and the Colorado Water Conservation Board approved an updated version of its *Water Conservation Plan* (WC Plan). The WC Plan includes existing audits, rebates, watering restrictions as well as new programs, like commercial and residential landscape code changes, water budget rate structure, WaterSmart customer portal, investigating AMI technology and turf reduction incentives for customers. The WC Plan update projects a water demand reduction of 1,820 acre-feet over a 20-year planning horizon.

The AMI Project dovetails seamlessly into the City's overall Water Conservation Program.

Since 2008, the Water Conservation Program evaluate and implemented a water-budget-based rate structure for each single-family residential customer, including information on each household's irrigated area and forecasted demand based on weather data. This empowered customer with information that would allow them to take an active role in monitoring and lowering their consumption (and in turn their water bills) through a water-budget-based rate structures. Part of the rate model includes targeted communication pieces to customers who regularly exceeded water budgets and flagging exceptionally high-water bills and users who grossly exceeded their water budget.

Integrating the AMI Project with the water budget rate structure will foster increased customer interaction and trigger improved water conservation by customers. The estimated conservation is supported by research completed by *Texas A&M AgriLife Research, Consideration for Adopting AMI and AMR*, which states that AMI/AMR systems improve conservation in two main ways—first, notifying both the utility and customers of major and minor leaks and atypical use patterns can help reduce the volume of lost and wasted water, and second, collecting data can offer customers greater access to detailed water use information than previously possible.

The same City of Fountain, California, study mentioned previously found that installing an AMI system reduced total water demand by 30 percent. Whereas Greeley estimates a total demand conservation of only 4 percent (20 percent water demand reductions in 20 percent of the customers). “The industry-standard water conservation savings estimate for AMI systems is 20 percent water demand reduction of 20 percent of customers.” (*City of Santa Barbara AMI Business*

Case, Westin Engineering Inc.) City staff is optimistic that more than 20 percent of customers will achieve water conservation savings from AMI, and perhaps overall savings will be higher. However, City staff feels that there will be a range of savings its customers will achieve (e.g., not all City customers will achieve a 20 percent savings), so the 20 percent demand reduction of 20 percent of City customers is a sound and conservative estimate for use in this business case analysis.

The article *AMA Implementation at Badger Meter Headquarters – Practicing What You Preach* (Beacon AMA), noted that after installing AMA or AMI meter system at the Badger Meter headquarters, the company detected leaks in a machine that was running water continuously, which equated to wasting 5,880 gallons per week. The City of Greeley has approximately 500 industrial and commercial high-intensity water users. **If each of these customers found one leak per year of the same size, the City could save approximately 469 AFY (5,880 gallons * 52 weeks/year * 500 customers).**

The article *Consideration for Adopting AMI and AMR* (Texas A&M AgriLife Research) describes research that found that non-estimated, non-revenue water is greatly reduced for utilities that have AMI features that notify of unauthorized use and meter tampering in real time.

- d. **Installation of distribution system meters will not receive points under this criterion. Accordingly, these projects must be paired with a complementary project component that will result in water savings in order for the proposal to receive credit for water savings, e.g., pipe installation using upgraded materials, or individual water service meters.**

Greeley will be upgrading individual water service meters. The Support/Documentation session provides additional details.

- e. **What types (manufacturer and model) of devices will be installed and what quantity of each?**

The City proposes to purchase and install 11,193 Badger E-series AMI meters and LTE-M cellular endpoints. The manufacturer and model of devices to be installed are listed below:

Equipment - AMI Meters, Cables, TTE Cellular Endpoint	Quantity
3/4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	8,879
1" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	1,045
1.5" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	646
2" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	474
3" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	69
4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	38
6" Badger Electromagnetic meter	25
8" Badger Electromagnetic meter	14
10" Badger Electromagnetic meter	1
12" Badger Electromagnetic meter	2
LTE-M Cellular Endpoint, Twist Tight	11,193

- f. **How will actual water savings be verified upon completion of the project?**

The estimated average annual water savings resulting from the AMI Project will be determined by subtracting metered water totals used by all water customers and water purchasers from the metered water produced totals from both water treatment plants. Actual water savings will be

verified from meter readouts using the Water Operations' SCADA software and the meter readouts from water treatment plants' produced water, and from the SCADA system, which will be linked during the software integration work to be done by UMS.

Savings from the AMI Project can also be verified by comparing the percent of water budgets that each resident uses year to year. With the ability to monitor use daily, it is expected that the percent of residents' water budgets used will decrease. For instance, a residence using 110 percent of its water budget on average would now have the ability to use AMI to alter water use habits. The water budgets were designed to be generous initially; accuracy will be narrowed over time as customers become more aware of their use and modify their habits accordingly.

B. Renewable Energy

Describe any energy efficiencies that are expected to result from implementation of the water conservation or water efficiency project (e.g., reduced pumping).

In 2004, Colorado voters passed the first renewable energy standard which highlights the water saving of renewables. Since then the Public Utilities Commission (PUC) have taken several actions including addressing emission and water through resource bids as a step in factoring externalities in resource planning. PUC also included a 10 to 20 percent renewable energy standard for municipalities by 2020 and 100 percent clean energy by 2050 for utilities serving 500,000 or more customers.

Water Conservation Programs is consistent with overarching goals of the New Energy Economy and future sustainability.

For water and sewer utilities like Greeley, majority of energy needs come from source and conveyance, treatment (water and wastewater treatment plants) and distribution mains (pump and lift stations). Greeley's source and conveyance system is 100 percent surface water driven and engineered as a gravity feed system requiring limited power need. High mountain reservoirs and conveyance systems utilize energy at instrumentation and SCADA systems locations. These instruments use solar panels as power supplies when feasible (months with no snow). Greeley's three treatment plants energy demands are significant to provide safe, reliable drinking water and protecting the environment during the wastewater treatment process. To offset Greeley's energy needs, all three treatment plants use solar energy. **In fact Greeley's three treatment plants exceed the PUC's renewable goal with 20-39 percent of energy needs based on renewable solar energy.** Greeley's distribution mains uses engineering methods to maximize gravity when feasible. Given the topography and relative location of the treatment plants, pump and lift stations are needed for water and wastewater conveyances. However the most effective way to reduce energy use and greenhouse gas emission in the distribution stage is by fixing system leaks. Water that is lost carries with it all the energy that it took to get to that point (from source, treatment and distribution mains). Saving water will truly save energy. In *Aspen Colorado's 2008 Environmental Sustainability* report, their aggressive main pipe leak detection program, reduced its water use to just 25 percent of its record high usage and decreasing peak demands.

To leverage Greeley's AMI investment beyond just water meter readings, the **City has been and will continue to utilize the daily data to detect anomalies, proactively respond to leaks and manage our water system more strategically such as long-term peak shifting objectives** as discovered in the Aspen report. With the combined use of WaterSmart software and AMI smart meters, Greeley has and will continue to target individual homes and businesses infrastructure not only for water saving but improve human behaviors toward water and energy. Applications like AMI meters and WaterSmart

customer portal software have proven to have a direct change on human behavior by either customers having control of the water consumption with data and analysis, and/or social norms marking tools to foster water conservation behavioral changes and social sustainability. A combination of infrastructure and human behaviors determine both water and energy consumption.

Greeley is updating the *Water Conservation Plan* around AMI data using a triple bottom line approach (economic, environmental, and social) which will allow new ways to connect water and energy programs. In 2022, the *Water Conservation Plan* will be updated and will look at utility partnerships on water and energy conservation to increase in efficiency program participation to save resources, improve customer satisfaction, and potentially lower costs as outline in the *2013 Western Resource Advocates Conservation Synergy report*. Greeley acknowledges Colorado's focus on the federal Weatherization Assistance Program and the State's Energy Saving Partners program to merge the Governor's Energy Office and Colorado Water Conservation Board objectives and seek to gain additional sustainability with water and energy.

With Greeley's Water Conservation program as being one of the largest programs in the state with an annual budget more than \$500,000, the program seeks cooperative opportunities to encourage the adoption of water-energy nexus. Since 2008, the Water Conservation Program has provided approximately 230 residential irrigation audits per year and issued 1,650 toilet rebates and 2,223 washer rebates. From 2013-2020, the Water Conservation Program has served 4,857 Greeley water customers with indoor and outdoor rebate, audits and incentives. Upgrading water-efficient devices such as faucets, showerheads and toilets correlates to energy savings.

1. If quantifiable energy savings is expected to result from the project, please provide sufficient details and supporting calculations. If quantifying energy savings, please state the estimated amount in kilowatt hours per year.

A water-energy demand side management is a challenge to determine. From the *2021 Water Energy Nexus AMI pilot final report (ET17PGE8171)* from California onsite household electric or gas use statistically did not reduce with AMI water meters but did results in the reeducation of individual household water use and indirect energy use from water delivery. Therefore, Greeley will focus on energy-water nexus savings through electric generation at the water/wastewater facilities and the distribution system. Greeley has two Water Treatment plants (Bellvue and Boyd Lake) and one Wastewater Treatment Plant. Using a three-year average from 2018-2020, the following chart provides the electricity consumed per acre-feet of water treatment.

	Electric Consumed (kWH)	Treatment (AFY)	Water/Wastewater Services (kWH/AFY)
Bellvue	1,395,402	19,849	70
Boyd Lake	633,299	5,843	108
Wastewater Plant	7,448,781	7,873	946
Total	9,477,482	33,565	1,125

Greeley estimates with AMI technology a total water savings of 1,146 AFY from:

- Non-revenue water (meter accuracy)- **475 AFY**
- Improved leak detection- **280 AFY**
- Improved water conservation- **392 AFY**

The three water saving categories were distributed between water treatment and wastewater treatment energy demands. For instance, non-revenue water is through to be 100 percent linked to the water treatment energy demands but improved leak detection and water conservation water savings is a proportion linked between water and wastewater energy demands. It is assumed that 70 percent of water savings will be distributed to water treatment energy demands and 30 percent as wastewater treatment demands based on water treatment totals (*i.e.* 25,692 AFY water treatment/ 35,565 AFY total treatment). In turn, this would allocate 945 AFY ($475 \text{ AFY} + 0.7(280+392 \text{ AFY})$) toward water treatment energy needs and 201 AFY ($0.3(280+392 \text{ AFY})$) towards wastewater treatment energy demands.

To ensure Greeley's estimates were reasonable, it was compared to the *Watts in a Drop of Water: Saving at the Water-Energy Nexus* November 2014 American Council for an energy-Efficient Economy white paper and the *Water Conservation=Energy Conservation a report for the Colorado Water Conservation Board* 2009.

Source	State	Year	Water services (kWh/million gallons per year)		
			Source and conveyance	Treatment	Distribution
CEC	CA	2005	0–14,000	100–16,000	100–1,200
EPRI	USA	2002	300–1,824		
ISAWWA	IL	2012	218–12,890 (range for all utility sizes) 1,560–2,912 (range of group means)		
	IN	2012	1,981–2,198 (range for three utilities)		

Sources: Klein et al. 2005 (CEC), Goldstein and Smith 2002 (EPRI), ISAWWA 2012 (ISAWWA)

Based on this assumption, the estimated water treatment energy savings is 168,210 kilowatt hours per year ($178 \text{ kWh}/\text{AFY} \times 945 \text{ AFY}$) and waste water treatment is 190,146 kilowatt hours per year ($946 \text{ kWh}/\text{AFY} \times 201 \text{ AFY}$). **The AMI Project could result in saving 358,356 kilowatt hours per year from water and wastewater treatment.**

Three distribution pumps were considered for energy demands and savings. These included the Boyd Lake pumps (operating from April to October only), Mosier pump station and Zone 4 pump station.

The Boyd Lake Water Treatment plant (Boyd Lake) is required to pump water to Greeley while in operations from April to October each year and is considered a peaking plant (limited seasonal operation). This plant has a capacity for 38 million gallons per day (MGD) and the Bellvue Water Treatment plant (Bellvue) has a capacity of 35 MGD. Any savings of water will reduce the pumping of approximately 52% (38 MGD divided by 73 MGD) of the saved water while the Boyd Lake plant is operational (6 months each year). **This results in an estimated energy savings of approximately 99,719 kilowatt hours per year from the Boyd Lake pumps.**

Water is also pumped into the City's zone 3 and zone 4 by the Mosier pump station and the Zone 4 pump station. These two pump stations pump approximately 30% of the City water year around. Any water savings can reduce pumping in these two stations by approximately 121,559 Kilowatt's (KW) per year. **The total estimated energy savings of reduced pumping throughout Greeley is 121,559 kilowatt hours per year from the Mosier station and Zone 4 pumps.**

The AMI Project could results in a total of 579,634 kilowatt hours annually saved from:

- Water and Wastewater Plants: 358,356 kilowatt hours
- Pumps: 221,278 kilowatt hours

2. How will the energy efficiency improvement combat/offset the impacts of climate change, including an expected reduction in greenhouse gas emissions.

Colorado's changing climate presents a broad range of challenges. Future estimates project temperatures rising an additional 2.5 to 5°F by 2050. With increased temperatures comes shifts in local weather and impacts to energy demands. Greeley has a long tradition of beneficial use of water coupled with early conservation policies going back to the early 1900's resulting in a balance built environment that provides both the ecological benefits of landscaping, such as shade, which mitigates "heat island" effects and lowers the reduced water on groundcover. From the article *2021 Scientific Journal-- When small is not beautiful: The unexpected impacts of trees and parcel size on metered water-use in a semi-arid city* indicates a higher ratio of vegetation cover to parcel size tended towards less water consumption when the landscape is shaded. Shade from trees are key in both offsetting impacts of climate change, reduction in greenhouse gas emissions, and saving water. Also based on *Landscaping for energy conservation: Fact Sheet No. 7.225* from the Colorado State University Extension, effective landscaping can reduce summer cooling bills by 50 percent or more and winter heating bills by up to 25 percent. Reeducation of winter heat loss is caused by the reduction of wind velocities near the building. This, in turn, reduces the pressure difference between the inside and outside of the building, leading to a reeducation of heat loss by as much as 50 percent on cold windy days.

Greeley was designated a "Tree City USA" by the Arbor Day foundation in 1980 and the 2060 Comprehensive Plan included a policy to maintain this designation. The University of Northern Colorado in Greeley achieved the designation of "Tree Campus USA" in 2013, showcasing Greeley's investment in irrigated landscapes. In 2016, a Water Efficiency Tactical Team (WETT) was formed with the goal of developing conservation strategies to reduce outdoor watering at non-essential turf/high water use City parks and open space landscapes. Greeley's interdepartmental group have formed a partnership documented in the *Landscape Policy Plan for Water Efficiency*. This document provides the foundation and detailed goals and policies for the City to further advance efforts in the areas of education, regulation, and incentives which maintains Greeley's existing quality landscape and urban forest. Water and Sewer has budgeted and used funds to support the WETT's efforts. Greeley's Forestry department also implements the Plant the Shade program supplying low cost or free trees to residents who volunteer.

With the installation of AMI meters, customers, for the first time, are seeing first-hand their irrigation water demands. Homeowners have consulted the Water Conservation Program for guidance on how to reduce water consumption while maintaining their landscaping. The Water Conservation Program, in turn, is increasing efficiency improvements and offsetting climate change through a rebate program called Life After Lawn which incentivizes homeowners and practitioners to design, install, and maintain water-efficient landscapes. In 2021, over 70,000 square feet of non-essential turf has been replaced with water-efficient ecological positive habitats. These design elements include shaded landscapes since the Water Conservation

Program understands the long-term water and energy saving benefits to the homeowners and the environment.

3. **If the project will result in reduced pumping, please describe the current pumping requirements and the types of pumps (e.g., size) currently being used. How would the proposed project impact the current pumping requirements and energy usage?**

The Boyd Lake Water Treatment plant (Boyd Lake) is required to pump water to Greeley while in operations from April to October each year and is considered a peaking plant (limited seasonal operation). This plant has a capacity for 38 million gallons per day (MGD) and the Bellvue Water Treatment plant (Bellvue) has a capacity of 35 MGD. The Boyd Lake plant operates five 800 horsepower (hp) vertical turbine pumps with a discharge pressure of 56 to 135 psi (depends on flow rates) and average of 95 psi. Any savings of water will reduce the pumping of approximately 52% (38 MGD divided by 73 MGD) of the saved water while the Boyd Lake plant is operational (6 months each year). **This results in an estimated energy savings of approximately 99,719 kilowatts per year.**

Water is also pumped into the City's zone 3 and zone 4 by the Mosier pump station and the Zone 4 pump station. The Mosier pump station has three centrifugal pumps with hp ranges from 25 to 100 and two vertical turbine pumps with 300 hp. The Mosier pump station also has four centrifugal pumps with hp ranges of 200 to 300 and five vertical turbine pumps with hp ranging from 1 to 150. These different pumps has the pressure range of 82 to 130 psi and an average of 101 pressures. These two pump stations pump approximately 30% of the City water year around. **Any water savings can reduce pumping in these two stations by approximately 121,559 kilowatts per year.**

The total estimated energy savings of reduced pumping throughout Greeley is 221,278 kilowatts per year.

4. **Please indicate whether your energy savings estimate originates from the point of diversion, or whether the estimate is based upon an alternate site of origin.**

As mentioned above, energy savings estimates are based on energy data from two water treatment plants and one wastewater plant and the distribution system. The two water treatment plants are the point of diversion for water source and the wastewater plant is the point of release.

5. **Does the calculation include any energy required to treat the water, if applicable?**

Correct, the calculation includes energy to treat raw water and wastewater effluent.

6. **Will the project result in reduced vehicle miles driven, in turn reducing greenhouse gas emissions? Please provide supporting details and calculations.**

The AMI Project would eliminate the need for field customer service representative to drive through the service area to collect meter readings each weekday, resulting in an estimated fuel savings of 450 gallons per year along reduction of truck maintenance (oil changes, tires, etc.). In addition, the water conservation team members have been able to resolve customer leaks or water consumption questions with AMI data without a need for an on-site audit. With over 250

audits annually, estimated fuel savings is 100 gallons per year. **The total fuel savings is estimated at 500 gallons per year.** Using the *EPA Greenhouse Gas Equivalencies Calculator* (www.epa.gov/energy/greenhouse-gas-equivalencies-calculator) **an estimated 4.9 metric tons annually of greenhouse gas emissions would be eliminated and would therefore reduce Greeley's carbon footprint.**

7. **Describe any renewable energy components that will result in minimal energy savings/production (e.g., installing small-scale solar as part of a SCADA system).**

Greeley is renewable energy conscious through leasing of City properties with installed solar arrays at three Water and Sewer Department facilities including Bellvue Water Treatment Plant, Boyd Lake Water Treatment Plant, and the Wastewater Treatment Plant.

The Water Treatment Plants uses solar energy as a renewable energy source. Solar fields provides an estimated 20-26 percent of the plant's energy needs for the Boyd Lake Plant and 30-39 percent for the Bellvue Plant. Greeley continues to be energy smart by upgrading the plants with LED lights.

The Wastewater Treatment Plant uses both solar energy and biogas as renewable energy sources. A 0.5Mw solar field provides an estimated 10-15 percent of the plant's energy needs. In addition, biogas generated in the anaerobic digesters is used to heat two boilers. These boilers are used in a heat exchange loop to heat the digesters in order to maintain them at the required temperatures needed for the digestion process. Using the biogas produced by the Wastewater Treatment Plant off-sets the amount of natural gas needed for the same process. In 2011, the facility received the Xcel Energy Custom Efficiency Achievement Awards for reducing energy costs.

C. Sustainability Benefits

This criterion prioritizes projects that address a specific water and/or energy sustainability concern(s), including enhancing drought resilience, addressing the current and future impacts of climate change, and resolving water related conflicts in the region. In addition, this criterion is focused on the benefits associated with the project, including benefits to tribes, ecosystem benefits, and other benefits to water and/or energy supply sustainability.

Enhancing Drought Resiliency

1. **Does the project seek to improve ecological resiliency to climate change?**

Indirectly, water saving through the AMI Project provides controls for raw water demands resulting in improved ecological resiliency. Specifics are the following:

- **Instream Flows:** Less municipal demands by the City will allow for increased flows for aquatic habitat and downstream environmental uses from the four river basins. Additionally, water pursuant to ownership in the Greeley Irrigation Company (GIC) are released to the river between April 15th and October 31st providing additional ecological benefits. GIC company shares are primarily used for non-potable irrigation at this time and the AMI meters will decrease unnecessary outdoor water use.
- **Drought controls:** The AMI Project will be a critical improvement necessary to control water use during drought conditions and allows Greeley to enforce the 2021 Drought Emergency Plan. According to *EPA's 2021 Using Advanced Metering Infrastructure in Water Quality Surveillance and response System*, AMI is a surveillance component that can generate data and alerts that indicate system tampering and minimize consequences. The Drought

Emergency Plan allows water usage in a budget that would incrementally decrease at higher drought level years and encourage increased water conservation efforts through landscape conversions. In drought situations, when customers are asked to decrease their water budgets by 20 to 80 percent, a potential savings of 1,600-6,400 acre-feet could be generated.

Urban Forestry and Landscapes: AMI is a water conservation technique. As customers become aware of their irrigation use, AMI data is used to reinforce water conservation methods and landscape alternatives.

2. **Will water remain in the system for longer periods of time? If so, provide details on current/future durations and any expected resulting benefits (e.g., maintaining water temperatures or water levels).**

With decreased demand, especially during the hot summer months, municipal water will remain within the City of Greeley's storage facilities for longer. Currently, the City maintains a drought level of all reservoir storage, but water levels fluctuate within each reservoir. By decreasing water use the reservoirs will stay at a higher level, benefiting wildlife habitat surrounding the reservoirs, maintaining water temperatures and dissolved oxygen demands for aquatic species. These reservoirs include six High Mountain Reservoirs on Federal Land as mentioned in the Executive Summary above.

The City also owns previously mined gravel pits for storage and direct releases to meet return flow obligations to the South Platte River, known as Poudre Ponds. With decreased use by municipal customers, less return flow obligations will be required on the river and Poudre Ponds will maintain higher storage levels. The City currently operates a Fishing is Fun grant with the Division of Wildlife. The Poudre Ponds complex is designed for recreational space for the general public, and increased fish habitat along the Poudre River. With stream sustainability in mind, Greeley has planned water releases from the Poudre ponds between July and the end of September within the Poudre River to provide additional instream flows which in turns maintain water temperatures and stabilize dissolved oxygen demands for aquatic habitat. Additionally, other water rights in the system are released to the Poudre River between prime aquatic habitat needs of April 15th and October 31st, annually.

3. **Will the project benefit species (e.g., federally threatened or endangered, a federally recognized candidate species, a state listed species, or a species of particular recreational, or economic importance)? Please describe the relationship of the species to the water supply, and whether the species is adversely affected by a Reclamation project or is subject to a recovery plan or conservation plan under the Endangered Species Act (ESA).**

Within the Greeley area, there are eight endangered species:

- Preble's Meadow Jumping Mouse (Threatened)
- Eastern Black Rails (Threatened)
- Piping Plover (Threatened)
- Whooping Crane (Endangered)
- Pallid Sturgeon (Endangered)
- Monarch Butterfly (Candidate)
- Ute Ladies' tresses (Threatened)
- Wester Prairie Fringed Orchid (Threatened)

The Greeley area also hosts ten migratory birds that are protected under the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act. Greeley is specifically involved in the Platte River Recovery Implementation Program (PRRIP) through the Colorado wing known as the South Platte Water Related Activities Program (SPWRAP). Greeley sits on the SPWRAP Board and is committed to retiming flows in the South Platte River for the Pallid Sturgeon, Whooping Crane, and Piping Plover habitat in Nebraska.

The AMI Project will not adversely affect these species but in fact enhance habitat, water savings and the ability to control instream flows. In addition, as mentioned under Other Project Benefits, water conservation programs like Life After Lawn increases habitat for birds and Monarch Butterflies. Through the AMI Project and water saving, less municipal demand by the City will result in less diversions to storage, potentially allowing for increased flows to the South Platte River which will benefit the Platte River endangered species. Greeley also relies on Colorado-Big Thompson (C-BT) water as a municipal supply. The AMI Project will allow the curbing of customer use in drought restrictions. By decreasing C-BT supplies it will aid in the protection of Colorado River endangered species such as Humpback Chub and Razorback Sucker.

4. Please describe any other ecosystem benefits as a direct result of the project.

Since the initiation of the Phase I and II AMI Project, the Water Conservation Program have noted increased customer care inquires mainly due to irrigation habitats. Customers are stocked by the volume of water needed for irrigating traditional turf. As part of the *Landscape Policy Plan for Water Efficiency*, a sub-element of the *Greeley 2060 Comprehensive Plan*, retrofitting or preventing non-essential turf with naturalized or native plants is a key talking point with customers. Because of the AMI data increases customer interaction/education, the Water Conservation Program has noted increase outdoor water audit participation and increase interest in the Life After Lawn rebate program. Life After Lawn incentivizes customer to retrofit non-essential turf with water-smart xeric landscapes. Outdoor water audits are currently scheduled for three month during the irrigation season in 2022.

Alternative water smart landscapes will increase water-efficiency, reduce noise and carbon pollution from lawn mower exhaust, and provide local habitat for birds, bees, and insects. With 75 percent of our crops relying on pollinators, creating food in an urban habitat improves ecological resiliency even during drought conditions (www.ree.usda.gov/pollinators).

5. Will the project directly result in more efficient management of the water supply? For example, will the project provide greater flexibility to water managers, resulting in a more efficient use of water supplies?

The ability to efficiently manage water supplies is enhanced by the AMI Project. The Water Resources Division is currently relying on customer usage data based on monthly readings. As part of Greeley's robust water efficiency, a water resources Integrated Water Management Resource Plan (IWRP) is in the process of being updated this year. The IWRP coordinates the sources and users of water for effective and efficient local water management through modeling. Greeley's future IWRP will be based on scenarios such as climate change, population and industrial growth, water use, the prioritized risks and uncertainties and regional conditions. The AMI meters on the customer end will allow better calculations of water production versus the end use and provide realistic parameters for the IWRP. Because of AMI data, the City will be

able to better model demand forecasts with climate-adjusted forecasts for different future conditions.

In addition, as mentioned above, water losses within the system are an important aspect of water management. This allows the City to identify and fix additional losses in the system. By reducing user end use, water can be stored for instream flow and habitat management.

According to the *FEMA Fact Sheet: Climate Resilient Mitigation Activities Aquifer Storage and Recovery*, FEMA is encouraging communities to incorporate methods to mitigate the impacts of climate change into eligible Hazard Mitigation Assistance funded risk reduction activities on Climate Resilient Mitigation Activities. One such method would be to expand ecosystem service benefits and drought mitigation activities is Aquifer Storage and Recovery (ASR). In 2021, Greeley has launched an innovated ASR project that will further water sustainability. The Terry Ranch Project will serve Greeley water only in times of drought and is an ASR project. Since ASR is subsurface storage technology, it is more resilient and protected than more traditional reservoir storage techniques and would decrease the surface water withdrawals during a drought thus protecting surface ecosystems further.

Addressing a specific water and/or energy sustainability concern(s).

1. **Explain and provide detail of the specific issue(s) in the area that is impacting water sustainability, such as shortages due to drought and/or climate change, increased demand, or reduced deliveries.**

Northern Colorado's water supplies and our resource resiliency are being tested by wildfire and climate change, drought, economic growth, and municipal demand hardening impacts.

- **Wildfire and Climate Change:**

The state's two largest wildfires on record, the Cameron Peak Fire (2020) and East Troublesome Fire (2020), impacted more than 400,000 acres of critical watershed serving Northern Colorado communities and agriculture. Watersheds, Greeley's most fundamental infrastructure, have been vastly impacted, adding the responsibility to lead recovery efforts and more uncertainty to our adaptive management of the snowpack and runoff. These wildfires were aggressive and destructive on a scale not seen previously; they were fueled by bark beetle killed forests, drought, dry vegetation, and prolonged heat from August into October and November. Additionally, increased temperatures are driving ET demand higher in the watersheds and in our service area.

- **Drought:**

Several severe droughts since 2002 have impacted the region and shown to have prolonged impacts. While the past two years have been average or above average snowpack for the Northern Colorado mountains, the drought and systemic shortage in the Colorado River basin stands to have lasting impact on Northern Colorado and its communities. Northern Colorado Municipalities, led by Greeley, are coordinating with the Colorado Water Conservation Board and Interbasin Compact Committee on how to support the Drought Contingency Plan and considerations for a Demand Management program.

In 2021, City of Greeley produced an update to its drought response action plan, and the City is currently updating its IWRP to meet future climate and drought challenges.

- **Economic Growth:**

Northern Colorado has a robust and growing regional economy that has flourished from our agricultural roots. Irrigated agriculture, municipal and industrial users are all heavily reliant on Upper Colorado River water from the Colorado Big Thompson Project (C-BT).

Economic growth has transferred more than 90 percent of C-BT units from agriculture into municipal ownership, and that has diminished the regions drought reserve or surplus water that could transfer into municipal use in a prolonged severe drought.

- **Municipal Demand Hardening:**

Demand shift from potable to non-potable further hardens potable supply needs. Because high quality water suitable for drinking is in short supply, municipal systems have made large investments to convert large outdoor irrigated areas to non-potable raw water from agricultural irrigation ditches.

Greeley continues to mitigation of these risks through collaborative efforts within Northern Colorado and beyond. Greeley has partnerships with other utilities, conservation districts, irrigation companies, local, state and federal entities to collaboratively address the complexities in the management and operation of the local watersheds. Greeley's efforts are designed to reduce further risks and protect water supplies for public health and safety.

2. **Explain and provide detail of the specific issue(s) in the area that is impacting energy sustainability, such as reliance on fossil fuels, pollution, or interruptions in service.**

Northern Colorado is one of the fastest growing regions in the nation. Between 2010 and 2020 the region grew by 700,000 people ([Major growth in Northern Colorado shown by 2020 Census \(lestel-meade.com\)](#)). This has caused increased traffic congestion, energy consumption, and fossil fuel usage. Northern Colorado has also experienced interruptions to both the water and energy sectors due to two extreme fire events. The 2020 East Troublesome and Cameron Peak fires impacted energy service to Estes Park during the fires. In the aftermath, municipalities had to trade water when the river water quality was poor due to sedimentation and runoff. These fires have been a lesson in increasing energy grid resiliency to a warmer and drier future and community collaboration in sustainability practices.

3. **Please describe how the project will directly address the concern(s) stated above. For example, if experiencing shortages due to drought or climate change, how will the project directly address and confront the shortages?**

The AMI Project provides a boost to water management responses during water shortages. AMI meters provides extra controls to manage water during water emergencies, shortages and droughts and enforce water conservation standards by existing City codes (*Title 20, Chapter 3, Article III Division 4*). In drought situations, when customers are asked to decrease their water budgets by 20 to 80 percent, **a potential savings of 1,600-6,400 acre-feet per year could be generated.** To help conserve water resources, there is no watering from 10 am to 6 pm in Greeley. Data from the AMI meters quickly identifies customers who are not participating and will provide Greeley with the ability to alter personal behaviors with direct communication and evidence.

Enforcement of water restrictions without smart meters required considerable personnel expense, as someone has to physically inspect the site. The AMI meters would eliminate this need and expedite water saving responses.

In addition, the AMI data would be able to increase Greeley's ability to model water resources more accurately with the IWRP. With this AMI Project, 90 percent of Greeley would be on AMI meters.

4. **Please address where any conserved water as a result of the project will go and how it will be used, including whether the conserved water will be used to offset groundwater pumping, used to reduce diversions, used to address shortages that impact diversions or reduce deliveries, made available for transfer, left in the river system, or used to meet another intended use.**

AMI will allow the City to better use what water it already has before needing to seek new water resources, in turn, will increase water reliability and security for Greeley water customers, and benefit other water users and river ecology in Northern Colorado. For example, implementing AMI-related savings could offset the planned purchase of agricultural water and associated drying of agricultural lands. Protecting the area's agricultural production and heritage is a primary focus of the City. Further, reducing water losses and increasing customer conservation through AMI could allow Greeley to reduce future river depletions, which could translate to increased flows that benefit river ecology and morphology downstream. Further, conservation through AMI could reduce the need for and size of future planned water storage reservoirs and plant upgrades. Reservoir projects often have multiple environmental impacts; therefore, reducing customer use could translate to fewer environmental impacts.

The AMI Project will also help address water reliability issues from drought situations and effects from climate change that could decrease the reliability of storage supplies and surface water rights. With a decrease demand and increase water savings through AMI, more water is available to maintain or increase storage levels. This water can help support the City through multi-year droughts or be rented to agriculture. With less production at the plant, more water can remain in storage for later use, and surface flow rights can be sent downstream to meet return flow obligations or to agriculture for irrigation. More water in storage for future years means more water available for agriculture.

5. **Provide a description of the mechanism that will be used, if necessary, to put the conserved water to the intended use.**

Clearly, a growing population requires more water; however, less water is available due to hydrologic conditions (change in snowpack and drought derations) and increased use of water rights in the Cache la Poudre, Big Thompson, Colorado and Laramie River basins. In addition, competition over the Colorado River has increased significantly—and more than 40 percent of Greeley's water supplies come from the Colorado River. Rather than putting the conserved water to new use, the water conservation attributable to the AMI Project will decrease Greeley's reliance on, and competition for, these limited water resources.

6. **Indicate the quantity of conserved water that will be used for the intended purpose(s).**

As calculated above, water conservation from the AMI Project will result in reduced raw water demand of approximately 1,146 AFY.

Other project benefits

Combating the Climate Crisis: E.O. 14008: *Tackling the Climate Crisis at Home and Abroad*, focuses on increasing resilience to climate change and supporting climate resilient development. For additional information on the impacts of climate change throughout the western United States, see: <https://www.usbr.gov/climate/secure/docs/2021secure/2021SECUREReport.pdf>. Please describe how the project will address climate change, including the following:

1. Please provide specific details and examples on how the project will address the impacts of climate change and help combat the climate crisis.

The AMI Project unearths the hidden benefits which follows the intent of the 2009 SECURE Water act by assessing changes to water supplies, monitoring and mitigating water risks for public health and safety, and implementing water conservation strategies to combat droughts and climate changes.

AMI data provided Greeley with the tools to coordinate and collaborate with customers and wholesale groups using the best available technology to monitor, analyze, and provide water supplies during all environmental conditions. A major conservation method is Greeley's water budgets which is based on persons per household, irrigable area of each property, and current evapotranspiration methods. With AMI meters, customers can track their water budget through their WaterSmart software and adjust to meet the need of local codes, criteria, and standards during normal to drought conditions and stay within their designated water budget. AMI allows Greeley to monitor, track efficiencies, and make adjustment quickly to counter act water demands and droughts.

In addition, AMI data provides the Water Conservation Program with a data-driven approach. As increased temperatures and longer growing seasons are projected with climate change, Greeley's water conservation is focused on methods to tackle increased evaporation and potential irrigation water requirements in the future. A prime conservation program is eliminating non-essential turf through the Life After Lawn program. This program incentivizes homeowners and practitioners to design, install, and maintain high quality water-efficient landscapes by removing non-essential turf for water smart xeric landscapes. Kentucky bluegrass (traditional turf) and maintenance (fertilization/mowing) increase greenhouse gas emissions that contribute to global warming and thus climate change (Bartlett, and James, 2011: *A model of greenhouse gas emissions from the management of turf on two golf courses. Science of the Total Environment. 409:1357-1367*). Customers AMI data will provide measurements needed to calculate water savings, and in turn, provide data-driven results needed to secure funding to increase this programs acreage. The 2022 Life After Lawn goal is to eliminate 3.5 acres of non-essential turf and to reduce water irrigation by 20 percent.

2. Does this proposed project strengthen water supply sustainability to increase resilience to climate change?

The EPA, through the Climate Change Adaptation Resource Center (ARC-X) has provided adaptation strategies to inform and assist utilities in identifying potential alternatives to increase climate change resiliency. One key strategy is to model and reduce irrigation water demand. As shown above the AMI Project will decrease outdoor irrigation demands through leak detection, customer education, and conservation management practices. Another strategy is through water

conservation and demand management, in which the AMI Project will give more control to City staff to monitor demand and decrease usage with specific customers.

Furthermore, AMI data in an innovated tool to better manage water and provide fast trend detections. AMI data allow Greeley to use decision science for short-, mid- and long-term planning—integrating all elements of water resources to prioritize water benefits. From *Global Water Resources -- The Real Smart Grid for Water: Ensuring Water Sustainability via Infrastructure and Information*, AMI data alters water consumption behavior and brings to light the personal impact each consumer has on Greeley’s water resources. In turn, water conservation strengthen water supply sustainability.

3. Will the proposed project establish and utilize a renewable energy source?

The AMI Project will not establish a new renewable energy source but will greater utilize the renewable energy sources that are already present. Greeley had the forethought many years ago to build a gravity based municipal system. By not using pumps to move water many miles to the citizens less energy is required through pumps.

As previously mentioned the treatment plans have already built small-scale solar projects to reduce energy consumption and by decreasing demand, Greeley will be able to further utilize the solar technology present.

4. Will the project result in lower greenhouse gas emissions?

Yes. As described in the Renewable Energy section the AMI will:

- Reduce the need for field customer services to drive to each meter
- Save energy at the water treatment, wastewater treatment, and distribution systems
- Increase water smart landscapes to reduced emissions (i.e. trees, retrofit non-essential turf)

Disadvantaged or Underserved Communities E.O. 14008 and E.O. 13985 support environmental and economic justice by investing in underserved and disadvantaged communities and addressing the climate-related impacts to these communities, including impacts to public health, safety, and economic opportunities. Please describe how the project supports these Executive Orders, including:

1. Does the proposed project directly serve and/or benefit a disadvantaged or historically underserved community? Benefits can include, but are not limited to, public health and safety through water quality improvements, new water supplies, new renewable energy sources, or economic growth opportunities.

The proposed Advanced Meter Infrastructure project will directly serve and benefit the City of Greeley, a “disadvantaged community” as defined in 16 U.S. Code §1015. Additional information on Greeley’s income and poverty level is provided in #2 below.

As explained elsewhere in this application, the AMI Project is expected to reduce Greeley residents’ water usage through provision of real-time consumption data, leak detection, and water budget enhancements. Increased water conservation will decrease long term water acquisition and will reduce customer water rates. Further, the project will reduce operational expenses in line with reduced water usage and by eliminating the need for manual meter reads.

2. If the proposed project is providing benefits to a disadvantaged community, provide sufficient information to demonstrate that the community meets the disadvantaged community definition in Section 1015 of the Cooperative Watershed Act, which is defined as a community with an annual median household income that is less than 100 percent of the statewide annual median household income for the State, or the applicable state criteria for determining disadvantaged status.

The U.S. Census Bureau QuickFacts

(<https://www.census.gov/quickfacts/fact/table/greeleycitycolorado,CO/INC110219>) lists Greeley's 2019 annual median household income at \$57,586. The same source lists the 2019 annual median household income for the State of Colorado as \$72,331. Greeley's annual median household income is thus 79.6 percent of the statewide annual median household income and meets the definition of disadvantaged community in 16 U.S. Code §1015. Further, based on the 2019 American Community Survey (ACS; <https://www.census.gov/programs-surveys/acs>), 16.2 percent of persons in Greeley live in poverty compared to a statewide average of 9.3 percent.

3. If the proposed project is providing benefits to an underserved community, provide sufficient information to demonstrate that the community meets the underserved definition in E.O. 13985, which includes populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life.

Persons of Hispanic or Latino origin represent 38.6 percent of the City of Greeley population. Latino communities are defined in Executive Order 13985 as an example of underserved communities. The proposed project will benefit the Latino community within the City of Greeley.

Tribal Benefits: *The Department of the Interior is committed to strengthening tribal sovereignty and the fulfillment of Federal Tribal trust responsibilities. The President's memorandum "Tribal Consultation and Strengthening Nation-to-Nation Relationships" asserts the importance of honoring the Federal government's commitments to Tribal Nations. Please address the following, if applicable:*

1. Does the proposed project directly serve and/or benefit a Tribe? Will the project increase water supply sustainability for an Indian Tribe? Will the project provide renewable energy for an Indian Tribe?

No.

2. Does the proposed project directly support tribal resilience to climate change and drought impacts or provide other tribal benefits such as improved public health and safety through water quality improvements, new water supplies, or economic growth opportunities?

No.

Other Benefits: *Will the project address water and/or energy sustainability in other ways not described above? For example:*

1. Will the project assist States and water users in complying with interstate compacts?

Competition for water rights in the Big Thompson, Cache la Poudre, Laramie River, and Colorado River has increased as large Front Range municipalities, as well as speculative private equity investors, are acquiring water supplies in the basin. In 2019, Colorado-Big Thompson (C-BT) water became scarce, which drove the price of C-BT water to more than six times 2008

prices, or \$66,000 per unit. Greeley has long benefited from having diverse, relatively inexpensive water supplies in these four basins available for municipal (residential and commercial) and industrial growth; however, it has become clear that those water supplies may no longer be available currently and could be very scarce in as little as 10 to 15 years. Therefore, Greeley must increase its water conservation efforts, which includes implementing efficient, cost-effective and easily maintained projects like the AMI Project.

2. Will the project benefit multiple sectors and/or users (e.g., agriculture, municipal and industrial, environmental, recreation, or others)?

Water savings through the AMI Project will result in less raw water demand, resulting in reduced diversions from the four river basins to storage and treatment. This will benefit multiple sectors, including:

- **Agriculture:** Less municipal demand by the City will result in less diversions to storage, allowing for increased flows to downstream agricultural users. The City will also be able to allow farmers continued use of their surface water rights that are part of the City's "lease-back" program. The agricultural water users will have assurance that the City is doing everything it can to conserve its water resources and will only buy agricultural irrigation supplies when farmers approach the City about purchasing their water rights.
- **Municipal:** Providing real-time water management capabilities around the clock is revolutionary for municipalities. The AMI Project will allow the City to monitor and control activities during emergencies, provide data driven modeling for water resource management, and improve water conservation methodology. Detection of anomalies provides security for public health and safety within the drinking water such as backflow detection and prevention. By educating the public through WaterSmart profiles, customers can take a proactive approach on water uses and leak repairs. With AMI, notification of water issues in real-time allow Greeley to streamline processes and improve water-efficiencies.
- **Industrial:** The AMI Project will allow industrial customers the ability to actively monitor and reduce their water usage and leaks at their businesses. The industrial water users within the City are some of the bigger water users and therefore there are many different locations within their facilities that could be leaking. The City believes that the industrial users could save significant water and is demonstrated by the 42 large meters (6" to 12") that are planned to be replaced.
- **Environmental and Recreation:** Less municipal demand by the City will result in less diversions to storage, allowing for increased flows to downstream environmental uses and recreational users in the South Platte Basin. Poudre Ponds is a City water storage facility used for non-potable and augmentation water that will continue to be expanded for fishing, recreational use, and natural habitats. A decrease in potable water in outdoor irrigation due to the AMI meter catching leaks and overuse will keep Poudre Ponds at a higher level.

c. Will the project benefit a larger initiative to address sustainability?

Greeley's water system is diverse and resilient. In 2021, Greeley initiated a Drought Emergency Plan under conservative assumptions of high outdoor irrigation demands from

Greeley customers and low yields of Greeley water supplies. This is part of an initiative to address future sustainability within the system and decrease water usage to preserve water storage to get through longer drought periods. AMI meters will allow drought restrictions to be enforced up to 70 percent or 7,170 acre-feet per year in a Catastrophic Drought event.

The AMI meters will also increase short-term sustainability by providing leak detection and lessen water loss in outdoor watering. This water is costly to move through the system, takes energy to deliver to a customer, and has no return benefit when it is lost to evaporation or ground seepage.

d. Will the project help to prevent a water-related crisis or conflict? Is there frequently tension or litigation over water in the basin?

Current planning by the City of Greeley projects that Greeley is approximately 12,125 AFY short of firm water supply for future population demands. Any reduced water demands, water savings, and conservations from the AMI Project will decrease the City's future supply needs and improve the City's supply reliability. Any improvements of the City's supply reliability will also benefit water users throughout Northern Colorado and the Colorado River Basin.

Greeley enters statements of opposition in many court cases to protect their rights on the river. While a decrease in water will not decrease the amount of opposition, it will aid in decreasing the need to change additional agricultural rights for municipal use. Court cases will likely increase over time and be subject to further scrutiny in the future.

D. Complementing On-farm Irrigation Improvements

Points may be awarded for projects that describe in detail how they will complement on-farm irrigation improvements eligible for NRCS financial or technical assistance.

The City of Greeley takes great pride in its agricultural heritage as demonstrated by its long history of partnerships with agriculture in Northern Colorado. Greeley has implemented a water "lease-back" program, wherein irrigation water supplies are contracted to the City of Greeley under a 10-year lease/fallow option. During average or wet hydrologic years, farmers use their irrigation supplies as normal to produce their crops; however, during dry years, the City could exercise the option to lease the farmer's irrigation supplies that is then pulled into the municipal water system. In return, the farmer receives a lease payment and fallows the farm. The City's ability to implement a robust conservation program provides incentive for farmers to participate in the lease-back program, as they will have assurance that the City will only use the farm's irrigation supplies when absolutely necessary. Additional benefits to both the City and agricultural community include:

- Supporting the local agricultural industry by allowing new farmers the opportunity to rent farms which have a "lease-back" contract and guaranteed income in dry years and providing retiring farmers an option to rent farms instead of selling them.
- Providing another option to "buy-and-dry", which removes local water resources from the community and often results in transfers of water resources to other parts of the state.
- Reducing the carbon footprint by keeping local agriculture viable rather than transporting goods from other communities.
- Improving water quality by keeping the surrounding community in agriculture rather than urban/suburban sprawl and keeping green spaces between nearby communities.

- Promoting municipal water conservation during dry years to maximize use of the leased irrigation supplies, knowing they are only available for a short time.

Greeley will continue to foster strong partnerships with Northern Colorado agricultural entities, as they are a conduit through which future water conservation and management programs can be implemented.

Describe any planned or ongoing projects by farmers/ranchers that receive water from the applicant to improve on-farm efficiencies. Provide a detailed description of the on-farm efficiency improvements. Have the farmers requested technical or financial assistance from NRCS for the on-farm efficiency projects or do they plan to in the future? Provide documentation that the on-farm projects are eligible for NRCS assistance, that such assistance has or will be requested, and the number or percentage of farms that plan to participate in available NRCS programs. Provide letters of intent from farmers/ranchers in the affected project areas.

No direct on-farm efficiencies will be experienced with the AMI Project, but water savings from the project will allow Greeley to increase its annual water leases to local farmers. Greeley currently leases back approximately 10,000 to 20,000 AFY of water to farmers to enhance the local agricultural economy and heritage.

Will the proposed WaterSMART project directly facilitate the on-farm improvement? If so, how? For example, installation of a pressurized pipe through WaterSMART can help support efficient on-farm irrigation practices, such as drip irrigation. OR Will the proposed WaterSMART project complement the on-farm project by maximizing efficiency in the area? If so, how?

Implementing the AMI Project will maximize efficiency by allowing Greeley to continue to lease back 10,000 to 20,000 AFY of water to farmers, which enhances the local agricultural economy. The local agricultural economy also benefits from several industrial customers (usage of cheese and meat products) related to processing agricultural products and employs local Citizens of Greeley. Supplying the community with locally grown food reduces the community's carbon footprint and reduces trucking and emissions.

Estimate the potential on-farm water savings that could result in acre-feet per year. Include support or backup documentation for any calculations or assumptions.

Not applicable.

E. Planning and Implementation

Project Planning

Does applicant have a Water Conservation Plan and/or System Optimization Review (SOR) in place? Please self-certify or provide copies of these plans where appropriate to verify that such a plan is in place.

Greeley has had a *Water Conservation Plan* in place since 1992. The existing version of the Plan is included with this grant application packet. Securing safe and sufficient water supplies for future generations of Greeley residents in the face of significant uncertainties such as drought and climate change is a major challenge. Successful stewardship of precious water resources is a benchmark by which future generations will judge the current citizens and water utility staff. The *Water Conservation Plan* for the City of Greeley has been developed to establish clear goals and to outline programs and measures to help meet the goals that will ensure a healthy and robust water supply for the future.

1. **Identify any district-wide or system-wide planning that provides support for the proposed project. This could include a Water Conservation Plan, SOR, Drought Contingency Plan or other planning efforts done to determine the priority of this project in relation to other potential projects.**

In 2021 Greeley updated its *Drought Contingency Plan* to reflect the use of water budgets to achieve savings in a drought as opposed to watering restrictions only.

Greeley is also actively working with the City of Evans and City of Windsor (two of our wholesale customers) to incorporate water planning into land use planning as these adjoining cities are linked through economies, land, agriculture and resources. In addition, our wholesale providers' meters were exchanged for AMI meters in 2019 allowing our wholesale customers to analyze their water system and automatically promote water conservation through leak detection.

2. **Describe how the project conforms to and meets the goals of any applicable planning efforts and identify any aspect of the project that implements a feature of an existing water plan(s).**

Water is a precious commodity in Colorado, and will only become more precious as Greeley's population grows and more water is needed. The mission of the Greeley Water and Sewer Department is to make sure that the community has a secure and reliable water supply. To meet this goal, the Four Point Plan was developed with the leadership of the Greeley Water and Sewer Board.

The elements of the Four Point Plan are:

- Strengthening infrastructure
- Continuing water acquisition
- Expanding storage
- Continuing water conservation

The Four Point Plan is the basis of Greeley's water planning on which all prospective plans and projects are judged. As described in sections above, the AMI Project dovetails seamlessly into the City's overall Water Conservation program by increasing meter accuracy, improving leak detection and leak elimination efforts, and promoting customer water conservation.

3. **If applicable, provide a detailed description of how a project is addressing an adaptation strategy specifically identified in a completed WaterSMART Basin Study or Water Management Options Pilot (e.g., a strategy to mitigate the impacts of water shortages resulting from climate change, drought, increased demands, or other causes) For more information on Basin Studies, including a list of completed basin studies and reports, please visit: www.usbr.gov/WaterSMART/bsp.**

The Colorado River Basin study included the Colorado Front Range Communities as a portion of the 40 million people the Colorado River Basin supports. Of the Representative Options identified in the report, the AMI meters meet multiple categories:

- **Reuse** – municipal wastewater. While not directly correlated, the AMI meters will decrease outdoor water use on all water users. By decreasing outdoor watering less water production will go towards outside uses and will be returned to the wastewater treatment plants through the sanitary sewer systems. This allows Greeley to reuse water to meet return flow obligations in the South Platte River and other users downstream to pick up the water for their use.
- **M&I Water Conservation** – the AMI meters will be implemented with both municipal and industrial water users. Greeley has a large industrial sector in agriculture production. The AMI meters will allow Greeley to better track key customers. Greeley will also be hiring a key customer water conservation specialist to help implement AMI data driven water conservation measures.
- **System Operations** – Modified Reservoir Operations. The decrease in water use from AMI meters will allow for modified reservoir operations and will allow the City to keep water in the reservoirs longer through the season.

- **Water Transfers and Exchanges** – The decrease in water use, and better control on customer usage, will allow Greeley to further exchange and temporarily transfer water supplies to surrounding municipalities when necessary.

Readiness to Proceed

Applications that include a detailed project implementation plan (e.g., estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates) will receive the most points under this criterion.

1. **Identify and provide a summary description of the major tasks necessary to complete the project. Note: please do not repeat the more detailed technical project description provided in Section D.2.2.4.; this section should focus on a summary of the major tasks to be accomplished as part of the project.**

With the AMI Project Phase I and II underway, the major tasks and any issues have been resolved. The Phase IV AMI Project, the City proposes to purchase and install 11,193 Badger E-series AMI meters and implement an installation contract (such as UMS in Raleigh, NC) for AMI services, project setup and initiation, and software integration. The planned project will take three years to implement with a proposed timeline from the summer of 2022 through December 2025. All phases of the AMI Project will replace 90 percent of the existing residential, commercial, industrial, and water purchaser outdated water meters. The City has proactively started the critical meter replacement process and is already engaged in replacing 5,898 AMI meters including those key accounts of the highest water use.

2. **Describe any permits that will be required, along with the process for obtaining such permits.**

No permits are required to complete the project.

3. **Identify and describe any engineering or design work performed specifically in support of the proposed project.**

The engineering work has already been completed with the evaluation of different meter companies and technologies that will allow a smooth transition from existing Badger Recordall Disc meters.

4. **Describe any new policies or administrative actions required to implement the project.**

The City of Greeley Water Board and City Council have approved the planned budgets for 2022, 2023, and 2024 to execute the planned AMI meter replacement as described in this grant application and in alignment with the project schedule below.

5. **Please also include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates. Milestones may include, but are not limited to, the following: complete environmental and cultural compliance; mobilization; begin construction/installation; construction/installation (50% complete); and construction/installation (100% complete)**

AMI Project Schedule			
Milestone Description	Category	Start	No. Days
Procurement			
Awarded Grant	Milestone	3/2/2022	
Complete WaterSmart Grant Agreement	Low Risk	7/1/2022	
AMI meter Purchase	Low Risk	7/31/2022	30
Install Contractor Bid	Low Risk	9/29/2022	60
Contractor Bid Review	Low Risk	11/28/2022	14
Contractor Contract	Low Risk	12/12/2022	30
Phase 1 AMI Install			
AMI Equipment Delivery	High Risk	1/1/2023	0
Install AMI System	Med Risk	2/1/2023	280
Complete 5,000 AMI Installs	Milestone	11/8/2023	30
AMI meter Purchase	Low Risk	3/3/2023	30
Phase 2 AMI Install			
AMI Equipment Delivery	Low Risk	1/1/2024	30
Install AMI System	Med Risk	2/1/2024	280
Complete 5,000 AMI Installs	Milestone	11/7/2024	30
Complete 1,193 AMI Installs at indoor or landscaped locations	Milestone	5/6/2025	180

F. Collaboration

Please describe how the project promotes and encourages collaboration. Consider the following:

1. **Is there widespread support for the project? Please provide specific details regarding any support and/or partners involved in the project. What is the extent of their involvement in the process?**

Greeley has received many letters of support from neighboring water utilities, professional organizations, different agencies, and environmental groups from Northern Colorado who support our grant application for the AMI Project. All local communities, agriculture users, environmental groups, and agencies in Northern Colorado benefit from Greeley's reduced water usage that makes existing water supplies available for other users. For example, on an annual basis, the City of Greeley leases approximately 10,000 to 20,000 AFY to local farmers around Greeley due to Greeley having adequate water supplies for the upcoming year. The decreased water use from Greeley's AMI Project will allow Greeley to lease out additional water supplies to other agricultural users in Northern Colorado.

2. **What is the significance of the collaboration/support?**

Overall, Northern Colorado has a significant growing population that requires addition water resources to supply these new demands. This increased need for water resources requires all municipalities, districts, and developers to compete for purchase or lease of limit resources. As an example, C-BT prices have increased from \$33,000 per share in 2018 to approximately

\$66,000 per share cost in 2021. The water rights in Northern Colorado are also constantly changing uses or diversion locations from only farm or ditch use to potential municipal use. This results in litigation of not injuring downstream users of the seepage or pass through water. Greeley's efforts to conserve water through the AMI Project will decrease the City's dependence on acquiring or leasing new water supplies by the estimated 1,146 AFY.

- 3. Will this project increase the possibility/likelihood of future water conservation improvements by other water users?**

Although Greeley does not have any direct partners in the project other than the contractor and other municipalities (Windsor, Milliken, and Evans) that use Greeley's water, it is in the best interest of all of the water users in the basins to cooperate and do more with less. In fact Greeley converted our key accounts like Windsor, Milliken and Evans to AMI to allow those customers to take control with future water conservation improvements. The Greeley's Water Conservation Program has been actively working with Windsor and Evans' water conservation coordinators to unify regional water conservation messaging, events and educational outreach. Greeley's water conservation commitment to our customers and wholesalers remains strong since we are all shareholders in the C-BT project, which derives water from the Colorado River, one of the most over-allocated rivers in the country. During times of drought, we have seen tensions rise and the potential increase for litigation over water resources. Greeley's efforts to conserve its water supplies will provide evidence of good stewardship and increase our ability to have adequate supplies during droughts.

- 4. Please attach any relevant supporting documents (e.g., letters of support or memorandum of understanding).**

Please see Appendix A—Letters of Support

G. Additional Non-Federal Funding

Total project costs for the Greeley AMI Meter Installation Project is \$7,408,536. The City's funding is 73 percent in non-federal funding for this three-year project; therefore, Greeley's share of the project's total project is \$5,408,536.

H. Nexus to Reclamation Project Activities

Points are only awarded to projects with a connection to a Reclamation project or Reclamation activity.

Describe the nexus between the proposed project and a Reclamation project or Reclamation activity. Please consider the following:

- 1. Does the applicant have a water service, repayment, or O&M contract with Reclamation?**

No.

- 2. If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?**

Greeley receives Reclamation water through the Colorado-Big Thompson Project. The C-BT Project owned by the Bureau of Reclamation and jointly operated with the Northern Colorado Water Conservancy District (Northern Water). Greeley is the largest municipal owner of the C-BT allotments administered by Northern Water, and C-BT water is a large and critical

component of Greeley's water supply portfolio. The AMI Project will not involve Reclamation project lands or facilities, and is located entirely within the City of Greeley.

3. Will the proposed work benefit a Reclamation project area or activity?

Colorado River Basin

- M&I Water Conservation – the AMI meters will be implemented with both municipal and industrial water users. Greeley has a large industrial sector in cheese making and beef production. Through the AMI Project, Greeley to work to individualize and track key customers water consumption. The Water Conservation Program will be hiring a key customer conservation specialist that will use AMI data and analyses approach for key customers. Greeley updating the Water Conservation Plan using a triple bottom line approach (economic, environmental, and social) that will allow to address Reclamation-wide water conservation priorities to meet local goals. One example is the Life After Lawn will focus on non-essential turf coverts to low-water-use Xeriscapes.
- Greeley relies heavily on Colorado-Big Thompson (C-BT) water as a municipal supply. AMI meters will allow the curbing of customer use in drought restrictions. By decreasing C-BT usage it will aid in the protection of Colorado River threatened and endangered species as listed in Sustainability Benefits section above.

4. Is the applicant a Tribe?

No.

PERFORMANCE MEASURES

Provide a brief summary describing the performance measure that will be used to quantify actual benefits upon completion of the project (e.g., water saved or better managed, energy generated or saved). For more information calculating performance measure, see Appendix A: Benefit Quantification and Performance Measure Guidance.

By switching from standard volumetric meters that are outdated (AMR) and do not provide the capability for remote monitoring, to AMI smart meters that provide real time, two-way communication electronically for both City staff and customers, Greeley's project will result in both quantifiable water savings and improved water management. The City will be able to mitigate water leaks and losses, train customers on how to reduce water usage and help control water use during water alerts and droughts. These new remote monitoring capabilities will allow Greeley to compare customer classes and total water usage before and after installation of AMI meters.

The estimated average annual water savings resulting from the project will be determined by subtracting metered water totals used by all water customers and purchasers from the metered water produced totals from both water treatment plants; and by comparing existing water usage data to the new metered customer data, which will reflect water savings for each customer and for the entire Greeley customer base.

PROJECT BUDGET

A. Funding Plan and Letters of Commitment

Describe how the non-Federal share of project costs will be obtained. Project funding provided by a source other than the applicant shall be supported with letters of commitment that include the amount of funding commitment, date funds will be available to applicant, any time constraints on fund availability, and any other contingencies associated with the funding commitment.

Funding for Greeley's portion of the budget will come from the City's Water and Sewer enterprise funds. The City of Greeley Water Board and City Council have approved the planned budgets for 2022, 2023, and 2024 to execute the planned AMI meter replacement as described in this grant application.

Identify sources of the non-Federal cost-share contribution, including any monetary contributions by the applicant toward the cost-share requirement and source of funds (e.g., reserve account, tax revenue and/or assessments), any costs that will be contributed by the applicant, any third-party in-kind costs, any cash requested or received from other non-Federal entities, and and/or any pending funding requests (i.e., grants or loans) that have not yet been approved and explain how the project will be affected if such funding is denied.

Not applicable

Identify whether budget proposal includes any project costs that have been or may be incurred prior to award, such as project expenditure and amount, date of cost incurrence and how the expenditure benefits the project.

Not applicable

B. Budget Proposal

Provide a discussion of, or explanation for, items included in the budget proposal including, but not limited to, salaries and wages, fringe benefits, travel, equipment, materials and supplies, contractual, third-party in-kind contributions, environmental and regulatory compliance costs, other expenses, indirect costs

Total Project Cost Table	
Source	Amount
Costs to be reimbursed with requested Federal funding	\$2,000,000.00
Costs to be paid by the applicant (Greeley)	\$5,526,964.84
Value of third-party contributions	NA
Total Project Cost	\$7,526,964.84

Project Budget				
Budget Item Description	Quantity	Unit	\$/Unit	Total Cost
Equipment - AMI Meters, Cables, TTE Cellular Endpoint				
3/4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	8,879	AMI Unit	\$236.34	\$2,098,462.86
1" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	1,045	AMI Unit	\$354.51	\$370,462.95
1.5" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	646	AMI Unit	\$531.77	\$343,520.19
2" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	474	AMI Unit	\$797.65	\$378,084.92
3" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	69	AMI Unit	\$1,196.47	\$82,556.52
4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	38	AMI Unit	\$1,794.71	\$68,198.86
6" Badger Electromagnetic meter	25	AMI Unit	\$6,500.00	\$162,500.00
8" Badger Electromagnetic meter	14	AMI Unit	\$8,900.00	\$124,600.00

10" Badger Electromagnetic meter	1	AMI Unit	\$9,500.00	\$9,500.00
12" Badger Electromagnetic meter	2	AMI Unit	\$11,500.00	\$23,000.00
LTE-M Cellular Endpoint, Twist Tight	11,193	AMI Unit	\$134.17	\$1,501,798.39
Annual Service Units	11,193	AMI Unit	\$10.68	\$119,541.24
13.25WAT Composite Lid, Center Drilled 2" Hole	9,924	AMI Unit	\$26.00	\$258,024.00
24WAT Composite Lid, Center Drilled 2" Hole	1,269	AMI Unit	\$65.00	\$82,485.00
AMI Installation Contractor/Construction				
Meter Install Contractor: installation services	11,193	Project	Lump Sum	\$1,656,528.91
Meter Install Contractor: project setup, initiation & bonding (if required)	1	Project	Lump Sum	\$149,448.43
Meter Install Contractor: software integration	1	Project	Lump Sum	\$98,002.58
Environmental and Regulatory				
Notice of Exemption (NOE)	1	Project	Lump Sum	\$250.00
Total Project Budget				\$7,526,964.84

C. Budget Narrative

Salaries and Wages

Indicate PM and other key personnel by name and title. PM must be an employee or board member of the applicant. Other personnel should be indicated by title alone. For all positions, indicate salaries and wages, estimated hours or percent of time, and rate of compensation. Labor rates must identify the direct labor rate separate from the fringe rate or fringe cost for each category. All labor estimates must be allocated to specific tasks as outlined in the applicant's technical project description. Labor rates and proposed hours shall be displayed for each task. Include estimates for compliance with reporting requirements, including final project and evaluation. Generally, salaries of administrative and/or clerical personnel will be included as a portion of the stated indirect costs. If these salaries can be adequately documented as direct costs they should be included in this section; however, a justification should be included in the budget narrative.

The AMI Project does not include budget for City staff salaries or wages. All project costs are materials costs only.

Fringe Benefits

Identify rates/amount, what costs are included in this category, and the basis of the rate computations. Federally approved rate agreements are acceptable for compliance with this item.

The AMI Project does not include budget for City staff fringe benefits. All project costs are material costs only.

Travel

Identify purpose of each anticipated trip, destination, number of persons traveling, length of stay and all travel costs, including airfare (basis for rate used), per diem, lodging and misc. travel expenses. For local travel, include mileage and rate of compensation.

None expected.

Equipment

The City proposes to purchase and install 42 Badger electromagnet flow meters with AMI end points for all meters 6" and larger. Engineering estimates using past bids are represented below:

Equipment			
Major Category	Unit Price	Quantity	Purpose
6" Badger Electromagnetic meter	\$6,500.00	25	Meter/Installation
8" Badger Electromagnetic meter	\$8,900.00	14	Meter/Installation
10" Badger Electromagnetic meter	\$9,500.00	1	Meter/Installation
12" Badger Electromagnetic meter	\$11,500.00	2	Meter/Installation
Total	\$5,303,134.92		

Materials and Supplies

Itemize supplies by major category, unit price, quantity and purpose, such as whether the items are needed for office use, research or construction. Identify how these costs were estimated (i.e., quotes, engineering estimates or other methodology). If the materials/supplies will be furnished and installed under a contract, the equipment should be included in the construction contract cost estimate.

The City proposes to purchase and install 11,193 Badger E-series AMI meters and end points. Engineering estimates using past bids are represented below:

Materials and Supplies			
Major Category	Unit Price	Quantity	Purpose
3/4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$236.34	8879	Meter/Installation
1" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$354.51	1045	Meter/Installation
1.5" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$531.77	646	Meter/Installation
2" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$797.65	474	Meter/Installation
3" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$1,196.47	69	Meter/Installation
4" E35 SS x 9" Fire Series Meter, Twist Tight 10' lead	\$1,794.71	38	Meter/Installation
LTE-M Cellular Endpoint, Twist Tight	\$134.17	11193	Meter Communications
Annual Service Units	\$10.68	11193	Meter Communications
13.25WAT Composite Lid, Center Drilled 2" Hole	\$26.00	9924	New meter pit lid for endpoint
24WAT Composite Lid, Center Drilled 2" Hole	\$65.00	1269	Meter Communications
Total	\$5,303,134.92		

Contractual

Identify all work that will be accomplished by consultants or contractors, including a breakdown of all tasks to be completed, and a detailed budget estimate of time, rates, supplies and materials that will be required for each task. For each proposed contract, identify the procurement method that will be used to select the consultant or contractor and the basis for selection.

The City will negotiate a contract with a specialized meter installation contractor for installation services, project setup and initiation, and software integration. The City plans to conduct a competitive bid for all AMI installation services with selection based on lowest bid prices and is a responsive bid (the contractor must meet the minimum qualifications for installation experience to bid on the project). The noted services by UMS is only utilized for developing a total project budget.

AMI Installation Contractor/Construction				
Meter Install Contractor: installation services	11,193	Project	Lump Sum	\$1,656,528.91
Meter Install Contractor: project setup, initiation & bonding (if required)	1	Project	Lump Sum	\$149,448.43
Meter Install Contractor: software integration	1	Project	Lump Sum	\$98,002.58

The City will negotiate a contract for all meter equipment, cellular endpoints, one year of cellular service for the meters, and new meter vault lids. The City will source this equipment to be consistent with existing meter replacement and consistency throughout the system.

Third-party In-kind Contributions

Identify all work that will be accomplished by third-party contributors, including a breakdown of all tasks to be completed, and a detailed budget estimate of time, rates, supplies and materials that will be required for each task.

Not applicable.

Environmental and Regulatory Compliance Costs

The AMI Project (meter installation) will occur underground in yards or parking lots of Greeley water customers, all within the City limits. No other earth-disturbing activities will occur that could negatively impact soil, air, water or animal habitat in the project area. Greeley will pursue a notice of exemption from environmental permit requirements, with an associated cost of \$250.00

Other Expenses

Any other expenses not included in the above categories shall be listed in this category, along with a description of the item and why it is necessary. No profit or fee will be allowed.

None.

Indirect Costs

No other indirect costs are anticipated.

ENVIRONMENTAL AND CULTURAL RESOURCES COMPLIANCE

1. Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.

All AMI meter replacements will occur in an urban setting, typically at the meter pit which is located by the curb in the customer's yards or parking lots. Activities would include removing approximately 1 square foot or less of landscaping, per meter pit, with hand tools. There would be no impacts to air, water, or wildlife habitat as a result of these activities.

2. Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?

As mentioned above, there are eight endangered species and ten migratory birds that are protected under the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act within the Greeley area. All AMI meter replacements will occur in an urban setting, typically at the meter pit which is located by the curb in the customer's yards or parking lots. Activities would include removing approximately 1 square foot or less of landscaping, per meter pit, with hand tools. There would be no impacts to air, water, or wildlife habitat as a result of these activities.

3. Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as "Waters of the United States?" If so, please describe and estimate any impacts the proposed project may have.

Running a desktop analysis of the National Wetlands Inventory for the whole City of Greeley, there is potentially Waters of the United States. However as mentioned above, all AMI meter replacements will occur in an urban setting, typically at the meter pit which is located by the curb in the customer's yards or parking lots. There would be no impact to the Water of the United States.

4. When was the water delivery system constructed?

Greeley treats water at one of two treatment plants—Bellvue and Boyd Lake water treatment plants. The Bellvue plant, located northwest of Fort Collins, was built in the early 1900s. Water is conveyed to the plant from the Poudre and Laramie River through the Laramie-Poudre tunnel into the Poudre River. Treated water is piped 36 miles through three transmission lines to Greeley. This is Greeley's main treatment plant and operates 365 days a year.

The Boyd Lake plant, located west of Greeley in Loveland, treats Colorado River and Big Thompson River water through the C-BT project. Boyd Lake is a peaking plant (limited seasonal operation) and generally is operated from April through the end of October. Water is then pumped through 17 miles of transmission lines to Greeley. Within the City, Greeley operates and maintains three treated water storage facilities and approximately 600 miles of distribution lines and associated meters and fire hydrants.

5. Will the proposed project result in any modification of or effects to, individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.
No. This project is focused at the meter pits only.

6. **Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.**
No. This project will occur at the curb in the customer's yards or parking lots.
7. **Are there any known archeological sites in the proposed project area?**
No. This project will occur at the curb in the customer's yards or parking lots.
8. **Will the proposed project have a disproportionately high and adverse effect on low income or minority populations?**
No. In fact, this AMI meter replacement project will provide all populations with the same meter type and customers will have equal access to their personal water consumption data.
9. **Will the proposed project limit access to and ceremonial use of Indian sacred sites or result in other impacts on tribal lands?**
No. This project will be occurring within the City limits of Greeley or within the right-of-ways.
10. **Will the proposed project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?**
No. Landscape disturbance will be minimal and would occur within the customers' normal landscape like grass and ornamental plants.

REQUIRED PERMITS OR APPROVALS

Applicant must state in the application whether any permits or approvals are required and explain the plan for obtaining such permits or approvals.

No federal, state, tribal, or county permits are required for this project. Staff anticipates they will need to secure right-of-way permits to access water meters when they are located within various non-City (Windsor, Fort Collins, Timnath, etc.) rights-of-way throughout the water service areas.

APPENDIX A — LETTERS OF PROJECT SUPPORT

Attach letters from interested stakeholders supporting the proposed project in an appendix.

APPENDIX B — STANDARD FEDERAL FORMS

1. SF-424
2. SF-424A
3. SF-424B
4. SF-424D
5. SF-LLL

APPENDIX C- OFFICIAL RESOLUTION



Include an official resolution adopted by the applicant's board of directors of governing body or, for State government entities, an official authorized to commit the applicant to the financial and legal obligations associated with receipt of a financial assistance award under this FOA verifying the identity of the official with legal authority to enter into an agreement; the board of directors, governing body or appropriate official who has reviewed and supports the application submitted; the capability of the applicant to provide the amount of funding and/or in-kind contributions specified in the funding plan; and that the applicant will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement.

Note: The Official Resolution will be mailed to the same address as this grant application packet once it is discussed, approved and signed at the November 17, 2021, City of Greeley Water and Sewer Board meeting.

APPENDIX D — SUPPORTING DOCUMENTATION

1. Drought Plan
2. Water Conservation Plan

**CITY OF GREELEY, COLORADO
ACTING BY AND THROUGH ITS WATER AND SEWER BOARD**

RESOLUTION _____, 2021

A RESOLUTION IN SUPPORT OF AN APPLICATION BY THE CITY OF GREELEY
WATER AND SEWER DEPARTMENT FOR FEDERAL ASSISTANCE FROM THE
UNITED STATES DEPARTMENT OF INTERIOR, BUREAU OF RECLAMATION, WATER
AND ENERGY EFFICIENCY GRANT PROGRAM

WHEREAS, the United States Department of Interior, through the Bureau of Reclamation, makes financial assistance available to local agencies through its Water and Energy Efficiency Grant Program, for projects anticipated to achieve quantifiable and sustained water savings; and

WHEREAS, the City of Greeley Water and Sewer Department is developing one such project which is eligible for financial assistance through the Water and Energy Efficiency Grant Program, that project being the installation of Advanced Metering Infrastructure (AMI) Meters throughout the City (“AMI Project”); and

WHEREAS, the installation of Advanced Metering Infrastructure (AMI) Meters is anticipated to effectuate meaningful water and energy savings for the City through the increased accuracy and frequency of meter readings, enhanced leak detection, improved water conservation, and the streamlined communications and monitoring capabilities of Advanced Metering Infrastructure (AMI) Meters; and

WHEREAS, the AMI Project is anticipated to cost \$7,526,964.84; and

WHEREAS, City of Greeley has applied for \$2,000,000 in financial assistance for the AMI Project through the Water and Energy Efficiency Grant Program; and

WHEREAS, the City of Greeley will be required to provide all AMI Project costs above \$2,000,000 as a local match if awarded financial assistance through the Water and Energy Efficiency Grant Program for this project; and

WHEREAS, the City of Greeley, Water and Sewer Board, passed a resolution in support of a previous Water and Energy Efficient Grant Application at its March 20, 2019 meeting, which was granted; and

WHEREAS, the City of Greeley Water and Sewer Department desires to leverage City funds and financial assistance potentially available through the Bureau of Reclamation Water and Energy Efficiency Grant Program to support its AMI Project, which will achieve significant water savings for the City and its citizens.

NOW THEREFORE, BE IT RESOLVED BY THE WATER AND SEWER BOARD OF THE CITY OF GREELEY, COLORADO, AS FOLLOWS.

Section 1. The City of Greeley Water and Sewer Board hereby expresses its support for the Water and Sewer Department's Water and Energy Efficiency Grant Application, attached hereto as **Exhibit A**, which Application was submitted on November 2, 2021 to the United States Department of Interior, Bureau of Reclamation.

Section 2. The City of Greeley Water and Sewer Board hereby encourages Water and Sewer Department staff to work with Bureau of Reclamation staff to meet any established deadlines or other requirements for submitting the Application described in this Resolution and the submitted Application, and for obtaining financial assistance through the Water and Energy Efficiency Grant Program.

Section 3. The City of Greeley Water and Sewer Board further resolves to consider approval of any relevant agreements that are developed in the course of the Department's participation in the Water and Energy Efficiency Grant Program and fall within the approval authority of the Water and Sewer Board set forth in the City of Greeley City Charter, and to consider recommendation of any such relevant intergovernmental agreements that would otherwise fall within the approval authority of the City of Greeley City Council.

Section 4. The City of Greeley Water and Sewer Board further acknowledges an approved Water and Sewer Department budget of \$3,993,900 for the AMI Project in 2022 and resolves to work with the City Manager via its role in the City budget-setting process for the 2023 and 2024 fiscal years to secure all necessary funding to complete the AMI Project as required from the City if awarded financial assistance through the Water and Energy Efficiency Grant Program.

PASSED AND ADOPTED, SIGNED AND APPROVED THIS ____ DAY OF NOVEMBER 2021.

ATTEST

CITY OF GREELEY
WATER AND SEWER BOARD

Raymond C. Lee, III
Interim City Manager, Secretary to the Board
Board

Harold Evans
Chairman, Water and Sewer

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 7

TITLE: APPROVE WATER BOND RESOLUTION AND
RECOMMEND TO COUNCIL

RECOMMENDATION: APPROVE WATER BOND RESOLUTION AND
RECOMMEND TO COUNCIL

ADDITIONAL INFORMATION:

Enclosed is a resolution for the Water and Sewer Board to authorize and approve the issuance of water revenue bonds, Series 2022, in an aggregate principal amount not to exceed \$77,500,000, bearing interest at the rates and maturing on the dates in the amounts to be set forth in the final terms certificate, and on the terms and conditions provided in the bond ordinance.

Contained within the water capital program are a number of projects at the water treatment plants to replace aged infrastructure, replacing failing water meters with Advanced Metering Infrastructure, expanding Greeley's non-potable system, and purchasing additional water supplies through the acquisition program.

These projects will be partially funded through bond revenues. The resolution states that the Water and Sewer Board authorizes and approves the issuance of the Series 2022 Water Revenue bonds, recognizing that the issuance of these bonds will impact the Water Fund's debt service payments and the rates required to support those payments.

Water & Sewer 2022 Bond Authorizing Resolutions

Water and Sewer Board | November 17, 2021



Water

- Not to exceed \$77.5 million
- Refunding of the Series 2012 Bonds (\$17 million)
- Expected new debt to be approximately \$60 million
- Projects to be funded
 - Boyd WTP rehabilitation
 - Advanced metering infrastructure
 - Non-potable expansion
 - Water acquisition

Sewer

- Not to exceed \$25.5 million
- New debt to be approximately \$25 million
- Projects to be funded
 - Wastewater Treatment and Reclamation Facility improvements to meet new regulation
 - Ashcroft lift station

Timing

- December 7: 1st reading of bond ordinance – City Council
- Early January (tentative): Call with ratings agencies
- January 4: 2nd reading of bond ordinance – City Council
- Mid February: Closing and delivery of proceeds

City of Greeley, Colorado
Water Revenue Refunding and Improvement Bonds, Series 2022
First-Lien Sewer Improvement Revenue Bonds, Series 2022
First-Lien Stormwater System Improvement Revenue Bonds, Series 2022

Timetable of Events

November							December							January 2022							February						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3	4							1			1	2	3	4	5
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29	27	28					
														30	31												

 = Market Holidays

<u>DATE</u>	<u>EVENT</u>
October 29	First Draft of Ordinances Distributed
November 5	First draft of POS' Distributed
November 10	Document Review Call
November 17	Second draft of Ordinances and POS' Distributed
November 17	Water and Sewer Board
November 19	Comments Back on Ordinances and POS'
November 23	Revised Ordinance Circulated
	Filing date for December 7 City Council Meeting
	Final Ordinance and Substantially Final POS Submitted
December 7	Regular Meeting of City Council
	First Reading of Parameters Ordinance
January 4	Regular Meeting of City Council
	Second Reading of Parameters Ordinance
January 19	Rating Call with S&P
February 2	Rating received from S&P
	Final Comments due on POS and NOS
February 4	POS and Notice of Sale posted on Parity
February 15	Marketing of Bonds
February 24	Closing and Delivery of Proceeds

**CITY OF GREELEY, COLORADO
WATER AND SEWER BOARD**

RESOLUTION __, 2021

A RESOLUTION OF THE GREELEY WATER AND SEWER BOARD AUTHORIZING AND APPROVING THE ISSUANCE OF WATER REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2022 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$77,500,000, BEARING INTEREST AT THE RATES AND MATURING ON THE DATES AND IN THE AMOUNTS TO BE SET FORTH IN THE FINAL TERMS CERTIFICATE, AND ON THE TERMS AND CONDITIONS PROVIDED IN THE BOND ORDINANCE

BE IT RESOLVED BY THE WATER AND SEWER BOARD OF THE CITY OF GREELEY, COLORADO:

Section 1. Findings. The Water and Sewer Board (the “Board”) of the City of Greeley, Weld County, Colorado (the “City”), hereby finds and determines that:

(a) Pursuant to Section 5-18(d) of the Charter of the City (the “Charter”), a proposed Ordinance (the “Ordinance”) is scheduled for introduction at the City Council (the “Council”) of the City’s regular meeting on December 7, 2021, approving the City of Greeley, Colorado, Water Revenue Refunding and Improvement Bonds, Series 2022 (the “Series 2022 Bonds”), to be issued in an aggregate principal amount not to exceed \$77,500,000, bearing interest at the rates and maturing on the dates and in the amounts to be set forth in a Final Terms Certificate (as defined in the Ordinance), and upon the terms and conditions set forth in the Ordinance.

(b) Pursuant to Article XVII of the Charter, the City owns, operates and maintains a municipal water system (the “System”) as an “enterprise” within the meaning of article X, section 20 of the Colorado Constitution. The System has been designated as an enterprise by the Charter, by Section 20-23 of the Greeley City Code (the “Code”), and by related actions of the Council and the Board, and such designation is hereby ratified and confirmed. The Board has determined, and hereby determines, based in part upon advice of bond counsel, that the System currently meets all requirements applicable to an enterprise under said article X, section 20. Without limiting the generality of the foregoing, the Board has determined, and hereby determines, that in each fiscal year since the adoption of said article X, section 20, through and including the 2020 fiscal year, the System has received, and that for the current 2021 fiscal year and the upcoming 2022 fiscal year, the Board intends and reasonably expects that the System will receive under 10% of annual revenue in grants from all Colorado state and local governments combined. Accordingly, no election is necessary under article X, section 20 of the Colorado Constitution to issue the Series 2022 Bonds.

(c) In addition to the other powers and duties vested in the Board, Section 17-4(a) of the Charter provides, in relevant part, that the Board shall have the power and

shall be required to annually establish minimum water rates which must be sufficient to include all expenditures for:

(i) all operation and maintenance of the System;

(ii) all debt service requirements; and

(iii) additions to a reserve account in sufficient amounts to offset depreciation to the System, based on accepted principles of accounting for a water system.

(d) The City has determined it is necessary and desirable for the best interests of the health, safety and welfare of the people of the City to finance the acquisition and construction of capital improvements, betterments, extensions and expansions of the System (the "Improvement Project").

(e) The City has determined it is necessary and desirable for the best interests of the health, safety and welfare of the people of the City to refund, at a lower interest rate, the callable maturities of its Water Revenue Bonds, Series 2012 (the "Series 2012 Bonds"), which were originally issued to finance the acquisition and construction of capital improvements, betterments, extensions and expansions of the System (the "Refunding Project" and, together with the Improvement Project, the "Project").

(f) The Board is familiar with (i) the Project; (ii) the financing of the Project to be effected through the issuance of the Series 2022 Bonds; (iii) the terms and conditions upon which the Series 2022 Bonds are to be issued; and (iv) the provisions of the Ordinance.

(g) Except for the Series 2012 Bonds, the Series 2014 Bonds, the Series 2016 Bonds and the Series 2018 Bonds (all as defined in the Ordinance), there are no other outstanding bonds, notes or other obligations secured by a pledge of or a lien on all or any part of the Net Revenues (as defined in the Ordinance) of the System secured on parity with the Series 2022 Bonds, and there are no ordinances, resolutions, contracts, agreements, or other enactments or commitments inconsistent with the issuance of the Series 2022 Bonds or due performance under the Series 2022 Bonds or the Ordinance.

(h) Pursuant to Section 17-1 of the Charter, Section 20-31 of the Code, and the Ordinance, and to provide for compliance with Section 17-4(a) of the Charter, the Series 2022 Bonds, the Ordinance and the transactions contemplated thereby have been submitted to the Board for its authorization and approval. This resolution shall constitute such authorization and approval, and by adopting this resolution the Board has duly exercised its authority with respect to revenue bonds pursuant to Section 20-31 of the Code.

(i) The estimated period of usefulness of the Project is not less than fifty years from the date of delivery of the Series 2022 Bonds.

(j) Pursuant to Section 18-8-308, Colorado Revised Statutes (“C.R.S.”), all known potential conflicting interests, if any, with respect to the Series 2022 Bonds and the expenditure of proceeds thereof have been disclosed to the Board and to the Colorado Secretary of State. No member of the Board has a personal or private interest, as such terms are used in Section 24-18-109, C.R.S., in the Series 2022 Bonds, the Project, or any other subject matter of this resolution or the Ordinance, and no member of the Board has any interest, as such term is used in Section 24-18-201, C.R.S., in the Series 2022 Bonds, the Project or any other contract made or to be made pursuant to this resolution or the Ordinance.

Section 2. Approval, Authorization and Ratification. The Board hereby approves and authorizes the Project and the issuance of the Series 2022 Bonds, in an aggregate principal amount not to exceed \$77,500,000, bearing interest at the rates and maturing on the dates and in the amounts to be set forth in a Final Terms Certificate, and on the terms and conditions provided in the Ordinance; and the Board further hereby authorizes, approves and concurs in all terms and provisions of the Ordinance and the transactions contemplated thereby. Without limiting the generality of the foregoing, as security for the Series 2022 Bonds, the Board hereby specifically authorizes, approves and concurs in the pledge of Net Revenues of the System, the granting of an irrevocable and first lien (but not necessarily an exclusively first lien) on such Net Revenues, on a parity with the lien of the Series 2012 Bonds, the Series 2014 Bonds, the Series 2016 Bonds and the Series 2018 Bonds, the covenants, restrictions and limitations relating to additional Parity Obligations and Subordinate Obligations (both as defined in the Ordinance), and the covenants relating to the establishment and collection of System rates and charges, all as provided in the Ordinance. All actions heretofore taken (not inconsistent with the provisions of the Ordinance) by the City, the Board, and officers, agents and employees of the City and the Board, directed toward the undertaking of the Project and toward the issuance of the Series 2022 Bonds for that purpose, the notice and conduct of the public sale of the Series 2022 Bonds, and the provisions of the Ordinance as finally adopted) are hereby ratified, approved and confirmed.

Section 3. Delegation. In connection with this resolution and the Series 2022 Bonds, the Board hereby elects, pursuant to Section 11-57-204, Colorado Revised Statutes, as amended (“C.R.S.”), to apply such portions of the Supplemental Act (as defined and provided in the Ordinance) as are relevant to and not inconsistent with the provisions of the Ordinance and this resolution, including without limitation Section 11-57-211, C.R.S. The officers of the City, including appropriate officers of the Board, are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of the Ordinance and this resolution, to comply with the Ordinance and the Series 2022 Bonds, and to comply with all requirements of applicable law in connection therewith, including, without limitation, the execution and delivery of such documents, agreements, certificates, affidavits and other instruments as may be necessary or desirable in connection therewith.

Section 4. Repeal of Inconsistent Actions. All resolutions, bylaws and other orders or actions of the Board in conflict with this resolution are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any resolution, bylaw or other order action heretofore repealed.

Section 5. Severability. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. Effective Date. The public sale of the Series 2022 Bonds being held on or about January 19, 2022, or such later date as is determined pursuant to the terms of the Ordinance, and the Series 2022 Bonds being scheduled for delivery on or about February 3, 2022 or such later date as is determined pursuant to the terms of the Ordinance, it is hereby determined that the immediate effectiveness of this resolution will promote the public health and safety of, and will benefit, the citizens and inhabitants of the City. This resolution shall become effective and be in full force and effect immediately upon its adoption.

APPROVED, ADOPTED AND SIGNED this November 17, 2021.

By _____
Chairman, Water and Sewer Board of the
City of Greeley, Colorado

ATTEST:

By _____
Secretary, Water and Sewer Board of the
City of Greeley, Colorado

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 8

TITLE: APPROVE SEWER BOND RESOLUTION AND
RECOMMEND TO COUNCIL

RECOMMENDATION: APPROVE SEWER BOND RESOLUTION AND
RECOMMEND TO COUNCIL

ADDITIONAL INFORMATION:

Enclosed is a resolution for the Water and Sewer Board to authorize and approve the issuance of sewer revenue bonds, Series 2022, in an aggregate principal amount not to exceed \$25,500,000, bearing interest at the rates and maturing on the dates in the amounts to be set forth in the final terms certificate, and on the terms and conditions provided in the bond ordinance.

Contained within the sewer capital program are significant improvements to the Wastewater Treatment and Reclamation Facility to meet new environmental regulations and the installation of a lift station to expand sanitary sewer service to the southwestern section of Greeley.

These projects will be partially funded through bond revenues. The resolution states that the Water and Sewer Board authorizes and approves the issuance of the Series 2022 Sewer Revenue bonds, recognizing that the issuance of these bonds will impact the Water Fund's debt service payments and the rates required to support those payments.

**CITY OF GREELEY, COLORADO
WATER AND SEWER BOARD**

RESOLUTION __, 2021

A RESOLUTION OF THE GREELEY WATER AND SEWER BOARD AUTHORIZING AND APPROVING THE ISSUANCE OF FIRST-LIEN SEWER IMPROVEMENT REVENUE BONDS, SERIES 2022, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,500,000, BEARING INTEREST AT THE RATES AND MATURING ON THE DATES AND IN THE AMOUNTS TO BE SET FORTH IN A FINAL TERMS CERTIFICATE, AND ON THE TERMS AND CONDITIONS PROVIDED IN THE GENERAL AND SERIES ORDINANCES OF THE CITY

BE IT RESOLVED BY THE WATER AND SEWER BOARD OF THE CITY OF GREELEY, COLORADO:

Section 1. Findings. The Water and Sewer Board (the “Board”) of the City of Greeley, Weld County, Colorado (the “City”), hereby finds and determines that:

(a) The Board is in receipt of a copy of a proposed authorizing ordinance, which is scheduled for introduction at the City Council’s regular meeting on December 7, 2021: the Series 2022 First-Lien Sewer Improvement Revenue Bond Ordinance (the “Series Ordinance” and together with the Sewer System General Revenue Bond Ordinance (the “Sewer General Ordinance”), the “Ordinances”) pursuant to which it is proposed that the Council authorize and approve pursuant to Section 5-18(d) of the Charter of the City (the “Charter”) the City of Greeley, Colorado, First-Lien Sewer Improvement Revenue Bonds, Series 2022 (the “Series 2022 Bonds”), to be issued in an aggregate principal amount not to exceed \$25,500,000, bearing interest at the rates and maturing on the dates and in the amounts to be set forth in a Final Terms Certificate (as defined in the Ordinances), and upon the terms and conditions set forth in the Ordinances.

(b) Pursuant to Article XVII of the Charter, the City owns, operates and maintains a municipal sanitary sewer system (the “System”) as an “enterprise” within the meaning of article X, section 20 of the Colorado Constitution. The System has been designated as an enterprise by the Charter, by Section 20-24 of the Greeley City Code (the “Code”), and by related actions of the Council and the Board, and such designation is hereby ratified and confirmed. The Board has determined, and hereby determines, based in part upon advice of bond counsel, that the System currently meets all requirements applicable to an enterprise under said article X, section 20. Without limiting the generality of the foregoing, the Board has determined, and hereby determines, that in each fiscal year since the adoption of said article X, section 20, through and including the 2020 fiscal year, the System has received, and that for the current 2021 fiscal year and the upcoming 2022 fiscal year the Board intends and reasonably expects that the System will receive, under 10% of annual revenue in grants from all Colorado state and local governments combined. Accordingly, no election is necessary under article X, section 20 of the Colorado Constitution to issue the Series 2022 Bonds.

(c) In addition to the other powers and duties vested in the Board, Section 17-4(a) of the Charter provides, in relevant part, that the Board shall have the power and shall be required to annually establish minimum sewer rates which must be sufficient to include all expenditures for:

(i) all operation and maintenance of the System;

(ii) all debt service requirements; and

(iii) additions to a reserve account in sufficient amounts to offset depreciation to the System, based on accepted principles of accounting for a water system.

(d) The Board is thoroughly familiar with (i) the Project (as defined in the Series Ordinance); (ii) the financing of the Project to be effected through the issuance of the Series 2022 Bonds; (iii) the terms and conditions upon which the Series 2022 Bonds are to be issued; and (iv) the provisions of the Ordinances.

(e) There are currently outstanding First-Lien Sewer Improvement Revenue Bonds, Series 2015 (the “Series 2015 Bonds”) and First-Lien Sewer Improvement Revenue Bonds, Series 2018 (the “Series 2018 Bonds”). The Series 2022 Bonds shall have a lien on the Net Pledged Revenues which is on a parity with the lien of the Series 2015 Bonds and the Series 2018 Bonds. Except for the Series 2015 Bonds and the Series 2018 Bonds, there are no other outstanding bonds, notes or other obligations secured by a pledge of or a lien on all or any part of the Net Pledged Revenues (as defined in the Ordinances) of the System secured on parity with the lien securing the Series 2022 Bonds, and there are no ordinances, resolutions, contracts, agreements, or other enactments or commitments inconsistent with the issuance of the Series 2022 Bonds or due performance under the Series 2022 Bonds or the Ordinances.

(f) Pursuant to Section 17-1 of the Charter, Section 20-31 of the Code, and the Ordinance, and to provide for compliance with Section 17-4(b) of the Charter, the Series 2022 Bonds, the Ordinances and the transactions contemplated thereby have been submitted to the Board for its authorization and approval. This resolution shall constitute such authorization and approval, and by adopting this resolution the Board has duly exercised its authority with respect to revenue bonds pursuant to Section 20-31 of the Code.

(g) The estimated period of usefulness of the Project is not less than fifty years from the date of delivery of the Series 2022 Bonds.

(h) Pursuant to Section 18-8-308, Colorado Revised Statutes (“C.R.S.”), all known potential conflicting interests, if any, with respect to the Series 2022 Bonds and the expenditure of proceeds thereof have been disclosed to the Board and to the Colorado Secretary of State. No member of the Board has a personal or private interest, as such terms are used in Section 24-18-109, C.R.S., in the Series 2022 Bonds, the Project, or any other subject matter of this resolution or the Ordinances, and no member of the Board has any interest, as such term is used in Section 24-18-201, C.R.S., in the Series 2022 Bonds, the Project or any contract made or to be made pursuant to this resolution or the Ordinances.

Section 2. Approval, Authorization and Ratification. The Board hereby approves and authorizes the Project and the issuance of the Series 2022 Bonds, in an aggregate principal amount not to exceed \$25,500,000, bearing interest at the rates and maturing on the dates and in the amounts to be set forth in a Final Terms Certificate, and on the terms and conditions provided in the Series Ordinance; and the Board further hereby authorizes, approves and concurs in all terms and provisions of the Ordinance and the transactions contemplated thereby. Without limiting the generality of the foregoing, as security for the Series 2022 Bonds, the Board hereby specifically authorizes, approves and concurs in the pledge of Net Revenues of the System, the granting of an irrevocable and first lien (but not necessarily an exclusively first lien) on such Net Revenues, the covenants, restrictions and limitations relating to additional Parity Obligations and Subordinate Obligations (both as defined in the Ordinances), and the covenants relating to the establishment and collection of System rates and charges, all as provided in the Ordinances. All actions heretofore taken (not inconsistent with the provisions of the Ordinances) by the City, the Board, and officers, agents and employees of the City and the Board, directed toward the undertaking of the Project and toward the issuance of the Series 2022 Bonds for that purpose, the notice and conduct of the public sale of the Series 2022 Bonds, and the provisions of the Ordinances as finally adopted) are hereby ratified, approved and confirmed.

Section 3. Delegation. In connection with this resolution and the Series 2022 Bonds, the Board hereby elects, pursuant to Section 11-57-204, Colorado Revised Statutes, as amended (“C.R.S.”), to apply such portions of the Supplemental Act (as defined and provided in the Ordinances) as are relevant to and not inconsistent with the provisions of the Ordinance and this resolution, including without limitation Section 11-57-211, C.R.S. The officers of the City, including appropriate officers of the Board, are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of the Ordinance and this resolution, to comply with the Ordinances and the Series 2022 Bonds, and to comply with all requirements of applicable law in connection therewith, including, without limitation, the execution and delivery of such documents, agreements, certificates, affidavits and other instruments as may be necessary or desirable in connection therewith.

Section 4. Repeal of Inconsistent Actions. All resolutions, bylaws and other orders or actions of the Board in conflict with this resolution are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any resolution, bylaw or other order action heretofore repealed.

Section 5. Severability. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. Effective Date. The public sale of the Series 2022 Bonds is scheduled to be held on or about January 18, 2022, or such later date as is determined pursuant to the terms of the Ordinances, and the Series 2022 Bonds are scheduled for delivery on or about February 3, 2022 or such later date as is determined pursuant to the terms of the Ordinances. It is hereby determined that the immediate effectiveness of this resolution will promote the public health and safety of, and will benefit, the citizens and inhabitants of the City. This resolution shall become effective and be in full force and effect immediately upon its adoption.

APPROVED, ADOPTED AND SIGNED this November 17, 2021.

By _____
Chairman, Water and Sewer Board of the
City of Greeley, Colorado

ATTEST:

By _____
Secretary, Water and Sewer Board of the
City of Greeley, Colorado

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 9

TITLE: 3rd QUARTER CIP REPORT

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

Staff will provide an update on different CIP's completed and in progress.

2021 CIP Update

Water & Sewer Board
November 17, 2021



Ashcroft Lift Station



Sewer Capital Replacement Fund

TOTAL BUDGET: \$7,076,538



Boomerang Golf Course Water Efficiency Improvements



Water Capital Replacement Fund

TOTAL BUDGET: \$4,704,950



Nitrification Project Phase II



Sewer Capital Replacement Fund

TOTAL BUDGET: \$35,482,679



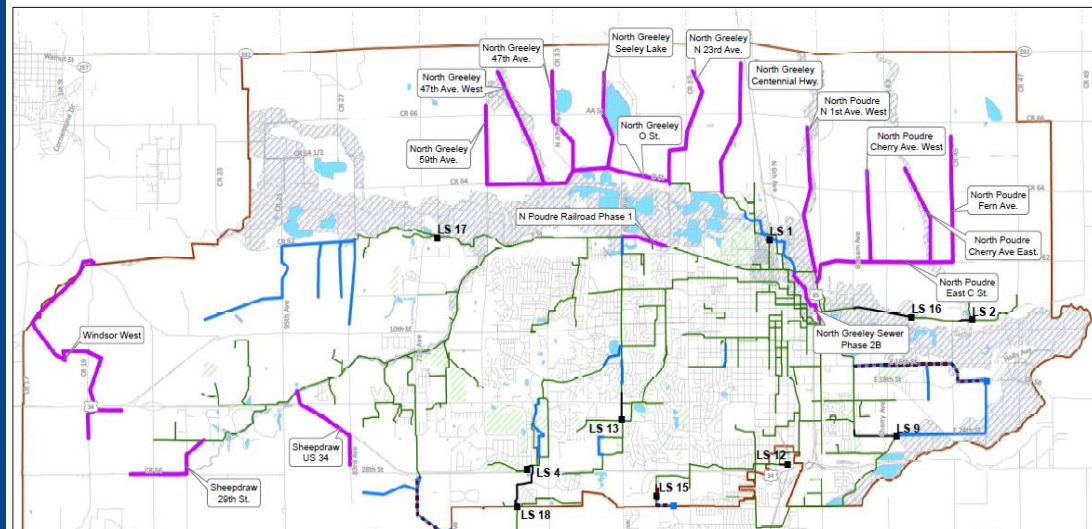
35th Ave Utility Improvement



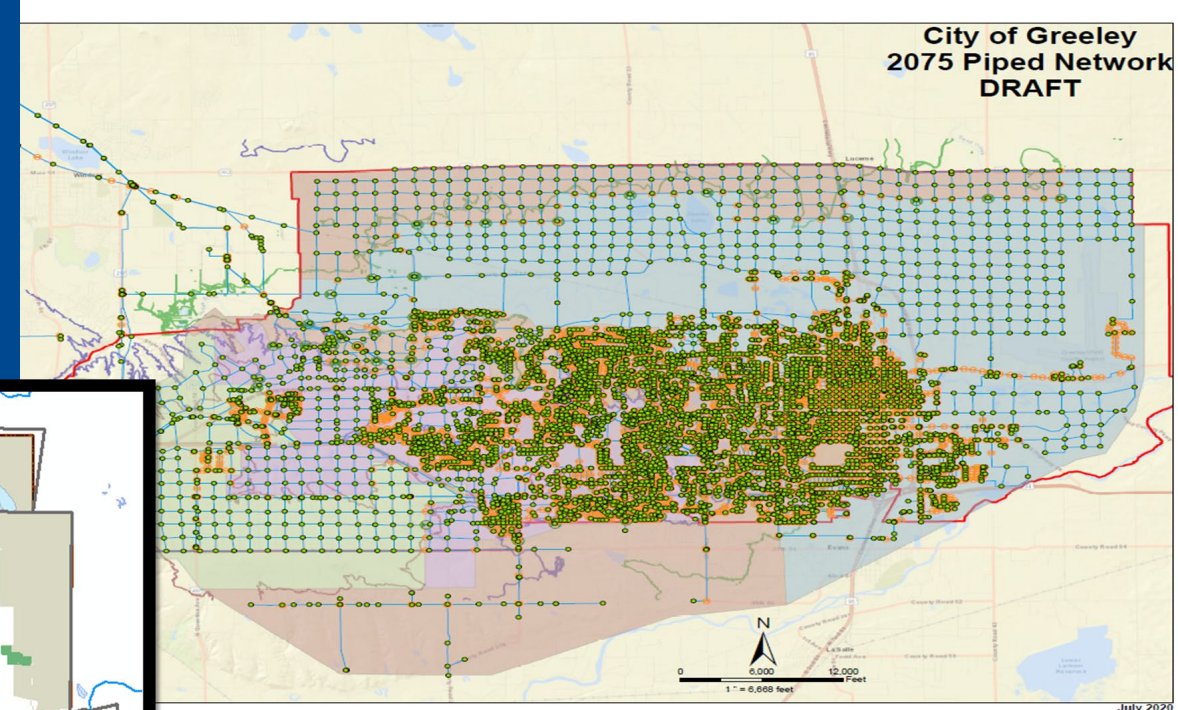
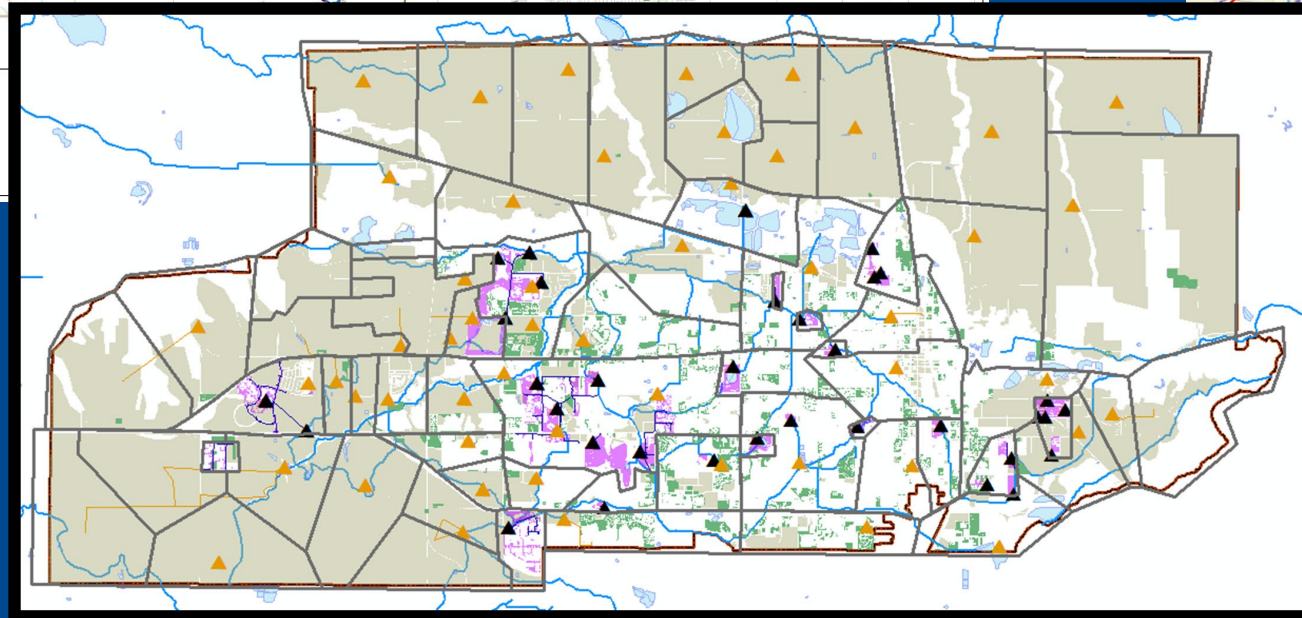
Sewer Capital Replacement & Water Capital Replacement Funds

TOTAL BUDGET: \$3,400,000

Sanitary Sewer, Non-Potable, Distribution Master Plan Update



City of Greeley
CDM Smith
December 18, 2020



Sewer Capital Replacement, Water Construction & Water Capital Replacement Funds

TOTAL BUDGET: \$1,826,309

Poudre Ponds Slurry Wall & Flood Protection Structure



Water Construction Funds

TOTAL BUDGET: \$3,950,000

Water Distribution Rehab. - 29th St Waterline Replacement



Water Capital Replacement Funds

TOTAL BUDGET: \$1,157,443

Boyd Process Improvements



Water Capital Funds

TOTAL BUDGET: \$7,456,101



Thank You!
Questions?





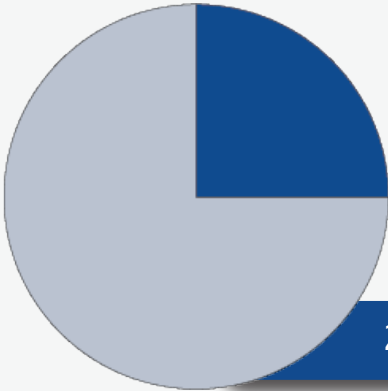
Aeration Basin 0 Wall Forms and Rebar



Selector Basins 1 & 2 Concrete and Rebar



Aeration Basin 0 Slab Concrete



25% Complete

Contract Value: \$30,164,082
Change Order Percentage: 0.0%
Total Contract Time: 915 Days
Current Time Used: 231 Days

Work Completed

- » Aeration Basin 0 concrete slab placements
- » Selector Basin concrete on slabs A,G, O, and P
- » Aeration Basin 1 launder channel walls
- » Slab rebar for Selector Basins 1 and 2

Work Upcoming

- » Remaining concrete slab placements for new Selector basins
- » Install rebar and wall forms for Aeration Basin 0
- » Replace concrete for Aeration Basin 0 walls
- » Relocate RAS Feeds

	OCTOBER	NOVEMBER	DECEMBER	JANUARY
Yard Pipe				
Duct Bank Electrical				
Aeration Basin #0 Concrete				
Selector Basins 1 and 2 Concrete				
Secondary Electrical Building Excavation				

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 10

TITLE: APPROVE NON-POTABLE DEVELOPMENT
POLICY AND RECOMMEND ASSOCIATED
CODE CHANGES TO CITY COUNCIL

RECOMMENDATION AND
PROPOSED MOTION: APPROVE THE NON-POTABLE
DEVELOPMENT POLICY AS PRESENTED
AND RECOMMEND THAT CITY COUNCIL
ADOPT ASSOCIATED CHANGES TO THE
GREELEY MUNICIPAL CODE IN THE FORM
OF THE ENCLOSED ORDINANCE

ADDITIONAL INFORMATION:

Staff has developed non-potable policy that will require the installation of non-potable infrastructure in new development in most cases. The new policy concept was first presented to the Water and Sewer Board in November 2020 and through feedback from the Board, Community Development, and the development community, the policy has evolved to its current form for Board's approval. The City Attorney's Office has proposed revisions to the Greeley Municipal Code to reflect the recommended changes to the non-potable policy. Staff will present the new policy and recommends that the Water and Sewer Board approve the enclosed non-potable policy and recommend the associated code changes to City Council.

Amend Title 20 Non-Potable Development Policy

Water and Sewer Board | November 17, 2021



Water Development Policy Refinement

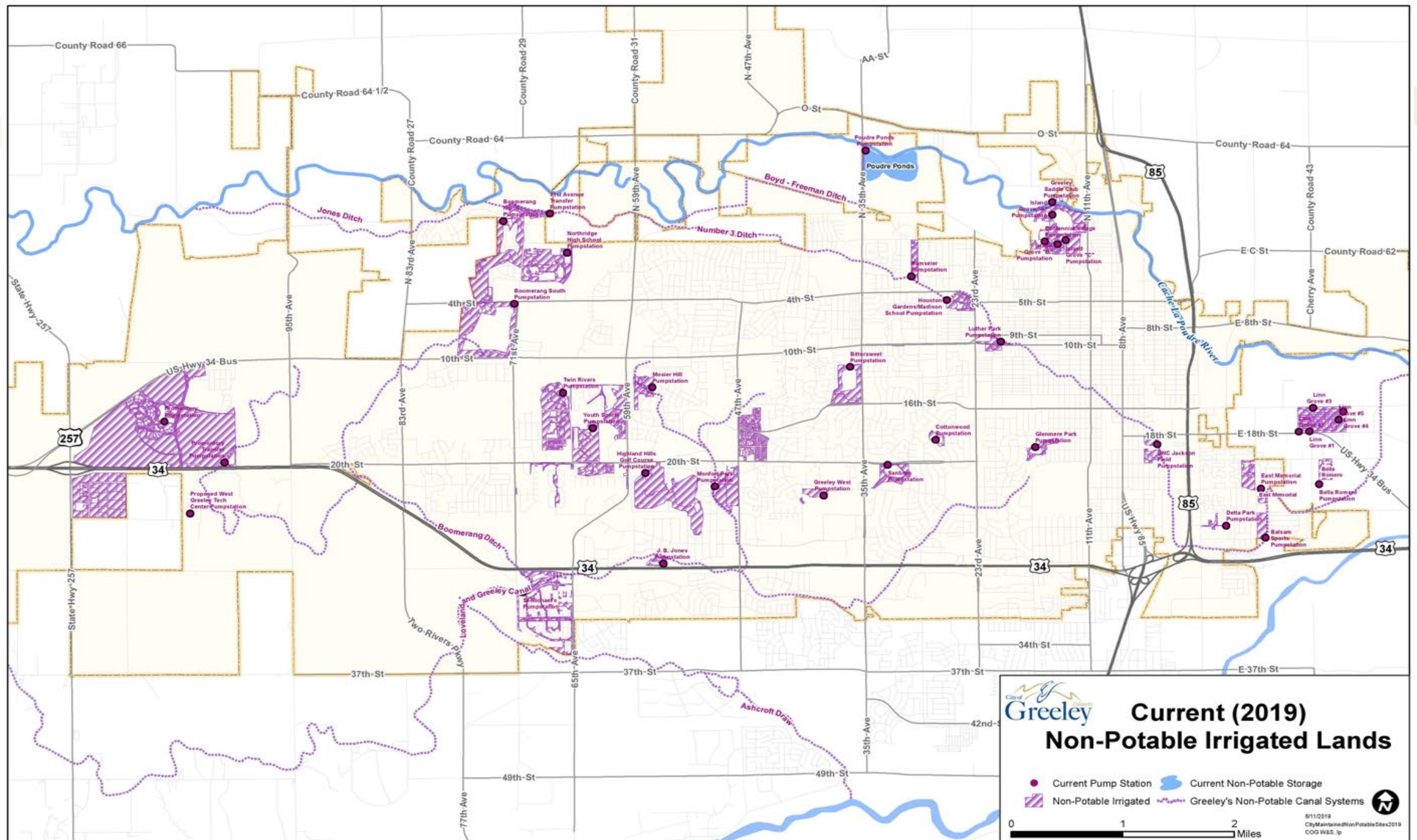
- Non-potable policy changes a part of the ongoing effort to “right size” fees and requirements related to water
 - Changed raw water dedication requirements to exclude non-irrigated outlots (2016)
 - Changed the calculation for cash-in-lieu to water portfolio value & storage (2018)
 - Changed the multi-family PIF to be based on meter size rather than units (2018)
 - Changed the yields of Greeley Loveland Irrigation Company, 7 Lakes, and Lake Loveland shares to firm yields rather than average (2019)
 - Revised raw water requirements for multi-family and non-residential (2019)
 - Only accept Greeley Irrigation Company shares for non-potable (2020)

Non-Potable Policy Philosophy

- Adaptive management (learn by doing)
 - Development styles are evolving
 - Water demand projections uncertain
 - Cost/Benefit of non-potable expansion likely to change
 - Will impact both the City and development community

Background and Need

- Current non-potable system
 - 31 pump stations, 10 wells and 90,000 feet of pipe
 - Primarily serves city-owned properties (parks, golf courses, and cemeteries), with some adjacent private customers
 - Constructed by city to reduce peak treatment demands in late 1990s and 2000s
 - Sources of supply: GIC, GLIC, exchanged effluent, Poudre Ponds

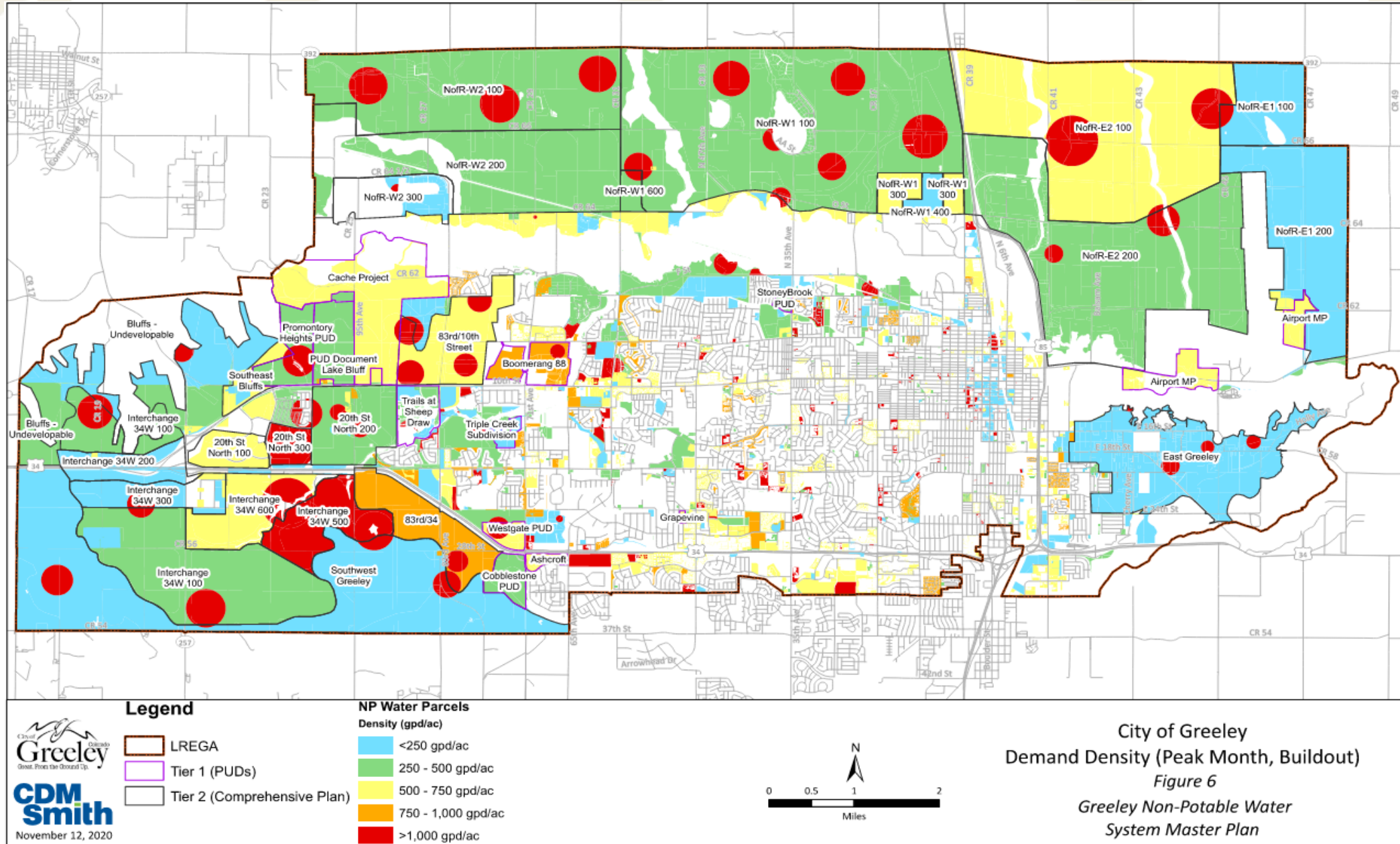


Background and Need

- Potable water prices are rapidly escalating. Non-potable water sources are \$25,000 to \$40,000 cheaper per acre-foot
- Non-potable is used (required) elsewhere in Northern Colorado because the economics work
- Need non-potable supply to meet Greeley's long term water demand
 - Current NP demand: 2,500 AF
 - Master Plan volume: ~7,000 AF
- **New policy needed to expand non -potable adoption**



New Non-Potable Potential



Non-Potable Development Policy Goals

- Cost-effectively facilitate the expansion of the non-potable system as development occurs
 - Installing non-potable infrastructure during development cheaper and more effective than retrofitting
 - Rate payers benefit from less potable infrastructure investment and less potable supplies purchased
 - Non-potable customers pay lower rates for their use
 - Developers benefit from less raw water and plant investment fee cost escalation

Policy Details

- Non-Potable is mandatory
 - For all developments with > 2 acres of irrigated common area
 - House to house if lot size > 13,000 square feet
- No non-potable plant investment fees
- Acceptance of water sources historically used to irrigate developed area

Proposal Details

- Developer installs non-potable infrastructure
 - Includes all piping and land needed
- Reduce potable plant investment fees by varying percentages, depending on size of lot and how much non-potable installed
- Aligned the proposal details with the Development Code update
- Most common solution in the region
 - Windsor, ELCO, North Weld, Evans, and Brighton all reduce potable PIFs (varying percentages) if a non-potable system is installed

Policy Details – PIF Reduction

Residential Building Type	Lot Size	Non-Potable in Common Area	Non-Potable House to House
Row House	>1,000 s.f.	50%	N/A
Detached House - Small Format	1,500-3,000 s.f.	50%	50%
Detached or Multi-Unit House - Small Lot	3,000-4,500 s.f.	40%	50%
Detached or Multi-Unit House - Medium Lot	4,500-6,000 s.f.	30%	50%
Detached or Multi-Unit House - Standard Lot	6,000-13,000 s.f.	25%	50%
Detached House-Estate Lot	>13,000 s.f.	N/A	50%

*Reductions are not cumulative

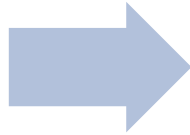
Policy Revisions

- Aligned the proposal details with the Development Code revisions completed by Community Development
 - Residential building types were refined with lot standards that defined lot open space requirements
 - Changes reflect trends toward smaller lots and more variety in housing types
- Revised yields for Greeley Loveland Irrigation Company shares
 - Share yields are the same for potable and non-potable dedication
- Clarified PIF reductions are not cumulative
 - Confusion from development community when communicating the upcoming policy changes
- Tightened up language in policy document

Process Timeline

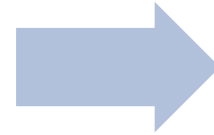
January-June

- Policy Discussion - WS Board
- Community Development Engagement



July-September

- Builder/Developer Workshop (7/19)
- Planning Commission (8/24)



November-January 2022

- WS Board Approval
- City Council Ordinance Change

Recommended Action

- Water and Sewer Board recommends to City Council to adopt an ordinance to codify the changes to Title 20 of the Greeley Municipal Code concerning the use of non-potable water supplies for irrigation



Questions?



Non-Potable Water Supply

Program Policies

November, 2021

Non-Potable Supply Required

For residential developments only, the development shall use non-potable water for irrigation of:

- Common spaces unless the residential development has less than 2 acres of irrigated common space
- Individual lots unless the lot size is less than 13,000 square feet

For commercial or industrial developments only, the development shall use non-potable water for irrigation unless the commercial or industrial development has less than 2 acres of common space irrigation

For developments that are not feasible to immediately connect to the City's non-potable system, but that the City has identified as being feasible for non-potable service, all non-potable piping shall be installed to allow for non-potable use when non-potable service is available. Land will be identified and set aside for the installation of any additional non-potable infrastructure, such as pump stations, if required by the Water & Sewer Director or designee for building out the City's non-potable system.

In unique circumstances, new development projects may be able to demonstrate that engineering limitations make including infrastructure for non-potable irrigation water infeasible. The feasibility evaluation and all calculations must be provided to the Water & Sewer Director or designee and the Department's Chief Engineer for review and consideration of approval in order to waive the requirement. Any such waiver of the requirement shall be based upon engineering feasibility limitations.

Cash-In-Lieu (CIL)

Non-potable CIL is equal to potable CIL. Raw water credits associated with Terry Ranch can be used to pay for non-potable raw water requirements

- New single-family residential non-potable raw water requirements are calculated on the pervious area of the lot and the lot size minus the footprint of the house and other impervious areas. The development's association or Metro District will be served by master meters as determined by Greeley Water and Sewer.

Cost of Connection & Cost Sharing

The cost of developing non-potable infrastructure shall be borne by the developer.

- Furthermore, the City, at the discretion of the Water and Sewer Director or designee, shall pay to upsize non-potable facilities in cases when the non-potable system can be used to serve more areas than a single development.
- No non-potable Plant Investment Fees (PIF) will be charged

Potable PIFs will be reduced by the following percentages for Single Family or Multi-Unit lots where non-potable is installed (PIF reductions are not cumulative. Only the PIF reduction in the “Non-Potable House to House” column applies if house to house non-potable is installed)

Residential Building Type	Lot Size	Non-Potable in Common Area	Non-Potable House to House
Row House	>1,000 s.f.	50%	N/A
Detached House-Small Format	1,500-3,000 s.f.	50%	50%
Detached or Multi-Unit House-Small Lot	3,000-4,500 s.f.	40%	50%
Detached or Multi-Unit House-Medium Lot	4,500-6,000 s.f.	30%	50%
Detached or Multi-Unit House-Standard Lot	6,000-13,000 s.f.	25%	50%
Detached House-Estate Lot	>13,000 s.f.	N/A	50%

Water Budget

All newly installed non-potable accounts shall be assigned a Water Budget.

Drought Restrictions

During times of drought declaration, non-potable developments will be subject to the same watering restrictions and surcharges as potable, Water Budget accounts.

Public Ownership of Non-Potable Systems

No private ownership of non-potable systems in new development is allowed. The public ownership of the non-potable system applies to the curb stop for non-potable service, similar to the treated water system.

Shoulder Season Taps

The City shall furnish, without raw water fees or PIFs, potable water taps to supply the non-potable irrigation system during times when the non-potable supply is unavailable (i.e., early spring and late fall shoulder seasons). Shoulder taps will be removed or retired from service if the non-potable system is expanded to serve shoulder seasons. Shoulder season taps are generally provided for parks, housing associations and Metro Districts, and large commercial customers. It is not intended for residential use.

- If potable water is used during periods when non-potable supplies are available, the potable supplies will be subject to the potable raw water surcharge.

Water Rates

Each non-potable system is provided a tiered annual water budget. (Implemented when new utility billing software is live.)

- Water tier volumes for non-potable systems will be the same as the potable water budget program.
 - Water Budget tier = up to 100% of water budget
 - Inefficient Use tier = 101%-130% of water budget
 - Excessive Use tier = 131%-150% of water budget
 - Unsustainable Use tier = >150% of water budget
- Tiered rates for use of non-potable water supplies will be 70% of the residential water budget rates, which are determined annually by the Water & Sewer Board.

Raw Water Dedication

Type of Water Use*	Vegetation Type
High Water Use	Bluegrass, Turf, Annuals, Willow Trees, etc.
Medium Water Use	Drip Irrigation, Fruit Trees, Common Ornamentals, etc.
Low Water Use	Native Plants, Succulents, Drought Tolerant Plants, etc.
*Refer to water use information for plant watering needs from “Greeley WaterWise Landscaping Criteria”	

Type of Water Use	Dedication Requirement
High Water Use	3.0 acre feet/acre
Medium Water Use	2.3 acre feet/acre
Low Water Use	1.6 acre feet/acre

- A service commitment will be recorded with the Weld County Clerk and Recorder that specifies the volume of raw water dedicated (or paid through cash-in-lieu) for the non-potable water use.
 - Because the establishment of landscaping may require extra watering, exceeding the service commitment during the first full calendar year of water service for the new non-potable customer will not be considered as an overage and no raw water surcharge payment will be due.
- If water use for a new non-potable customer exceeds its service commitment in any calendar year, the owner will be required to pay a raw water surcharge for the volume of water exceeding the service commitment.
- If water use in a new non-potable customer exceeds its service commitment in any two consecutive years, the owner will be required to purchase additional water through a Cash-in-Lieu payment.
 - The Cash-in-Lieu payment will be for the two-year average volume of water used above the service commitment.
 - Service commitment pricing is based on the current Cash-in-Lieu of water prices for Greeley.

CITY OF GREELEY, COLORADO

ORDINANCE ____, 2021

**AN ORDINANCE AMENDING TITLE 20 OF THE MUNICIPAL CODE OF THE CITY OF GREELEY
(CONCERNING THE USE OF NON-POTABLE WATER SUPPLIES FOR IRRIGATION)**

WHEREAS, the City of Greeley, Colorado ("City") is a home rule municipality empowered pursuant to Sections 1 and 6 of Article XX of the Colorado Constitution to, inter alia, construct, purchase, acquire, lease, add to, maintain, conduct, and operate water works and everything required therefor, within or without its territorial limits, for the use of the City; and

WHEREAS, Section 17-1 of the Greeley City Charter authorizes the Greeley Water and Sewer Board ("Board") to qualify the Water and Sewer functions and operations as an "enterprise" as that term is contained in Article X, Section 20 of the Colorado Constitution, and to provide for every function and operation of an enterprise, including but not limited to, bond issuance and all other necessary and ordinary functions of the Water and Sewer operations; and

WHEREAS, Section 17-4(c) of the Greeley City Charter and Section 20-30 of the Greeley Municipal Code authorize the Board to acquire, develop, convey, lease and protect the water and sewer assets, supplies and facilities needed to fully use the water supplies decreed, adjudicated or contracted for the City; and

WHEREAS, various Sections within Title 20 of the Greeley Municipal Code set forth the requirements and regulations related to the initiation and use of water and sewer services from the City; and

WHEREAS, City Water and Sewer staff, with feedback and input from the Board, have developed a policy concerning the expanded use of non-potable water supplies for irrigation throughout the City, in the interest of more strategically and efficiently managing the City's water resources portfolio; and

WHEREAS, City Water and Sewer staff and legal counsel subsequently developed revisions to Title 20 of the Greeley Municipal Code to implement the various provisions of this policy; and

WHEREAS, the Water and Sewer Board reviewed the proposed final policy and revisions to Title 20 of the Greeley Municipal Code on November 17, 2021 and recommended that City Council adopt an ordinance to codify the revisions, in the form of the revisions attached hereto and incorporated herein as Appendix A;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF GREELEY, COLORADO:

Section 1. That Subsections (2) through (7) of Section 20-27 of the Greeley Municipal Code be renumbered and amended to read as shown on Appendix A, attached hereto and incorporated herein.

Section 2. That Subsections (1) through (9) of Section 20-28 be renumbered and amended to read as shown on Appendix A.

Section 3. That Section 20-126 be stricken in its entirety as shown on Appendix A.

Section 4. That the reserved Sections of Title 20 (Public Works and Utilities), Chapter 3 (Water and Sanitary Sewer Service), Article III (Water), Division 4 (Water Conservation) be renumbered as shown on Appendix A.

Section 5. That Section 20-252 be renumbered as Section 20-251 and amended to read as shown on Appendix A.

Section 6. That a portion of Section 20-253 be renumbered as Section 20-252 and amended to read as shown on Appendix A.

Section 7. That the remaining portion of Section 20-253 be renumbered and amended to read as shown on Appendix A.

Section 8. That Section 20-254 be amended to read as shown on Appendix A.

Section 9. That Section 20-255 be amended to read as shown on Appendix A.

Section 10. That Section 20-256 be amended to read as shown on Appendix A.

Section 11. That Section 20-257 be amended to read as shown on Appendix A.

Section 12. That Section 20-260 be amended to read as shown on Appendix A.

Section 13. That Section 20-262 be amended to read as shown on Appendix A.

Section 14. That Section 20-263 be amended to read as shown on Appendix A.

Section 15. That Section 20-264 be amended to read as shown on Appendix A.

Section 16. That Chapter 6 (Irrigation) of Title 20 (Public Works and Utilities) be stricken in its entirety, and the reserved Sections thereof renumbered and amended to read as shown on Appendix A.

Section 17. Except as explicitly modified on Exhibit A, all other provisions of Title 20 of the Greeley Municipal Code shall remain in full force and effect.

Section 17. This Ordinance shall take effect on the fifth day following its final publication, as provided by Section 3-16 of the Greeley City Charter.

PASSED AND ADOPTED, SIGNED AND APPROVED ON THIS ____ DAY OF _____ 2021.

ATTEST

CITY OF GREELEY, COLORADO

City Clerk

Mayor

APPENDIX A
ORDINANCE AMENDING TITLE 20
GREELEY MUNICIPAL CODE

Section 1. Subsections (2) through (7) of Section 20-27 of the Greeley Municipal Code shall be renumbered and amended to read as follows:

Sec. 20-27. Duties, fees and charges.

The water and sewer board shall adopt, by resolution, the following rates, fees and charges:

- (1) Minimum and sufficient potable water rates;
- (2) Minimum and sufficient non-potable water rates;
- (32) Minimum and sufficient sanitary sewer rates;
- (43) Cash-in-lieu fees;
- (54) Raw water surcharges;
- (65) Water plant investment fees;
- (76) Sewer plant investment fees; and
- (87) Water turn-on charges.

Section 2. Subsections (1) through (9) of Section 20-28 shall be renumbered and amended to read as follows:

Sec. 20-28. Permissible duties; fees and charges.

The water and sewer board may adopt minimum rates, fees and charges which may include, but need not be limited to, the following:

- ~~(1) Irrigation water rates;~~
- (12) Water rental rates;
- (23) Fees for inspection;
- (34) Fees for testing;
- (45) Fees for meter installation;
- (56) Fees for engineering design review;
- (67) Fees for accepting wastewater hauled to the sewage treatment plant;
- (78) Lift station surcharges; and
- (89) Other fees and charges as the board deems necessary to cover the costs of inspections, tap installations, operations, maintenance and extensions of the water and sanitary sewer systems.

Section 3. Section 20-126 shall be stricken in its entirety.

~~Sec. 20-126. Buildings with multiple users.~~

~~Owners of any business block or other building occupied by more than one tenant using or taking water from the same service pipe shall be required to pay the water and sewer rent for~~

~~the whole of such block, building or premises before a license shall be granted for the use of water therein.~~

Section 4. The reserved Sections of Title 20 (Public Works and Utilities), Chapter 3 (Water and Sanitary Sewer Service), Article III (Water), Division 4 (Water Conservation) shall be renumbered as follows:

Secs. 20-230—20-250~~1~~. Reserved.

Section 5. Section 20-252 shall be renumbered as Section 20-251 and amended to read as follows:

Sec. 20-251~~2~~. Initiation of water service; service commitment agreements.

- (a) Any person or entity seeking water service from the city shall make a request for such service within the associated land use or development application process required by title 24 of this Code. If the person or entity seeking water service is not pursuing a land use or development application, the request shall be made in writing to the director of water and sewer. ~~It is unlawful for a person or entity to take and use water service from the city without first obtaining authorization from the director of water and sewer.~~
- (b) Requests for water service made through the land use or development application process required by title 24 of this Code shall be forwarded to the director of water and sewer. All requests for water service shall include the information necessary to determine all applicable fees and rates for such service. The director of water and sewer shall not authorize any such water service until all required information is received and all required fees are paid.
- (c) All applicants granted authorization for water service to nonresidential ~~lots and multifamily residential developments~~lots with more than four units within the city limits shall execute a service commitment agreement to be recorded with the county clerk and recorder setting forth the details and parameters of the potable and non-potable components of such service, including the person or entity to whom service is granted, the date upon which service shall commence, the specific location at which the tap(s) or service connection(s) shall be made, the permitted size of the tap(s) or service connection(s), a description of the property to which service will be provided, and the permissible uses of water on the property, and the annual allotment associated with the water service.
- ~~(d) All applicants granted authorization for water service to large parcel single-family residential lots, as described in Section 20-257, that are required to install a separate and additional landscape irrigation tap and service line for the service of non-potable water shall execute a service commitment agreement to be recorded with the county clerk and recorder setting forth the details and parameters of the non-potable component of such service, including the person or entity to whom service is granted, the date upon which service shall commence, the specific location at which the tap(s) or service connection(s) shall be made, the permitted size of the tap(s) or service connection(s), a description of the property to which service will be provided, the~~

permissible uses of water on the property, and the annual allotment associated with the non-potable component of the water service.

Section 6. A portion of Section 20-253 shall be renumbered as Section 20-252 and amended to read as follows:

Sec. 20-2523. Taps and service lines required; potable and non-potable service line extensions prohibited.

- (a) Each detached ~~single-family~~ residential building, multi-unit family residential building, and nonresidential building shall be served by a minimum of one separate water tap and service line for the service of potable water. Buildings with mixed residential and ~~non-residential~~ nonresidential uses shall be served by separate potable water taps for the residential and non-residential components of the development.
- (b) A separate and additional landscape irrigation tap and service line shall be required for the service of non-potable water to all residential detached estate lots with an area of 13,000 square feet or more.
- (c) A separate and additional landscape irrigation tap and service line shall be required for the service of non-potable water to the irrigated common space associated with all non-residential buildings nonresidential lots and multi-family residential buildings lots with more than four units within the city limits, including, without limitation, commercial, industrial, and group housing (apartment buildings, condominiums, nursing homes, hotels, and motels), if such irrigated common space totals two acres in area or more.
- (d) The director of water and sewer, or his designee, has the authority to grant a temporary or permanent variance to the landscape irrigation tap requirements in this section upon a finding in their sole discretion that immediate connection of the subject property to the non-potable water system is not feasible, or that the subject property can be served by a single tap due to minimal landscaping irrigation demand. The grant of such a variance may include any terms and conditions deemed appropriate by the director or his designee in their sole discretion.
- (e) It is unlawful to install a privately-owned non-potable irrigation system on any property to which the city provides water service.

Section 7. The remaining portion of Section 20-253 shall be renumbered and amended to read as follows:

Sec. 20-253. Service line extensions prohibited.

- (ae) It is unlawful for a person or entity to extend a service line to serve any other buildings, lots or premises contrary to the requirements of this section. Notwithstanding the foregoing, the director of water and sewer has the discretionary authority to grant variances when appropriate for accessory uses on the same property or an adjoining lot.

- (~~b~~d) A prohibited service line extension that was installed prior to September 1, 2019, may remain in effect so long as it does not create a sanitation, public health or public nuisance problem. If, in the discretion of the director of water and sewer, a prohibited service line extension creates a sanitation, public health or public nuisance problem, the subject property owner shall separate the compound tap at their own expense.
- (~~c~~e) The owner of a property to which a new water service line is installed after the associated separation of a compound tap shall be required to pay all fees applicable to the initiation of water service to the subject property, including, without limitation, the costs required to install another water tap and service line. Plant investment fees that would otherwise be due and payable for a new water service line installed pursuant to this section shall be waived upon a written finding of the director of water and sewer that there will be no increase in water service to the subject property.
- (~~d~~f) The use of a common service line by abutting property owners shall not alter the maintenance responsibility of the users of the common service line. The common service shall not constitute a public responsibility and the director of water and sewer shall not perform maintenance or repair on the separate or combined service lines that may serve abutting properties.

Section 8. Section 20-254 shall be amended to read as follows:

Sec. 20-254. Water rights dedication; amounts and criteria.

- (a) All applicants for water service within the city limits shall (i) dedicate to the city water rights, if any, that the city, in its sole discretion, can use in its potable water supply system or non-potable irrigation system and (ii) if the applicant cannot satisfy the raw water dedication requirements through the dedication of water rights, shall furnish to the city a cash-in-lieu fee (or satisfy the same pursuant to subsection (e)) to fulfill all or the remainder of the dedication requirement associated with a request for water service as a prerequisite to and as part of the consideration for city water service to the subject ~~property~~lot. All water rights approved for dedication shall be conveyed to the city on or before the date the final plat for the development is approved. All cash-in-lieu fees shall be due and payable to the city no later than the date on which the building permit is issued.
- (b) The city has determined (i) that the water rights represented by shares of stock in the Greeley and Loveland Irrigation Company and the Seven Lakes Reservoir Company, and rights in the Loveland and Greeley Reservoir Company (Lake Loveland) can be used within its potable water supply system and non-potable irrigation system and (ii) that the water rights represented by units of Colorado-Big Thompson Project Water can be used within its potable water supply system. The water rights represented by shares of stock in the Greeley Irrigation Company can only be used within non-potable irrigation systems. Therefore, the city will accept such water rights only in satisfaction of the raw water dedication requirements associated with non-potable water service on property historically irrigated by the subject water rights. The city shall use the following yield values to determine the amount of raw water transferred by an applicant toward the satisfaction of any raw water dedication requirement:

Company	Yield/Share
The Greeley & Loveland Irrigation Company	8 acre-feet/share
The Seven Lakes Reservoir Company	8 acre-feet/share
The Loveland and Greeley Reservoir Company (Lake Loveland)	20 acre-feet/right
Colorado-Big Thompson Project Water (C-BT)	0.75 acre-feet/unit
Greeley Irrigation Company (Greeley No. 3 Canal)	10.3 acre-feet/share

- (c) Except for water rights represented by units of Colorado-Big Thompson Project Water, the city will not accept the dedication of any water rights under subsection (b) for use within its potable water supply system ~~or non-potable irrigation system~~ unless the director of water and sewer determines that the subject water rights meet the requisite criteria under Colorado law for conversion of the water to municipal use by the city, including, without limitation, that: (i) the water rights have a history of use on the property being developed; (ii) the property being developed was historically and consistently irrigated under the ditch system from which such water rights are being dedicated; (iii) the owner and all lienholders of the property being developed execute a restrictive covenant in a form acceptable to the city requiring the cessation of irrigation on the historically irrigated property with the subject water rights except under conditions authorized by the city; and (iv) the applicant provides any documents and materials reasonably required by the city to ensure consistency with any prior decrees, including but not limited to, decrees adjudicating changes of the Greeley and Loveland Irrigation Company, the Seven Lakes Reservoir Company, the Loveland and Greeley Reservoir Company (Lake Loveland), and the Greeley Irrigation Company water rights.
- (d) An applicant for water service may dedicate any water rights identified in subsection (b) as usable within the city non-potable irrigation system, including water rights that satisfy the requirements of subsection (c), in satisfaction of the applicant's raw water dedication requirement associated with non-potable service. An applicant ~~for water service~~ may request that the city accept or permit the use of (i) water rights other than the water rights identified in subsection (b) or (ii) water rights that do not satisfy the requirements of subsection (c) in ~~partial-satisfaction or reduction~~ of the applicant's raw water dedication requirement associated with non-potable service. The city, in its sole discretion, may accept or permit the use of such water rights based on certain terms and conditions set by the director of water and sewer but only in ~~partial-satisfaction or reduction~~ of the raw water dedication requirement associated with non-potable water service on property that has been historically irrigated by the subject water rights.
- (e) On or before December 31, 2099, an applicant for water service, who is also the registered owner of a certificate issued by the department to evidence one or more raw water dedication credits, may redeem such credit(s) in whole or in part (but only in whole numbers) toward the satisfaction of any cash-in-lieu fee obligation associated with the applicant's request for water service in accordance with sections 20-255, 20-256, 20-257, and 20-260. One raw water dedication credit represents the equivalent of,

but not an interest in, one acre-foot of raw water that an applicant would otherwise have to satisfy by furnishing to the city a cash-in-lieu fee.

- (f) Applicants for water service to ~~single-family residential and multi-family residential developments~~lots with four units or less within the city limits shall dedicate raw water and, if the applicant cannot dedicate raw water, furnish to the city any applicable cash-in-lieu fee in accordance with section 20-255 in the amount of three acre-feet per acre, or fraction thereof, of property to which water service will be provided. Streets, rights-of-way, driveways, sidewalks, outbuildings, and any other part of the ~~property~~lot that has been or will be developed shall be included in the calculation of the total gross acreage of the property, regardless of whether such areas have been dedicated to public use. The city may, in its sole discretion, exclude area(s) from the total gross acreage, provided that irrigating such area is legally prohibited by plat or deed.
- (g) Applicants for water service to ~~non-residential~~nonresidential lots and ~~multi-family residential developments~~lots with more than four units within the city limits, including, without limitation, commercial, industrial, and group housing (apartment buildings, condominiums, nursing homes, hotels, and motels), shall dedicate raw water and, if the applicant cannot dedicate raw water, furnish to the city the applicable cash-in-lieu fee in accordance with section 20-256 in the amount of the water service demand for the subject ~~development~~lot. The potable water service demand for ~~non-residential~~nonresidential lots and ~~large multi-family residential developments~~lots with more than four units shall be determined by multiplying the total units proposed by the applicant by the average unit use, as set forth in the business category and water use table below. The potable water service demand for industrial ~~developments~~lots and commercial ~~developments~~lots of a type not specifically identified in the business category and water use table below shall be determined by the director of water and sewer on a case-by-case basis, utilizing the projected volume of total water use by the subject ~~development~~lot.

Business Category and Water Use		
Category	Units	Average Unit Use (Gallons Per Unit Per Year)
Auto service and repair	SF	12
Car wash	Bay	1,350,000
Childcare	SF	47
Church	SF	4.5
Grocery store	SF	20
Gas station without car wash	SF	93
Hospital	SF	21
Hotel/motel	Room	30,300
Medical office	SF	25
Multi-family residential (greater than 4 units)	Unit	35,500

Office	SF	14
Recreation with pool	SF	122
Recreation without pool	SF	25
Restaurant (outdoor seating areas 50%)	SF	188
Retail	SF	16
School	SF	11
Warehouse	SF	5
Industrial and other commercial	Demand determined on case-by-case basis	
"SF" = Square feet of gross floor space within the building area		

- (h) Applicants for water service to ~~non-residential~~ nonresidential lots and multi-family residential ~~developments~~ lots with more than four units within the city limits, including, without limitation, commercial, industrial, and group housing (apartment buildings, condominiums, nursing homes, hotels, and motels), for which a separate and additional landscape irrigation tap and service line is required in accordance with section 20-252~~3~~, shall also dedicate raw water and, if the applicant cannot dedicate raw water, furnish to the city the applicable cash-in-lieu fee in accordance with section 20-256 in the amount of the landscape irrigation demand for the subject ~~development~~ lot. Landscape irrigation demand shall be determined based on (i) the total gross acreage of property to which water service will be provided and (ii) the type of landscape as set forth in the landscape water use table below. Landscape plans with more than 75 percent high water use vegetation are assumed to be entirely high water use and shall be calculated as such. Streets, rights-of-way, driveways, sidewalks, outbuildings and any other impervious part of the property lot that has been or will be developed shall be included in the calculation of the total gross acreage of property, regardless of whether such areas have been dedicated to public use. The city may, in its sole discretion, exclude area(s) from the total gross acreage, provided that irrigating such area(s) is legally prohibited by plat or deed.

Landscape Water Use	
Water Use	Dedication Requirement
High water use (>14 gals/sf annual use)	3 acre-feet/acre
Medium water use (10-14 gal/sf annual use)	2.33 acre-feet/acre
Low water use (<10 gals/sf annual use)	1.67 acre-feet/acre
No irrigation	No raw water requirement for landscape

Section 9. Section 20-255 shall be amended to read as follows:

Sec. 20-255. Cash in lieu of raw water required; ~~single-family~~ detached and small multi-~~unit~~ family residential.

- (a) Any applicant for water service to ~~single-family residential and multi-family residential developments~~lots with four units or less within the city limits that cannot satisfy the requirements of section 20-254 through the dedication of water rights shall furnish to the city a cash-in-lieu fee to fulfill all or the remainder of the dedication requirement associated with the potable and non-potable components of its request for water service.
- (b) The cash-in-lieu fee for ~~single-family residential and multi-family residential developments~~lots with four units or less shall be set by resolution of the water and sewer board and calculated as the cash equivalent of three acre-feet of water per acre, or fraction thereof, of property to which water service will be provided, using the fair market value of water per acre-foot.

Section 10. Section 20-256 shall be amended to read as follows:

Sec. 20-256. Cash in lieu of raw water required; nonresidential and large multi-~~unit~~family residential.

- (a) Any applicant for water service to ~~non-residential~~nonresidential lots and ~~multi-family residential developments~~lots with more than four units within the city limits, including, without limitation, commercial, industrial, and group housing (apartment buildings, condominiums, nursing homes, hotels, and motels), that cannot satisfy the requirements of section 20-254 through the dedication of water rights shall furnish to the city a cash-in-lieu fee to fulfill all or the remainder of the dedication requirement associated with the potable and non-potable components of its request for water service.
- (b) The cash-in-lieu fee for ~~non-residential~~nonresidential lots and ~~large multi-family residential developments~~lots with more than four units shall be set by resolution of the water and sewer board and calculated by multiplying the water service demand for the subject ~~property~~lot, as determined in accordance with section 20-254(~~eg~~), and the landscape irrigation demand, as determined in accordance with section 20-254(h), by the fair market value of water per acre-foot.

Section 11. Section 20-257 shall be amended to read as follows:

Sec. 20-257. Exception for large parcel single-family residential.

- (a) The water rights dedication and cash-in-lieu fee requirements set forth in sections 20-254 through 20-256 shall not apply to applications for water service to a large parcel single-family residential ~~development~~lot, defined as a parcel, of property exceeding one acre that contains only one detached single-family residence.
- (b) All applicants for water service to a large parcel single-family residential ~~development~~lot shall dedicate raw water and, if the applicant cannot dedicate raw water, furnish to the city the applicable cash-in-lieu fee in accordance with subsection (c) in the amount of the water service demand for the subject ~~development~~lot. The water service demand for large parcel single-family residential ~~developments~~lots shall be determined by (i) the total gross acreage, or fraction thereof, of property to which

water service will be provided and (ii) the type of landscape as set forth in the landscape water use table in section 20-254(h) above. Landscape plans with more than 75 percent high water use vegetation are assumed to be entirely high water use and shall be calculated as such. Streets, rights-of-way, driveways, sidewalks, outbuildings and any other part of the ~~property~~lot that has been or will be developed shall be included in the calculation of the total gross acreage of property, regardless of whether such areas have been dedicated to public use. The city may, in its sole discretion, exclude area(s) from the total gross acreage, provided that irrigating such area(s) is legally prohibited by plat or deed.

- (c) Any applicant for large parcel single-family residential water service pursuant to this section that cannot satisfy the requirement of subsection (b) through the dedication of water rights shall furnish to the city a cash-in-lieu fee to fulfill all or the remainder of the dedication requirement associated with its request for water service.
- (d) The cash-in-lieu fee for large parcel single-family residential water service pursuant to this section shall be set by resolution of the water and sewer board and calculated as the cash equivalent of the calculated water service demand using the fair market value of water per acre-foot.

Section 12. Section 20-260 shall be amended to read as follows:

Sec. 20-260. Raw water surcharge and supplemental cash in lieu of raw water; exception.

- (a) ~~A nonresidential or large multifamily residential~~ customer whose metered water use in a calendar year exceeds its annual allotment shall be required to pay a raw water surcharge on the volume of potable or not-potable water used in excess of such allotment, as set forth in its service commitment agreement.
- (b) Nonresidential and large multi-unit~~family~~ residential customers who initiated water service prior to the enactment of the ordinance codified in this section and have not executed a service commitment agreement shall be entitled to an annual allotment in accordance with the raw water dedicated or cash in lieu of raw water it paid upon initiation of service. Any such customer whose metered water use in a calendar year exceeds its annual allotment shall be required to pay a raw water surcharge on the volume of water used in excess of such allotment.
- (c) Large parcel single-family residential customers shall be entitled to an annual allotment equal to the water service demand calculated in accordance with section 20-257. Any such customer whose metered water use in a calendar year exceeds its annual allotment shall be required to pay a raw water surcharge on the volume of water used in excess of such allotment.
- (d) The raw water surcharge applicable to customers pursuant to this section shall be set by resolution of the water and sewer board. Any customer whose metered water use in a calendar year exceeds its annual allotment may also furnish to the city a separate supplemental cash-in-lieu fee to increase its annual allotment. ~~Any~~ Any such supplemental cash-in-lieu fee shall be calculated using the fair market value of water per acre-foot,

as set by the water and sewer board and in place when the raw water surcharge payment is due and payable, and shall result in a corresponding increase to the annual allotment for that customer, whether as determined in accordance with this section or as set forth in its service commitment agreement.

- (e) Any ~~nonresidential, large multifamily residential, or large parcel single-family residential~~ customer who initiates or modifies its water service after the enactment of the ordinance codified in this section and whose metered water use in a calendar year exceeds the annual allotment set forth in its service commitment agreement in any two consecutive calendar years shall be required to pay a supplemental cash-in-lieu fee to increase its annual allotment in the amount of the average volume of water used above the annual allotment over the two consecutive calendar years, as described in subsection (d) of this section.
- (f) Any customer whose metered water use during its first full calendar year of water service exceeds its annual allotment shall be exempt from the raw water surcharge and supplemental cash-in-lieu fee requirements of this section for that first year only.

Section 13. Section 20-262 shall be amended to read as follows:

Sec. 20-262. Plant investment fees for water service; inside and outside the city.

- (a) All applicants for water service, whether inside or outside the city limits, shall furnish to the city a water plant investment fee based on the diameter of the potable water tap as a prerequisite to, and as a part of the consideration for, city water service to the subject property. The water plant investment fee shall be the minimum amount set by resolution of the water and sewer board, unless subsequently increased by resolution of the city council. The diameter of a service line water tap installed for fire suppression purposes shall not be considered when calculating plant investment fees due pursuant to this section.
- (b) Upon approval of the director of water and sewer, plant investment fees may be based on the volume of a customer's annual allotment rather than the diameter of the potable water tap. When the director of water and sewer authorizes a plant investment fee based on the volume of a customer's annual allotment, then the schedule of tap fees set by resolution of the water and sewer board shall be applied in accordance with the size of service line.
- (c) The plant investment fee associated with a request for water service shall be reduced by up to fifty (50) percent for the following residential lot types to which separate and additional landscape irrigation taps and service lines are installed and non-potable water service is provided. Reductions are not aggregated for the installation of both common space and house-to-house non-potable water service.

<u>Plant Investment Fee Reduction Percentages</u>

<u>Residential Building Type</u>	<u>Lot Size</u>	<u>Common Space Non-Potable</u>	<u>House to House Non-Potable</u>
<u>Row House</u>	<u>>1,000 s.f.</u>	<u>50%</u>	<u>N/A</u>
<u>Detached House (Small Format)</u>	<u>1,500-3,000 s.f.</u>	<u>50%</u>	<u>50%</u>
<u>Detached or Multi-Unit House (Small Lot)</u>	<u>3,000-4,500 s.f.</u>	<u>40%</u>	<u>50%</u>
<u>Detached or Multi-Unit House (Medium Lot)</u>	<u>4,500-6,000 s.f.</u>	<u>30%</u>	<u>50%</u>
<u>Detached or Multi-Unit House (Standard Lot)</u>	<u>6,000-13,000 s.f.</u>	<u>25%</u>	<u>50%</u>
<u>Detached House (Estate Lot)</u>	<u>>13,000 s.f.</u>	<u>N/A</u>	<u>50%</u>

Section 14. Section 20-263 shall be amended to read as follows:

Sec. 20-263. Installation costs for water service.

- (a) In addition to the water plant investment fee requirement set forth in section 20-262, an applicant for water service shall pay for all meters, labor and other materials required to tap the potable and non-potable water systems~~main~~, to install service pipes, and to trench and repair the street, as such costs are determined by the director of water and sewer.
- (b) All costs shall be paid by the applicant in advance of such work and no later than the time at which a building permit is issued by the city for the subject property.

Section 15. Section 20-264 shall be amended to read as follows:

Sec. 20-264. Water plant investment fee credits and exchange; renovations.

- (a) Any customer that seeks to abandon an existing potable water tap in favor of a smaller or larger tap to serve the same property shall be entitled to a credit against the water plant investment fee requirement set forth in section 20-262. ~~Such~~ credit shall be equal to the then current plant investment fee value associated with the abandoned tap but shall not include credit for any fire flow diameter associated with the abandoned tap. Any credit issued for an abandoned tap pursuant to this section shall not exceed the water plant investment fee due and payable for the replacement tap; the city shall not be required to provide cash refunds for any such credit.
- (b) Any tap abandoned pursuant to this section shall be turned off at the main, and the costs associated with turning off the abandoned tap shall be borne by the person or entity requesting the change of service.
- (c) Any customer that renovates one or more residential units that were constructed prior to January 20, 1959, and is accordingly required to replace an existing tap that serves such residential units to comply with the current minimum tap size requirements established by the water and sewer board shall not be required to furnish an additional

water plant investment fee if the renovation does not increase the number or size of the residential units, and the use of the subject property is not changed.

Section 16. Chapter 6 (Irrigation) of Title 20 (Public Works and Utilities) shall be stricken in its entirety, and the reserved Sections thereof renumbered and amended to read as follows:

~~CHAPTER 6. IRRIGATION~~

~~Sec. 20-701. Regulation of irrigation water.~~

~~In order to secure an equitable distribution of irrigation water among the irrigation water consumers, the director of water and sewer and his deputy or deputies shall, under the direction of the city manager, regulate the distribution of irrigation water to all the lots and parcels of land within the limits of the city.~~

~~Sec. 20-702. Control of headgates.~~

~~The headgates of city laterals from Canal No. 3, together with the headgates of sublaterals whereby water is drawn from such canals or laterals, shall be controlled only by the director of water and sewer or his deputies on his order.~~

~~Sec. 20-703. Water levels and checks.~~

~~The director of water and sewer shall, at all points where it may be found necessary, establish and maintain such water levels and checks as shall ensure to all private parties and to all sublaterals an equitable supply of irrigation water, at a minimum head, with the present established grade of the ditches of the city.~~

~~Sec. 20-704. Interference unlawful.~~

~~It is unlawful for any person to open any gate or gates or otherwise break and destroy any gate or check or cutting of any of the banks of the ditches, to obstruct the free flow of water by check or otherwise, to willfully allow gates in such ditches to be open and to run water thereby upon their own land or upon any street, alley or public grounds of this city, or in any other way to interfere with the regulations of the director of water and sewer or the provisions of this chapter.~~

~~Sec. 20-705. Irrigation rates fixed by water and sewer board.~~

~~Irrigation water rates shall be the minimum rate as approved by the water and sewer board, unless increased by resolution of the city council.~~

~~Sec. 20-706. Payment due date; nonpayment.~~

~~It shall be the duty of the director of finance to collect such tax from all irrigation water consumers before April 20 in each and every year, and all irrigation water consumers neglecting or refusing to pay such tax on or before such date shall, until such tax is paid, be deprived of irrigation water by the director of water and sewer, whose duty it shall be to stop~~

~~the supply of irrigation water to all lots or parcels of land on which the tax is unpaid on such day.~~

Secs. 20-7017 - 20-725. Reserved.

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 11

TITLE: APPROVE AND RECOMMEND TO COUNCIL
THE MCWILLIAMS FARM DIVESTMENT

RECOMMENDATION: APPROVE AND RECOMMEND TO COUNCIL
THE MCWILLIAMS FARM DIVESTMENT

ADDITIONAL INFORMATION:

In 2016, the City of Greeley purchased a 133 +/- acre farm in Weld County, known internally as the “McWilliams Farm”. The land was part of the Danielson Farms acquisition, which included two other farms totaling 332 acres along with three shares of the stock in the Water Supply and Storage Company (“WSSC Water Rights”). Only one-half of the three shares historically irrigated the McWilliams Farm. Since 2016, the City has leased the McWilliams Farm, along with the WSSC Water Rights, to a tenant farmer in order to maintain the use of the WSSC Water Rights on the historically irrigated land. In 2021, the City received an offer to purchase the McWilliams Farm. A dry-up covenant, revegetation covenant, and a leaseback of the one-half share of WSSC Water Rights to the buyer are part of the agreement. Staff recommends the divestment of the McWilliams Farm to the potential buyer. Additional details will be presented at the Water & Sewer Board Meeting.

McWilliams Farm Property Divestment



November 17th, 2021

McWilliams Farm Property Divestment

- Greeley acquired the 133 +/- acres McWilliams Farm in 2016.
 - Part of the Danielson Farms acquisition, which included two other farms totaling 332 acres and 3 shares of Water Supply and Storage (WSSC).
- Total Purchase price in 2016 for 332 acres and 3 shares WSSC: \$3,925,000
 - WSSC – \$1,800,000 (\$600,000 per share)
 - Improvements – \$500,000
 - Land – \$1,625,000 (\$4,890 per acre)
- Current offer from 3T, LLC for \$800,000 (\$6,000 per acre)



McWilliams Farm Property Divestment

- Buyer is acquiring the property as an investment property but will maintain in agriculture until developed
- \$15,000 earnest money
- 5% brokerage commission
- Buyer pays for most diligence, Greeley pays for title commitment
- City obtains dry-up and revegetation covenants
- Leaseback (0.5 share of WSSC)
 - Two year lease, with option to renew for one additional year



Recommendation

- Benefits of divestment:
 - Reduces maintenance overhead
 - Could seek to re-appropriate sale proceeds for additional water acquisition
- Staff recommends the Water and Sewer Board approve and recommend to City Council the McWilliams Farm divestment





Questions?



Exhibit A to Contract to Buy and Sell Real Estate (Greeley – 3T)

ADDITIONAL PROVISIONS

30.1. Approval. The obligations of the Seller herein, including the obligation to convey the Property to Buyer, are expressly subject to the authorization of this divestment of real property by the City of Greeley Water & Sewer Board and the City of Greeley City Council. If the Board and City Council do not approve this Agreement and authorize the divestment, then this Agreement is of no legal effect, the Earnest Money shall be returned to the Buyer, and neither party shall have any further obligation to the other regarding the subject matter herein.

30.2. Restrictive Covenants & Water Lease. Buyer shall deliver, or cause to be delivered, at or before Closing, duly executed and acknowledged copies of the Restrictive Covenants (No Irrigation and Revegetation) attached hereto as Exhibit B and the Irrigation Water Lease attached hereto as Exhibit C. The Restrictive Covenants (No Irrigation and Revegetation) shall be recorded in the real property records of Weld County immediately after the deed conveying the property to Buyer is recorded..

30.3. Farm Lease Termination. The Amended Farm Lease Agreement, dated April 6, 2021, by and between Leland Lebsack as Lessee and Seller as Lessor, shall be partially terminated at or before Closing by Seller as to the following:

30.3.1. the "McWilliams Farm" parcel of land, as that term is described on Exhibit A to the Amended Farm Lease Agreement, dated April 6, 2021, by and between Seller and Leland Lebsack, and disclosed to Seller by Buyer under § 10.6.1.7; and

30.3.2. the water, water rights, ditches, ditch rights, and reservoir rights, including any and all lateral ditches, easements, rights of way and entitlements appurtenant to, used in connection with, and represented by one-half (0.5) share of stock of that two and one-half (2.5) shares of stock in the Water Supply & Storage Company, said two and one-half (2.5) shares evidenced by Certificate No. 6728.

30.4. Water Lease. Seller agrees to lease to Buyer, and Buyer agrees to make beneficial use of, the water and associated rights excluded under Section 30.6.1 for the continued irrigation of the Property for a period of two (2) annual irrigation seasons, beginning in the year 2022, subject to the Greeley City Charter Section 17-4(c). The annual lease amount to be paid by Buyer to Seller for such lease shall be equal to any ditch and reservoir company assessments or other charges and expenses attributable to the water and associated rights excluded under Paragraph 2.6 and an annual administrative fee equal to ten percent (10%) of the ditch and reservoir company assessments. Both Parties agree to negotiate in good faith to enter into such lease agreement in satisfaction of this provision at or before Closing, in the form of Exhibit C.

30.5. Broker Fee. Seller agrees to pay Transactional-Broker a five percent (5%) commission at Closing.

30.6. Exclusions. The following items are excluded (Exclusions):

30.6.1. All water, water rights, ditches, ditch rights, and reservoir rights, including any and all lateral ditches, easements, rights-of-way and entitlements appurtenant to, used in connection with, and represented by one-half (0.5) share of stock of that two and one-half (2.5) shares of stock in the Water Supply & Storage Company, said two and one-half (2.5) shares evidenced by Certificate No. 6728; and

30.6.2. The Valley Irrigation® brand center pivot, and any personal property, owned by or belonging to Leland Lebasck, Seller's lessee of the Property under that Amended Farm Lease Agreement, dated April 6, 2021, and disclosed to Seller by Buyer under § 10.6.1.7.

30.7 1031 Exchange. At the request of the Buyer, Seller shall cooperate with the Buyer in the achievement of a tax-deferred real estate exchange pursuant to Section 1031 of the Internal Revenue Code and the Treasury Regulations promulgated thereunder. Seller shall not be required to incur any additional liability or expense in connection with the Buyer's tax-deferred exchange transaction nor shall Seller be required to convey title to any real property other than the Property described hereinabove.

30.8 Inspection. The list of objectionable conditions enumerated in § 10.3 shall also include any matter affecting Buyer's intended use of the Property.

Exhibit B to Contract to Buy and Sell Real Estate (Greeley – 3T)

RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, and in order to provide the City of Greeley, a Colorado home rule municipal corporation ("Greeley"), with the maximum benefit available from the present and future use of water pursuant to the water rights described in Exhibit 1 attached hereto and incorporated herein ("Water Rights"), 3T, LLC, a Colorado limited liability company ("Declarant"), agrees, warrants and covenants on Declarant's own behalf and on behalf of all successors in interest, that upon notice from Greeley, Declarant shall cease irrigation on the lands owned by Declarant and described in Exhibit 2 attached hereto and incorporated herein ("Land").

Upon receipt of one hundred and eighty (180) days prior written notice from Greeley, thereafter Declarant and Declarant's successors in interest shall not irrigate the Land. These covenants shall not prohibit Declarant or Declarant's successors in interest from irrigating the Land (i) with other water rights which may in the future be transferred to such lands and judicially approved for such use through an appropriate Water Court proceeding, and in accordance with any future water rights applications filed by Greeley or a successor in interest to the Water Rights; (ii) with water from an existing well or wells to be constructed in the future which are authorized to pump pursuant to a Water Court-approved plan for augmentation; (iii) with water which is not tributary to the South Platte River or any of its tributaries; (iv) or with treated potable water supplied by a municipal or quasi-municipal government water provider ("Alternate Water Rights").

Unless so irrigated, then within two and one half (2½) years from the date Declarant ceases to irrigate the Land or any portion thereof with Alternate Water Rights, Declarant or Declarant's successors in interest shall also establish, at Declarant's or Declarant's successors in interest's expense, a ground cover of plant life, as such is defined in C.R.S. § 37-92-103(10.5), on the previously irrigated portions of the Land to satisfy any applicable revegetation and noxious weed management provisions as may be required in a final decree obtained by Greeley, or a successor in interest to the Water Rights, from the District Court for Water Division No. 1, State of Colorado, or a successor court, changing certain water rights from agricultural irrigation purposes to other beneficial purposes, pursuant to C.R.S. § 37-92-305(4.5). Previously irrigated portions of the Land means portions of the Land not occupied by roads, buildings, or other structures, which land was cultivated with crops in accordance with these covenants. Declarant, or Declarant's successors in interest, shall provide notice to Greeley when such revegetation of the Land has been established. Declarant agrees the Land subject to these covenants shall not be planted with crops that are capable of extending roots into the underlying groundwater, including, but not limited to, alfalfa.

Should Declarant or Declarant's successors in interest fail to comply with its obligations hereunder, Greeley shall have the right to come upon the Land and take all measures necessary to accomplish the Declarant's obligations hereunder, including but not limited to revegetation and/or noxious weed management on the Land, provided that Greeley shall also have the right to receive full reimbursement of all of its expenses of accomplishing such revegetation or weed management from Declarant or Declarant's successor in interest. Any and all fees and costs incurred in any necessary action to enforce these covenants by Greeley, including reasonable attorney fees, shall be paid by Declarant. Additionally, Greeley shall have the right to come upon the Land to verify Declarant's compliance with its obligations hereunder, with any such inspections being at the sole expense of Greeley. All rights to enter upon the Land granted herein shall terminate upon a final determination by the District Court for

Water Division No. 1, State of Colorado, under the court's retained jurisdiction, that no further actions will be necessary in order to satisfy Declarant's revegetation obligations.

The foregoing covenants shall burden, attach to, and run with the Land and shall be binding upon Declarant and Declarant's successors, assigns and any other person who acquires an ownership or leasehold interest in all or part of the Land; such covenants also shall benefit, attach to, and run with the Water Rights and shall inure to the benefit of Greeley's successors, assigns, and any other person who acquires an ownership interest in the Water Rights. Declarant warrants and represents such covenants shall entitle Greeley to the first and prior right to claim credit for the dry-up or non-irrigation of the Land.

The terms and provisions of these covenants shall not expire and shall be perpetual unless specifically released in writing by Greeley or its successors in interest. The terms and provisions of these covenants may not be terminated, modified, or amended without prior written consent of Greeley or its successors in interest. Any notice may be sent to the Declarant by prepaid U.S. Mail to the Declarant at: 12644 County Road 62, Greeley, CO 80631. The undersigned acknowledges and represents he/she has authority to sign on behalf of and bind Declarant to the terms and conditions of these Restrictive Covenants (No Irrigation and Revegetation).

IN WITNESS WHEREOF, the Declarant has executed this instrument on the _____ day of _____ 20__.

Declarant
3T, LLC

By: _____

Name: _____

Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 20__ by _____, as _____ of 3T, LLC.

Witness my hand and official seal.

Notary Public

My commission expires: _____

EXHIBIT 1
RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)
(Description of the Water Rights)

All water, water rights, ditches, ditch rights, and reservoir rights, including any and all lateral ditches, easements, rights of way and entitlements appurtenant to, used in connection with, and represented by one-half (0.5) share of stock of that two and one-half (2.5) shares of stock in the Water Supply & Storage Company, said two and one-half (2.5) shares evidenced by Certificate No. 6728 (“Water Rights”).

EXHIBIT 2
RESTRICTIVE COVENANTS (NO IRRIGATION AND REVEGETATION)
(Description of the Land)

Lot D of Recorded Exemption 0707-16-04 RECX15-0084, according to the map recorded October 21, 2015 at Reception No. 4151984, being a part of the SE 1/4 of Section 16, Township 7 North, Range 66 West of the 6th P.M. in Weld County, Colorado; also known as Parcel No. 070716400004 and consisting of approximately 135.04 acres.

Exhibit C to Contract to Buy and Sell Real Estate (Greeley – 3T)

IRRIGATION WATER LEASE AGREEMENT

This IRRIGATION WATER LEASE AGREEMENT ("Agreement") is entered into this ____ day of _____ 202_, by and between the CITY OF GREELEY, a Colorado home rule municipal corporation acting by and through its Water and Sewer Board, whose address is 1001 11th Avenue, Second Floor, Greeley, Colorado 80631 ("City"), and 3T, LLC, a Colorado limited liability corporation, whose address is 12644 County Road 62, Greeley, CO 80631 ("Lessee").

Recitals

WHEREAS, the City owns those certain water rights represented by one-half (0.5) share of stock of that two and one-half (2.5) shares of stock in the Water Supply & Storage Company, said two and one-half (2.5) shares evidenced by Certificate No. 6728 ("Water Rights"); and

WHEREAS, the Lessee desires to lease the Water Rights from the City for agricultural irrigation on Lot D of Recorded Exemption 0707-16-04 RECX15-0084, according to the map recorded October 21, 2015 at Reception No. 4151984, being a part of the SE 1/4 of Section 16, Township 7 North, Range 66 West of the 6th P.M. in Weld County, Colorado, also known as Parcel No. 070716400004, a parcel of real property consisting of approximately 135.04 acres ("Property");

WHEREAS, the City is willing to lease the Water Rights to the Lessee for agricultural irrigation on the Property;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and Lessee agree as follows.

Agreement

1. Water Rights Lease. The City hereby leases to the Lessee, and the Lessee hereby leases from the City, the above-described Water Rights for the purpose of agricultural irrigation on the Property.

2. Term of Lease. The term of this Agreement begins on the date of mutual execution and ends on November 1, 2023 ("Initial Term"). At the end of this Initial Term, this Agreement shall renew automatically for one year ("Renewal Term"), unless City or Lessee transmits written notice of nonrenewal on or before November 1 of the preceding calendar year. The Lessee may terminate this Agreement during the Initial Term, prior to any irrigation season, for any reason by delivering one (1) year's advance written notice to the City. The City may terminate this Agreement during the Initial Term, prior to any irrigation season, by delivering advance written notice to Lessee on or before November 1 of the preceding calendar year, if the City determines in its sole discretion that the Water Rights are needed for any municipal purpose, or if the City is

required to cease irrigation with the Water Rights by the terms and conditions of a water court decree. Additionally, refer to Section 12 for provisions relating to termination for cause.

3. Annual Lease Amount and Administrative Fee. The Lessee shall pay to the City an Annual Lease Amount equal to all assessments, charges, and other expenses due and attributable to the Water Rights paid by the City to the Water Supply and Storage Company. The Annual Lease Amount shall not be reduced to reflect rebates or other credits attributable to leasing transmountain return flows associated with the Water Rights. Lessee shall also pay to the City an Annual Administrative Fee equal to ten percent (10%) of that year's Annual Lease Amount, provided, however, that the Annual Administrative Fee shall not exceed five-hundred dollars (\$500.00). The City will provide an invoice of the Annual Lease Amount and Annual Administrative Fee to the Lessee, and Lessee shall deliver payment of that total amount to the City no later than (i) May 15 of the then current irrigation year, or (ii) within fifteen days of receipt of such invoice from the City. The Lessee shall also remit to the City an additional charge equal to fifteen percent (15%) of the Annual Lease Amount for every thirty (30) days that payment required under this Agreement is late.

4. Use of Water Rights. Lessee shall:

(a) take and use the water delivered pursuant to the Water Rights to the fullest extent possible;

(b) not take any action that could cause in part or in whole a reduction in the use of the Water Rights or could be construed as whole or partial abandonment of the Water Rights;

(c) only use the water delivered pursuant to the Water Rights for agricultural irrigation;

(d) not use the water delivered pursuant to the Water Rights on any land other than the Property;

(e) not use any water, water rights, ditches, ditch rights, wells, well rights, well permits, carriage rights, reservoirs, or reservoir rights to irrigate the Property, other than water yielded pursuant to the Water Rights, absent written consent from the City;

(f) use the Water Rights in accordance with all rules, regulations, bylaws and policies of the Water Supply and Storage Company. Lessee shall comply with Title 20 of the Greeley Municipal Code, and all rules, regulations, and laws of the State of Colorado pertaining to use of the Water Rights; and

(g) provide advance written notice to the City of at least thirty days if it no longer intends to irrigate the entirety of the Property with the Water Rights.

5. Affidavit of Beneficial Use and Water Court Proceedings. Lessee agrees to deliver to the City, on or before May 15 of each calendar year, a completed Historical Use Affidavit and

Questionnaire, in the form attached as Exhibit A. Lessee acknowledges that the City may file an application to change the use of the Water Rights with the Division 1 Water Court for the State Colorado during the term of this Lease Agreement. Lessee agrees to cooperate with the City and its agents or representatives in the review and analysis of the historical use of the Water Rights. Upon request from the City, Lessee shall provide information regarding use of the Water Rights and reasonable access to the Property during and in preparation for any proceeding before the Division 1 Water Court.

6. Restriction on Sublease and Assignment. Lessee shall not rent, sublet, or otherwise convey the right to use the Water Rights. Lessee shall not assign this Agreement, except to a successive owner or operator of the Property for agricultural irrigation of the Property, and only with written consent from the City. Lessee shall request consent from the City prior to any purported assignment of this Agreement by advance written notice of at least thirty (30) days. Such consent may be given or withheld in the sole discretion of the City.

7. No Vested Interest in Shares or Joint Venture. This Agreement is made expressly subject to Section 17-4 of the Charter of the City of Greeley. The City grants no interest in the Water Rights to the Lessee other than as explicitly set forth in this Agreement. Lessee shall make no claim to any rights, title, or interest in the Water Rights other than as explicitly set forth in this Agreement. This Agreement does not create a partnership or joint venture of any kind between the parties, and the Lessee shall bear the entirety of any loss, cost, or expense incurred through their use of the Water Rights on the Property.

8. No Guarantee of Yield. Lessee is entitled to receive the amount of water yielded by the Water Rights, subject to the terms and conditions in this Agreement. The City makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered pursuant to the Water Rights. Lessee shall not hold the City liable for any failure in delivery of the water pursuant to the Water Rights, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

9. Maintenance of Infrastructure. Lessee shall maintain the lateral ditches, headgates, and other personal property necessary to deliver water pursuant to the Water Rights at Lessee's own cost and expense. Lessee shall make all repairs and restorations necessary to keep the lateral ditches, headgates, and other personal property in good working condition during the term of this Agreement.

10. Indemnification; Immunity. Lessee agrees to exercise Lessee's rights under this Agreement at Lessee's own risk. Lessee shall indemnify and hold harmless the City from and against any cost, expense, or liability arising out of this Agreement or related activities. Nothing in this Agreement is intended to constitute a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 et seq., as applicable now or hereafter amended.

11. Notice. All notices to be given under this Agreement shall be (1) sent by certified or registered mail, return receipt requested, (2) hand-delivered at the addresses set forth above, or (3) via email to trevor@orrand.com for Lessee and Alex.Tennant@Greeleygov.com, with a copy

to Aaron.Goldman@Greeleygov.com, for City. The Lessee shall provide written notice to the City, and City to Lessee, if the appropriate contact information changes.

12. Default and Termination. If either the City or the Lessee fails to comply with a term or condition herein, such failure constitutes a default of this Agreement. The non-defaulting party may declare the default by providing written notice to the defaulting party in accordance with Paragraph 11 above. Upon receipt of this notice of default, the defaulting party will have fifteen (15) days within which to cure the default. If, in the sole discretion of the non-defaulting party, the default remains uncured after the aforementioned fifteen-day cure period, or after any written extension thereof mutually agreed upon by the parties, the non-defaulting party may declare the Agreement terminated by written notice in accordance with Paragraph 11 above.

(a) Notwithstanding the above, failure by the Lessee to comply with the terms and conditions of Paragraphs 3, 4 or Paragraph 6 of this Agreement constitutes a material breach. In the event that the Lessee commits a material breach, the City may immediately terminate this Agreement by written notice to Lessee.

(b) The failure of either party to declare a default or material breach does not establish a precedent or constitute an implied waiver of any subsequent breach of the terms and conditions in this Agreement.

13. Cessation of Irrigation. Upon expiration or termination of this Agreement, Lessee shall immediately cease agricultural irrigation of the Property with the Water Rights.

14. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies upon any parties other than the Lessee and the City, or their respective permissible successors in interest.

15. Recovery of Costs and Fees. In addition to any remedies otherwise available, a party that is successful in a legal action commenced against the other due to a default or material breach of this Agreement may recover from the defaulting party reasonable costs and attorneys' fees incurred during the course of such legal action.

16. Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any action arising out of this Agreement is the District Court for Weld County, Colorado, or the Division 1 Water Court for the State of Colorado.

17. Severability. In the event a provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding will not invalidate any other provision herein, and the remainder of the Agreement should be interpreted in accordance with the intent of the parties.

18. Integration. This Agreement constitutes a complete integration of the understanding and agreement between the City and Lessee with respect to the subject matter herein, and supersedes all other lease agreements regarding the Water Rights. No representations,

negotiations, or warranties, express or implied, exist between the City and Lessee except as explicitly set forth in this Agreement. This Agreement may only be modified in a written form duly authorized, approved, and executed by the City and Lessee.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by electronic means. The parties agree to accept and be bound by signatures hereto delivered by electronic means.

20. Recording. Lessee shall not record this Agreement in the real property records of any jurisdiction. This Agreement is not intended to run with the land as a covenant burdening real property.

IN WITNESS WHEREOF, the undersigned parties have executed this Irrigation Water Lease Agreement on the date first set forth above.

CITY OF GREELEY

ATTEST:

By: _____
Mayor

By: _____
City Clerk

LESSEE

By: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____ 20__ by _____, whose signature appear above as the Lessee.

Witness my hand and official seal.

Notary Public

My commission expires: _____

**EXHIBIT A TO
IRRIGATION WATER LEASE AGREEMENT**

(See attached Historical Use Affidavit & Questionnaire)

AFFIDAVIT OF HISTORICAL USE OF WATER RIGHTS

WATER RIGHTS:

Ditch or Reservoir Company:
Shares or Interest: _____

Herein after collectively referred to as the “Water Rights.”

Name and address of owner and user of Water Rights:

Owner: City of Greeley
Water and Sewer Department
1100 10th Street, Suite 300
Greeley, Colorado 80631

User(s): _____

Year water rights were used as described: _____

IRRIGATED LAND:

Legal description and size/acreage of land irrigated by above-mentioned Water Rights:

Name and address of owner(s) of above-mentioned irrigated land if different from owner or user of the Water Rights: City of Greeley.

During my period of use, I used the water delivered pursuant to the Water Rights to the fullest extent possible, and did not undertake any action which could be construed as abandonment of or an intent to abandon the Water Rights. I state that the information contained here and in the attached Questionnaire Regarding Use of Water Shares, which is incorporated herein by reference, is known to me and is correct.

The undersigned _____, having personal knowledge of the irrigation of the above described lands by virtue of being the owner and/or person who has farmed and irrigated those lands with the Water Rights, being first duly sworn, hereby states that the information provided in this statement is true and accurate.

[Signature Page Follows]

Signed and dated this ____ day of _____, 20__.

Signature: _____

Printed Name: _____

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

The foregoing Affidavit of Historical Use of Water Rights was acknowledged before me by _____,
this _____ day of _____, 20__.

Witness my hand and Official Seal.

Notary Public

My commission expires: _____

QUESTIONNAIRE REGARDING USE OF WATER SHARES

*The person completing this questionnaire need not necessarily be the Lessee,
but must have personal knowledge of the information provided.*

1. Name of person completing this questionnaire: _____
Mailing Address: _____

Telephone: _____
Facsimile: _____
Email Address: _____

2. The information provided below pertains to _____ Shares of _____, represented
by Stock Certificate No. _____ (hereinafter "Shares").

Did you use the Shares pursuant to a Lease Agreement? _____
Date of the Lease: _____
Name of Lessee (if different from Question 1): _____
Name of Lessor: _____ City of Greeley _____

3. The information in this questionnaire relates to my use of the Shares during the 20__ irrigation season
(hereinafter "Lease Year").

4. Do you still own the farm or parcel irrigated by these Shares? _____

5. Was your use of the Shares during the Lease Year consistent with all terms and conditions of the Lease
Agreement and with the bylaws, rules, regulations, and policies of the ditch company? _____

6. What is the legal description of the farm or parcel on which these Shares were used?

7. What is the total size of the farm or parcel? _____ acres.

8. What is the size of the area(s) on the farm or parcel that was irrigated? _____ acres.

9. What is the size of the area(s) on the farm or parcel that was irrigated using water from the Shares? __ acres.

10. Please provide the following information regarding how the water from these Shares is delivered.
 - Location and ID Number of the head gate at the main ditch: _____
_____.
 - Name and general location of any lateral(s) delivering the water to the land historically irrigated:
_____.
 - Identification of any carrier or lateral ditch stock required to deliver these rights:
_____.
 - Approximate location of pumps, if used: _____

- Approximate location and size of storage ponds or reservoirs, including tail water ponds, if used: _____.

11. How was water applied during the Lease Year?

- Sprinkler _____
- Furrow _____
- Flood _____
- Other/Combination (describe): _____.

12. What was the irrigation season for the Lease Year? Start Date: _____ Stop Date: _____

13. During the Lease Year, did you divert and irrigate with all water available under the Shares? _____.

If not, please explain the reason why all water was not taken, approximately how much was not taken, and for how long: _____

14. Other than the Shares leased, was any other water (including other shares that are in the same Company as the Shares that are the subject of this questionnaire) used to irrigate the farm or parcel on which the Shares are/were used during the Lease Year? If so, please provide the following information.

- Number of shares: _____.
- Ditch Company: _____
- Number of any Irrigation Wells: _____.
- Identification and Permit No. of any Irrigation Wells: _____.
- Capacity of Irrigation Wells: _____.
- Approximate location of Irrigation Wells: _____.
- Any other water used: _____
- Describe how the water has been used, including the estimated percentage of the total irrigation supply provided by such water: _____

15. During the Lease Year, what crops were grown on the land irrigated by the Shares?

- | | | |
|----------------|-------------------|-----------------|
| 1. Crop: _____ | Percentage: _____ | Location: _____ |
| 2. Crop: _____ | Percentage: _____ | Location: _____ |
| 3. Crop: _____ | Percentage: _____ | Location: _____ |
| 4. Crop: _____ | Percentage: _____ | Location: _____ |

16. Were the lands on which the Shares were used subirrigated? Yes _____ No _____

17. If possible, please provide a map, sketch, or aerial photograph showing locations of *(check if included)*:

- _____ Farm or Parcel
- _____ Areas irrigated by the Shares during the Lease Year
- _____ Areas irrigated with other water
- _____ Lateral ditches, wells, pumps, pipelines, storage reservoirs, or tail water ponds

I understand that I may be required to sign an affidavit attesting to the accuracy, to the best of my knowledge, of the information provided herein.

Signature: _____ Date: _____

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(CBS4-5-19) (Mandatory 7-19)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR
OTHER COUNSEL BEFORE SIGNING.

CONTRACT TO BUY AND SELL REAL ESTATE
(LAND)
(☒ Property with No Residences)
(☐ Property with Residences-Residential Addendum Attached)

Date: _____

AGREEMENT

1. AGREEMENT. Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. PARTIES AND PROPERTY.

2.1. Buyer. 31, LLC, a Colorado Limited Liability Company (Buyer) will take title to the Property described below as ☐ ~~Joint Tenants~~ ☐ ~~Tenants In Common~~ ☐ ~~Other~~ _____.

2.2. No Assignability. This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions**.

2.3. Seller. The City of Greeley, Colorado, a home rule municipality (Seller) is the current owner of the Property described below.

2.4. Property. The Property is the following legally described real estate in the County of Weld, Colorado:
Lot D of Recorded Exemption 0707-16-04 RECX15-0084, according to the map recorded October 21, 2015 at Reception No. 4151984, being a part of the SE 1/4 of Section 16, Township 7 North, Range 66 West of the 6th P.M. in Weld County, Colorado; also known as Parcel No. 070716400004 and consisting of approximately 135.04 acres.

~~known as No.~~ _____
~~Street Address~~ ~~City~~ ~~State~~ ~~Zip~~

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. Inclusions. The Purchase Price includes the following items (Inclusions):

2.5.1. Inclusions. The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions**:

- Zimmatic™ brand center pivot irrigation system and associated pump and pond infrastructure

If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. Personal Property - Conveyance. Any personal property must be conveyed at Closing by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except See Exhibit A. Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

2.6. Exclusions. The following items are excluded (Exclusions):

See Exhibit A

2.7. Water Rights, Well Rights, Water and Sewer Taps.

☐ **2.7.1. Deeded Water Rights.** ~~The following legally described water rights:~~

None

Any deeded water rights will be conveyed by a good and sufficient _____ deed at Closing.

☐ **2.7.2. Other Rights Relating to Water.** ~~The following rights relating to water not included in §§ 2.7.1, 2.7.3, 2.7.4 and 2.7.5, will be transferred to Buyer at Closing:~~

None

☐ **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well" used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is 11472-F.

☐ **2.7.4. Water Stock Certificates.** ~~The water stock certificates to be transferred at Closing are as follows:~~

None

2.7.5. Water and Sewer Taps. ~~The parties agree that water and sewer taps listed below for the Property are being conveyed as part of the Purchase Price as follows:~~

None

~~If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider, written confirmation of the amount remaining to be paid, if any, time and other restrictions for transfer and use of the taps.~~

2.7.6. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), § 2.7.4 (Water Stock Certificates), or § 2.7.5 (Water and Sewer Taps), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

2.8. Growing Crops. With respect to growing crops, Seller and Buyer agree as follows:

N/A

3. DATES, DEADLINES AND APPLICABILITY.

3.1. Dates and Deadlines.

Item No.	Reference	Event	Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	7 days after MEC
		Title	
2	§ 8.1, 8.4	Record Title Deadline	14 days after MEC
3	§ 8.2, 8.4	Record Title Objection Deadline	21 Days after MEC
4	§ 8.3	Off-Record Title Deadline	14 days after MEC
5	§ 8.3	Off-Record Title Objection Deadline	21 days after MEC
6	§ 8.5	Title Resolution Deadline	42 days after MEC
7	§ 8.6	Right of First Refusal Deadline	n/a
		Owners' Association	
8	§ 7.2	Association Documents Deadline	n/a
9	§ 7.4	Association Documents Termination Deadline	n/a
		Seller's Disclosures	
10	§ 10.1	Seller's Property Disclosure Deadline	14 days after MEC
11	§ 10.10	Lead-Based Paint Disclosure Deadline (if Residential Addendum attached)	n/a
		Loan and Credit	
12	§ 5.1	New Loan Application Deadline	21 days after MEC
13	§ 5.2	New Loan Termination Deadline	77 days after MEC
14	§ 5.3	Buyer's Credit Information Deadline	n/a
15	§ 5.3	Disapproval of Buyer's Credit Information Deadline	n/a
16	§ 5.4	Existing Loan Deadline	n/a
17	§ 5.4	Existing Loan Termination Deadline	n/a

18	§ 5.4	Loan Transfer Approval Deadline	n/a
19	§ 4.7	Seller or Private Financing Deadline	n/a
		Appraisal	
20	§ 6.2	Appraisal Deadline	28 days after MEC
21	§ 6.2	Appraisal Objection Deadline	63 days after MEC
22	§ 6.2	Appraisal Resolution Deadline	91 days after MEC
		Survey	
23	§ 9.1	New ILC or New Survey Deadline	n/a
24	§ 9.3	New ILC or New Survey Objection Deadline	n/a
25	§ 9.3	New ILC or New Survey Resolution Deadline	n/a
		Inspection and Due Diligence	
26	§ 10.3	Inspection Objection Deadline	91 days after MEC
27	§ 10.3	Inspection Termination Deadline	112 days after MEC
28	§ 10.3	Inspection Resolution Deadline	119 days after MEC
29	§ 10.5	Property Insurance Termination Deadline	42 days after MEC
30	§ 10.6	Due Diligence Documents Delivery Deadline	14 days after MEC
31	§ 10.6	Due Diligence Documents Objection Deadline	21 days after MEC
32	§ 10.6	Due Diligence Documents Resolution Deadline	42 days after MEC
33	§ 10.6	Environmental Inspection Termination Deadline	42 days after MEC
34	§ 10.6	ADA Evaluation Termination Deadline	n/a
35	§ 10.7	Conditional Sale Deadline	n/a
36	§ 10.10	Lead-Based Paint Termination Deadline (if Residential Addendum attached)	n/a
37	§ 11.1,11.2	Estoppel Statements Deadline	n/a
38	§ 11.3	Estoppel Statements Termination Deadline	n/a
		Closing and Possession	
39	§ 12.3	Closing Date	119 days after MEC or as agreed upon in writing
40	§ 17	Possession Date	Closing Date
41	§ 17	Possession Time	12:00 p.m. or as agreed upon in writing
42	§ 28	Acceptance Deadline Date	n/a
43	§ 28	Acceptance Deadline Time	n/a

85 **3.2. Applicability of Terms.** Any box checked in this Contract means the corresponding provision applies. If any deadline
86 blank in § 3.1 (Dates and Deadlines) is left blank or completed with the abbreviation “N/A”, or the word “Deleted,” such deadline
87 is not applicable and the corresponding provision containing the deadline is deleted. If no box is checked in a provision that contains
88 a selection of “None”, such provision means that “None” applies.

89 The abbreviation “MEC” (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

90 **4. PURCHASE PRICE AND TERMS.**

91 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$ 800,000	
2	§ 4.3	Earnest Money		\$15,000
3	§ 4.5	New Loan		\$
4	§ 4.6	Assumption Balance		\$
5	§ 4.7	Private Financing		\$
6	§ 4.7	Seller Financing		\$
7				
8				
9	§ 4.4	Cash at Closing		\$785,000
10		TOTAL	\$800,000	\$800,000

92 **4.2. Seller Concession.** ~~At Closing, Seller will credit to Buyer \$_____ (Seller Concession). The Seller~~
93 ~~Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender~~
94 ~~and is included in the Closing Statement or Closing Disclosure at Closing. Examples of allowable items to be paid for by the Seller~~

~~Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere in this Contract.~~

4.3. Earnest Money. The Earnest Money set forth in this Section, in the form of a check or money order, will be payable to and held by Land Title Guarantee Co., 4617 W 20th. St., Unit B, Greeley, CO 80634 (Earnest Money Holder), in its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest Money Holder in this transaction will be transferred to such fund.

4.3.1. Alternative Earnest Money Deadline. The deadline for delivering the Earnest Money, if other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

4.3.2. Return of Earnest Money. If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 25 and, except as provided in § 24 (Earnest Money Dispute), if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three days of Seller's receipt of such form.

4.4. Form of Funds; Time of Payment; Available Funds.

4.4.1. Good Funds. All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

4.4.2. Time of Payment; Available Funds. All funds, including the Purchase Price to be paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.** Buyer represents that Buyer, as of the date of this Contract, ☐ **Does** ☒ **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

4.5. New Loan.

4.5.1. Buyer to Pay Loan Costs. Buyer, except as otherwise permitted in § 4.2 (Seller Concession), if applicable, must timely pay Buyer's loan costs, loan discount points, prepaid items and loan origination fees as required by lender.

4.5.2. Buyer May Select Financing. Buyer may pay in cash or select financing appropriate and acceptable to Buyer, including a different loan than initially sought, except as restricted in § 4.5.3 (Loan Limitations) or § 30 (Additional Provisions).

4.5.3. Loan Limitations. Buyer may purchase the Property using any of the following types of loans: ☒ **Conventional** ☐ **Other** _____.

4.6. Assumption. Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption Balance set forth in § 4.1 (Price and Terms), presently payable at \$ _____ per _____ including principal and interest presently at the rate of _____ % per annum and also including escrow for the following as indicated: ☐ **Real Estate Taxes** ☐ **Property Insurance Premium** and ☐ _____.

~~Buyer agrees to pay a loan transfer fee not to exceed \$ _____. At the time of assumption, the new interest rate will not exceed _____ % per annum and the new payment will not exceed \$ _____ per _____ principal and interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance, which causes the amount of cash required from Buyer at Closing to be increased by more than \$ _____, or if any other terms or provisions of the loan change, Buyer has the Right to Terminate under § 25.1 on or before Closing Date.~~

~~Seller ☐ **Will** ☐ **Will Not** be released from liability on said loan. If applicable, compliance with the requirements for release from liability will be evidenced by delivery ☐ on or before **Loan Transfer Approval Deadline** ☐ at **Closing** of an appropriate letter of commitment from lender. Any cost payable for release of liability will be paid by _____ in an amount not to exceed \$ _____.~~

4.7. Seller or Private Financing.

~~**WARNING:** Unless the transaction is exempt, federal and state laws impose licensing, other requirements and restrictions on sellers and private financiers. Contract provisions on financing and financing documents, unless exempt, should be prepared by a licensed Colorado attorney or licensed mortgage loan originator. Brokers should not prepare or advise the parties on the specifics of financing, including whether or not a party is exempt from the law.~~

~~**4.7.1. Seller Financing.** If Buyer is to pay all or any portion of the Purchase Price with Seller financing, ☐ **Buyer** ☐ **Seller** will deliver the proposed Seller financing documents to the other party on or before _____ days before **Seller or Private Financing Deadline**.~~

~~**4.7.1.1. Seller May Terminate.** If Seller is to provide Seller financing, this Contract is conditional upon Seller determining whether such financing is satisfactory to Seller, including its payments, interest rate, terms, conditions, cost and~~

compliance with the law. Seller has the Right to Terminate under § 25.1, on or before **Seller or Private Financing Deadline**, if such Seller financing is not satisfactory to Seller, in Seller's sole subjective discretion.

~~4.7.2. **Buyer May Terminate.** If Buyer is to pay all or any portion of the Purchase Price with Seller or private financing, this Contract is conditional upon Buyer determining whether such financing is satisfactory to Buyer, including its availability, payments, interest rate, terms, conditions and cost. Buyer has the Right to Terminate under § 25.1, on or before **Seller or Private Financing Deadline**, if such Seller or private financing is not satisfactory to Buyer, in Buyer's sole subjective discretion.~~

TRANSACTION PROVISIONS

5. FINANCING CONDITIONS AND OBLIGATIONS.

5.1. New Loan Application. If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable by such lender, on or before **New Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

5.2. New Loan Review. If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is conditional upon Buyer determining, in Buyer's sole subjective discretion, whether the New Loan is satisfactory to Buyer, including its availability, payments, interest rate, terms, conditions and cost. This condition is for the sole benefit of Buyer. Buyer has the Right to Terminate under § 25.1, on or before **New Loan Termination Deadline**, if the New Loan is not satisfactory to Buyer, in Buyer's sole subjective discretion. Buyer does not have a Right to Terminate based on the New Loan if the objection is based on the Appraised Value (defined below) or the Lender Requirements (defined below). **IF SELLER IS NOT IN DEFAULT AND DOES NOT TIMELY RECEIVE BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S EARNEST MONEY WILL BE NONREFUNDABLE**, except as otherwise provided in this Contract (e.g., Appraisal, Title, Survey).

~~**5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional (for the sole benefit of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be in Seller's sole subjective discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's expense, information and documents (including a current credit report) concerning Buyer's financial, employment and credit condition; (2) Buyer consents that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information and documents received by Seller must be held by Seller in confidence and not released to others except to protect Seller's interest in this transaction. If the Cash at Closing is less than as set forth in § 4.1 of this Contract, Seller has the Right to Terminate under § 25.1, on or before Closing. If Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective discretion, Seller has the Right to Terminate under § 25.1, on or before **Disapproval of Buyer's Credit Information Deadline**.~~

~~**5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver copies of the loan documents (including note, deed of trust and any modifications) to Buyer by **Existing Loan Deadline**. For the sole benefit of Buyer, this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer has the Right to Terminate under § 25.1, on or before **Existing Loan Termination Deadline**, based on any unsatisfactory provision of such loan documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the Property is required, this Contract is conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will terminate on such deadline. Seller has the Right to Terminate under § 25.1, on or before Closing, in Seller's sole subjective discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth in § 4.6.~~

6. APPRAISAL PROVISIONS.

6.1. Appraisal Definition. An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

6.2. Appraisal Condition. The applicable appraisal provision set forth below applies to the respective loan type set forth in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

6.2.1. Conventional/Other. Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal Objection Deadline**, notwithstanding § 8.3 or § 13:

6.2.1.1. Notice to Terminate. Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated;

or

6.2.1.2. Appraisal Objection. Deliver to Seller a written objection accompanied by either a copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the Purchase Price (Lender Verification).

6.2.1.3. Appraisal Resolution. If an Appraisal Objection is received by Seller, on or before **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination, i.e., on or before expiration of **Appraisal Resolution Deadline**.

6.3. Lender Property Requirements. If the lender imposes any written requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following Seller's receipt of the Lender Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Requirements; (2) the Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.

6.4. Cost of Appraisal. Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by ☒ **Buyer** ☐ **Seller**. The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company, lender's agent or all three.

7. OWNERS' ASSOCIATION. This Section is applicable if the Property is located within a Common Interest Community and subject to the declaration (Association).

7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.

~~**7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association Documents (defined below), at Seller's expense, on or before Association Documents Deadline. Seller authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents, regardless of who provides such documents.~~

~~**7.3. Association Documents.** Association documents (Association Documents) consist of the following:~~

~~**7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization, operating agreements, rules and regulations, party wall agreements and the Association's responsible governance policies adopted under § 38-33.3-209.5, C.R.S.;~~

~~**7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or managers' meetings; such minutes include those provided under the most current annual disclosure required under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent minutes, if any (§§ 7.3.1 and 7.3.2, collectively, Governing Documents); and~~

~~**7.3.3.** List of all Association insurance policies as provided in the Association's last Annual Disclosure, including, but not limited to, property, general liability, association director and officer professional liability and fidelity policies. The list must include the company names, policy limits, policy deductibles, additional named insureds and expiration dates of the policies listed (Association Insurance Documents);~~

~~**7.3.4.** A list by unit type of the Association's assessments, including both regular and special assessments as disclosed in the Association's last Annual Disclosure;~~

~~**7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's operating budget for the current fiscal year, (2) the Association's most recent annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the fees and charges (regardless of name or title of such fees or charges) that the Association's community association manager or Association will charge in connection with the Closing including, but not limited to, any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4 and 7.3.5, collectively, Financial Documents);~~

~~**7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under § 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation to disclose adverse material facts as required under § 10.2~~

(Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or limited common elements of the Association property.

7.4. Conditional on Buyer's Review. ~~Buyer has the right to review the Association Documents. Buyer has the Right to Terminate under § 25.1, on or before Association Documents Termination Deadline, based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after Association Documents Deadline, Buyer, at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after Closing Date, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the provisions of § 8.6 (Right of First Refusal or Contract Approval).~~

8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.

8.1. Evidence of Record Title.

☒ **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price, or if this box is checked, ☐ an **Abstract of Title** certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as soon as practicable at or after Closing.

☐ **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price.

If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.

8.1.3. Owner's Extended Coverage (OEC). The Title Commitment ☐ **Will** ☒ **Will Not** contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by ☐ **Buyer** ☐ **Seller** ☐ **One-Half by Buyer and One-Half by Seller** ☐ **Other** N/A. Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.5 (Right to Object to Title, Resolution).

8.1.4. Title Documents. Title Documents consist of the following: (1) copies of any plats, declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title Documents).

8.1.5. Copies of Title Documents. Buyer must receive, on or before **Record Title Deadline**, copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the party or parties obligated to pay for the owner's title insurance policy.

8.1.6. Existing Abstracts of Title. Seller must deliver to Buyer copies of any abstracts of title covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

8.2. Record Title. Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the Title Documents as set forth in § 8.5 (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title Commitment and Title Documents as satisfactory.

8.3. Off-Record Title. Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without

limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights of first refusal and options) not shown by public records, of which Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to investigate if any third party has any right in the Property not shown by public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2 (Record Title) and § 13 (Transfer of Title)), in Buyer's sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not shown by public records of which Buyer has actual knowledge.

8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

A tax certificate from the respective county treasurer listing any special taxing districts that effect the Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is located within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may object, on or before **Record Title Objection Deadline**. If the Tax Certificate shows that the Property is included in a special taxing district and is received by Buyer after the **Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to the Property's inclusion in a special taxing district as unsatisfactory to Buyer.

8.5. Right to Object to Title, Resolution. Buyer's right to object, in Buyer's sole subjective discretion, to any title matters includes those matters set forth in § 8.2 (Record Title), § 8.3 (Off-Record Title), § 8.4 (Special Taxing District) and § 13 (Transfer of Title). If Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

8.5.1. Title Objection, Resolution. If Seller receives Buyer's written notice objecting to any title matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2 (Record Title), § 8.3 (Off-Record Title) or § 8.4 (Special Taxing Districts), the Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or

8.5.2. Title Objection, Right to Terminate. Buyer may exercise the Right to Terminate under § 25.1, on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole subjective discretion.

~~**8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property or a right to approve this Contract, Seller must promptly submit this Contract according to the terms and conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to approve disapproves this Contract, this Contract will terminate. If the right of first refusal is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.~~

8.7. Title Advisory. The Title Documents affect the title, ownership and use of the Property and should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property, including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations, unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property and various laws and governmental regulations concerning land use, development and environmental matters.

8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS MAY GIVE THEM

RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.

8.7.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND RECORDER.

8.7.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING FACILITIES.

8.7.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY, INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL AND GAS CONSERVATION COMMISSION.

8.7.5. Title Insurance Exclusions. Matters set forth in this Section and others, may be excepted, excluded from, or not covered by the owner's title insurance policy.

8.8. Consult an Attorney. Buyer is advised to timely consult legal counsel with respect to all such matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and **Off-Record Title Objection Deadline**).

9. ~~NEW ILC, NEW SURVEY.~~

9.1. ~~New ILC or New Survey.~~ If the box is checked, a: 1) ☐ ~~New Improvement Location Certificate (New ILC); or,~~ 2) ☐ ~~New Survey~~ in the form of _____; is required and the following will apply:

9.1.1. ~~Ordering of New ILC or New Survey.~~ ☐ ~~Seller~~ ☒ ~~Buyer~~ will order the New ILC or New Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a date after the date of this Contract.

9.1.2. ~~Payment for New ILC or New Survey.~~ The cost of the New ILC or New Survey will be paid, on or before Closing, by: ☐ ~~Seller~~ ☒ ~~Buyer~~ or:

9.1.3. ~~Delivery of New ILC or New Survey.~~ Buyer, Seller, the issuer of the Title Commitment (or the provider of the opinion of title if an Abstract of Title) and _____ will receive a New ILC or New Survey on or before **New ILC or New Survey Deadline**.

9.1.4. ~~Certification of New ILC or New Survey.~~ The New ILC or New Survey will be certified by the surveyor to all those who are to receive the New ILC or New Survey.

9.2. ~~Buyer's Right to Waive or Change New ILC or New Survey Selection.~~ Buyer may select a New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

9.3. ~~New ILC or New Survey Objection.~~ Buyer has the right to review and object to the New ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3 or § 13:

9.3.1. ~~Notice to Terminate.~~ Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated; or

9.3.2. ~~New ILC or New Survey Objection.~~ Deliver to Seller a written description of any matter that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.

9.3.3. ~~New ILC or New Survey Resolution.~~ If a **New ILC or New Survey Objection** is received by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**.

DISCLOSURE, INSPECTION AND DUE DILIGENCE

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND SOURCE OF WATER.

10.1. Seller's Property Disclosure. On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of this Contract.

10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition. Seller must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract. Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer. Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

10.3. Inspection. Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally or both) of the Property and Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may:

10.3.1. Inspection Objection. On or before the **Inspection Objection Deadline**, deliver to Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct; or

10.3.2. Terminate. On or before the **Inspection Termination Deadline**, notify Seller in writing, pursuant to § 25.1, that this Contract is terminated due to any unsatisfactory condition. **Inspection Termination Deadline will be on the earlier of Inspection Resolution Deadline or the date specified in § 3.1 for Inspection Termination Deadline.**

10.3.3. Inspection Resolution. If an Inspection Objection is received by Seller, on or before **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or before expiration of **Inspection Resolution Deadline**.

10.4. Damage, Liens and Indemnity. Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection Resolution.

10.5. Insurability. Buyer has the right to review and object to the availability, terms and conditions of and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or before **Property Insurance Termination Deadline**, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

10.6. Due Diligence.

10.6.1. Due Diligence Documents. If the respective box is checked, Seller agrees to deliver copies of the following documents and information pertaining to the Property (Due Diligence Documents) to Buyer on or before **Due Diligence Documents Delivery Deadline**:

- ☐ **10.6.1.1.** ~~All contracts relating to the operation, maintenance and management of the Property;~~
- ☐ **10.6.1.2.** ~~Property tax bills for the last _____ years;~~
- ☐ **10.6.1.3.** ~~As-built construction plans to the Property and the tenant improvements, including architectural, electrical, mechanical and structural systems; engineering reports; and permanent Certificates of Occupancy, to the extent now available;~~
- ☐ **10.6.1.4.** ~~A list of all Inclusions to be conveyed to Buyer;~~
- ☐ **10.6.1.5.** ~~Operating statements for the past _____ years;~~
- ☐ **10.6.1.6.** ~~A rent roll accurate and correct to the date of this Contract;~~
- ☒ **10.6.1.7.** All current leases, including any amendments or other occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing are as follows (Leases):

no leases will survive Closing; see Exhibit A for Farm Lease Termination

- ☐ **10.6.1.8.** ~~A schedule of any tenant improvement work Seller is obligated to complete but has not yet completed and capital improvement work either scheduled or in process on the date of this Contract;~~
- ☐ **10.6.1.9.** ~~All insurance policies pertaining to the Property and copies of any claims which have been made for the past _____ years;~~
- ☐ **10.6.1.10.** ~~Soils reports, surveys and engineering reports or data pertaining to the Property (if not delivered earlier under § 8.3);~~
- ☐ **10.6.1.11.** ~~Any and all existing documentation and reports regarding Phase I and II environmental reports, letters, test results, advisories and similar documents respective to the existence or nonexistence of asbestos, PCB transformers, or~~

~~other toxic, hazardous or contaminated substances and/or underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller, Seller warrants that no such reports are in Seller's possession or known to Seller;~~

~~☐ 10.6.1.12. Any Americans with Disabilities Act reports, studies or surveys concerning the compliance of the Property with said Act;~~

~~☐ 10.6.1.13. All permits, licenses and other building or use authorizations issued by any governmental authority with jurisdiction over the Property and written notice of any violation of any such permits, licenses or use authorizations, if any; and~~

~~☐ 10.6.1.14. Other documents and information;~~

10.6.2. Due Diligence Documents Review and Objection. Buyer has the right to review and object to Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents Objection Deadline**:

10.6.2.1. Notice to Terminate. Notify Seller in writing, pursuant to § 25.1, that this Contract is terminated;

or **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

10.6.2.3. Due Diligence Documents Resolution. If a Due Diligence Documents Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination, i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**.

10.6.3. Zoning. Buyer has the Right to Terminate under § 25.1, on or before **Due Diligence Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.

10.6.4. Due Diligence – Environmental, ADA. Buyer has the right to obtain environmental inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable. ☐ Seller ☒ Buyer will order or provide ☒ **Phase I Environmental Site Assessment**, ☐ **Phase II Environmental Site Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for Environmental Site Assessments) and/or ☐ _____, at the expense of ☐ Seller ☒ Buyer (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's tenants' business uses of the Property, if any.

If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the **Environmental Inspection Termination Deadline** will be extended by ^{28 days, as will Inspection Resolution Resolution} ~~_____~~ days (Extended Environmental Inspection Termination Deadline) and if such Extended Environmental Inspection Termination Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such event, ☐ Seller ☒ Buyer must pay the cost for such Phase II Environmental Site Assessment.

Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this § 10.6.4, Buyer has the Right to Terminate under § 25.1, on or before **Environmental Inspection Termination Deadline**, or if applicable, the Extended Environmental Inspection Termination Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

~~Buyer has the Right to Terminate under § 25.1, on or before **ADA Evaluation Termination Deadline**, based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.~~

~~**10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of that certain property owned by Buyer and commonly known as _____, Buyer has the Right to Terminate under § 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right to Terminate under this provision.~~

~~**10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer ☐ Does ☐ Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water Addendum disclosing the source of potable water for the Property. ☐ There is No Well. Buyer ☐ Does ☐ Does Not acknowledge receipt of a copy of the current well permit. **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE DESCRIBED SOURCE) TO DETERMINE THE LONG TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.**~~

~~**10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend, alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or delayed.~~

552 **11. ESTOPPEL STATEMENTS.**

553 ~~11.1. Estoppel Statements Conditions. Buyer has the right to review and object to any Estoppel Statements. Seller must~~
 554 ~~request from all tenants of the Property and if received by Seller, deliver to Buyer on or before Estoppel Statements Deadline,~~
 555 ~~statements in a form and substance reasonably acceptable to Buyer, from each occupant or tenant at the Property (Estoppel Statement)~~
 556 ~~attached to a copy of the Lease stating:~~

557 ~~11.1.1. The commencement date of the Lease and scheduled termination date of the Lease;~~

558 ~~11.1.2. That said Lease is in full force and effect and that there have been no subsequent modifications or~~
 559 ~~amendments;~~

560 ~~11.1.3. The amount of any advance rentals paid, rent concessions given and deposits paid to Seller;~~

561 ~~11.1.4. The amount of monthly (or other applicable period) rental paid to Seller;~~

562 ~~11.1.5. That there is no default under the terms of said Lease by landlord or occupant; and~~

563 ~~11.1.6. That the Lease to which the Estoppel Statement is attached is a true, correct and complete copy of the Lease~~
 564 ~~demising the premises it describes.~~

565 ~~11.2. Seller Estoppel Statement. In the event Seller does not receive from all tenants of the Property a completed signed~~
 566 ~~Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement setting forth the information and documents~~
 567 ~~required §11.1 above and deliver the same to Buyer on or before Estoppel Statements Deadline.~~

568 ~~11.3. Estoppel Statements Termination. Buyer has the Right to Terminate under § 25.1, on or before Estoppel~~
 569 ~~Statements Termination Deadline, based on any unsatisfactory Estoppel Statement, in Buyer's sole subjective discretion, or if~~
 570 ~~Seller fails to deliver the Estoppel Statements on or before Estoppel Statements Deadline. Buyer also has the unilateral right to~~
 571 ~~waive any unsatisfactory Estoppel Statement.~~

572 **CLOSING PROVISIONS**

573 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

574 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing Company to enable
 575 the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If Buyer is
 576 obtaining a loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing Company, in a
 577 timely manner, all required loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any
 578 additional information and documents required by Closing Company that will be necessary to complete this transaction. Buyer and
 579 Seller will sign and complete all customary or reasonably-required documents at or before Closing.

580 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions ☐ Are ☒ Are Not executed with
 581 this Contract.

582 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as
 583 the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing will be as designated by
 584 § 3.1 or mutual written agreement.

585 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent of service vary between
 586 different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

587 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract, including the tender
 588 of any payment due at Closing, Seller must execute and deliver the following good and sufficient deed to Buyer, at Closing:

589 ☒ special warranty deed ☐ general warranty deed ☐ bargain and sale deed ☐ quit claim deed ☐ personal representative's
 590 deed ☐ _____ deed. Seller, provided another deed is not selected, must execute and deliver a good
 591 and sufficient special warranty deed to Buyer, at Closing.

592 Unless otherwise specified in §30 (Additional Provisions), if title will be conveyed using a special warranty deed or a general
 593 warranty deed, title will be conveyed "subject to statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

594 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts owed on any liens
 595 or encumbrances securing a monetary sum, including, but not limited to, any governmental liens for special improvements installed
 596 as of the date of Buyer's signature hereon, whether assessed or not and previous years' taxes, will be paid at or before Closing by
 597 Seller from the proceeds of this transaction or from any other source.

598 **15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

599 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required
 600 to be paid at Closing, except as otherwise provided herein.

601 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by ☐ Buyer ☐ Seller
 602 ☒ One-Half by Buyer and One-Half by Seller ☐ Other _____.

15.3. Status Letter and Record Change Fees. ~~At least fourteen days prior to Closing Date, Seller agrees to promptly request the Association to deliver to Buyer a current Status Letter. Any fees incident to the issuance of Association's Status Letter must be paid by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller. Any Record Change Fee must be paid by ☐ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.~~

15.4. Local Transfer Tax. ☐ The Local Transfer Tax of _____% of the Purchase Price must be paid at Closing by ☐ None ☒ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.5. Private Transfer Fee. Private transfer fees and other fees due to a transfer of the Property, payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at Closing by ☒ None ☐ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller. The Private Transfer fee, whether one or more, is for the following association(s): _____ in the total amount of _____% of the Purchase Price or \$_____.

15.6. Water Transfer Fees. ~~The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$_____ for:~~

☐ Water Stock/Certificates

☐ Water District

☐ Augmentation Membership

☐ Small Domestic Water Company

☐ _____

and must be paid at Closing by ☐ None ☒ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.7. Sales and Use Tax. Any sales and use tax that may accrue because of this transaction must be paid when due by ☐ None ☒ Buyer ☐ Seller ☐ One-Half by Buyer and One-Half by Seller.

15.8. FIRPTA and Colorado Withholding.

15.8.1. FIRPTA. The Internal Revenue Service (IRS) may require a substantial portion of the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this Section is checked, Seller represents that Seller ☐ IS a foreign person for purposes of U.S. income taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

15.8.2. Colorado Withholding. The Colorado Department of Revenue may require a portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

16. PRORATIONS AND ASSOCIATION ASSESSMENTS. The following will be prorated to the **Closing Date**, except as otherwise provided:

16.1. Taxes. Personal property taxes, if any, special taxing district assessments, if any and general real estate taxes for the year of Closing, based on ☐ Taxes for the Calendar Year Immediately Preceding Closing ☒ Most Recent Mill Levy and Most Recent Assessed Valuation, ☐ Other _____.

16.2. Rents. ~~Rents based on ☐ Rents Actually Received ☐ Accrued. At Closing, Seller will transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful deductions and notify all tenants in writing of such transfer and of the transferee's name and address. Seller must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such Leases.~~

16.3. Association Assessments. ~~Current regular Association assessments and dues (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment assessed prior to Closing Date by the Association will be the obligation of ☐ Buyer ☐ Seller. Except however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller. Seller represents there are no unpaid regular or special assessments against the Property except the current regular assessments and _____. Association Assessments are subject to change as provided in the Governing Documents.~~

16.4. Other Prorations. Water and sewer charges, propane, interest on continuing loan and _____.

16.5. Final Settlement. Unless otherwise agreed in writing, these prorations are final.

17. POSSESSION. Possession of the Property will be delivered to Buyer on **Possession Date** at **Possession Time**, subject to the Leases as set forth in § 10.6.1.7.

If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable to Buyer for payment of \$ 250.00 per day (or any part of a day notwithstanding § 18.1) from **Possession Date** and **Possession Time** until possession is delivered.

659

GENERAL PROVISIONS

660 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**661 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States Mountain Time
662 (Standard or Daylight Savings, as applicable).663 **18.2. Computation of Period of Days, Deadline.** In computing a period of days (e.g., three days after MEC), when the
664 ending date is not specified, the first day is excluded and the last day is included. If any deadline falls on a Saturday, Sunday or
665 federal or Colorado state holiday (Holiday), such deadline ☒ **Will** ☐ **Will Not** be extended to the next day that is not a Saturday,
666 Sunday or Holiday. Should neither box be checked, the deadline will not be extended.667 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND**
668 **WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the
669 condition existing as of the date of this Contract, ordinary wear and tear excepted.670 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss
671 prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the
672 damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds,
673 will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 25.1, on or
674 before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect to
675 carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were
676 received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any
677 deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received
678 the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to
679 Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's
680 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney
681 requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such
682 damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.683 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication services),
684 system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date
685 of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion
686 or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or
687 replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by
688 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before
689 Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, or, at the
690 option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must
691 not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive
692 Closing.693 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may
694 result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation
695 action. Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, based on such condemnation action, in Buyer's
696 sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and
697 Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value
698 of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.699 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the
700 Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.701 **19.5. Home Warranty. [Intentionally Deleted]**702 **19.6. Risk of Loss – Growing Crops.** The risk of loss for damage to growing crops by fire or other casualty will be borne
703 by the party entitled to the growing crops as provided in § 2.8 and such party is entitled to such insurance proceeds or benefits for
704 the growing crops.705 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge that
706 the respective broker has advised that this Contract has important legal consequences and has recommended the examination of title
707 and consultation with legal and tax or other counsel before signing this Contract.708 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines in this
709 Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid,
710 honored or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting
711 party has the following remedies:712 **21.1. If Buyer is in Default:**

☐ **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty and the Parties agree the amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force and effect and Seller has the right to specific performance, or damages, or both.

21.1.2. Liquidated Damages, Applicable. This § 21.1.2 applies unless the box in § 21.1.1. is checked. Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4, 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional damages.

21.2. If Seller is in Default: Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be proper. Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the right to specific performance, or damages, or both.

22. LEGAL FEES, COST AND EXPENSES. Anything to the contrary herein notwithstanding, in the event of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and expenses.

~~**23. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at that party's last known address (physical or electronic as provided in § 27). Nothing in this Section prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the date of written notice requesting mediation. This Section will not alter any date in this Contract, unless otherwise agreed.~~

24. EARNEST MONEY DISPUTE. Except as otherwise provided herein, Earnest Money Holder must release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the Court. ~~The parties reaffirm the obligation of § 23 (Mediation).~~ This Section will survive cancellation or termination of this Contract.

25. TERMINATION.

25.1. Right to Terminate. If a party has a right to terminate, as provided in this Contract (Right to Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to Terminate under such provision.

25.2. Effect of Termination. In the event this Contract is terminated, all Earnest Money received hereunder will be returned to Buyer and the parties are relieved of all obligations hereunder, subject to §§ 10.4, 22, 23 and 24.

26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS. This Contract, its exhibits and specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a party receives the predecessor's benefits and obligations of this Contract.

27. NOTICE, DELIVERY AND CHOICE OF LAW.

27.1. Physical Delivery and Notice. Any document, or notice to Buyer or Seller must be in writing, except as provided in § 27.2 and is effective when physically received by such party, any individual named in this Contract to receive documents or notices

766 for such party, Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after Closing must be
767 received by the party, not Broker or Brokerage Firm).

768 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in electronic form to Buyer or
769 Seller, any individual named in this Contract to receive documents or notices for such party, Broker or Brokerage Firm of Broker
770 working with such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage Firm)
771 at the electronic address of the recipient by facsimile, email or _____.

772 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email at the email address
773 of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to access the
774 documents, or (3) facsimile at the facsimile number (Fax No.) of the recipient.

775 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed in accordance with
776 the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property
777 located in Colorado.

778 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by Buyer and
779 Seller, as evidenced by their signatures below and the offering party receives notice of such acceptance pursuant to § 27 on or before
780 **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between Seller and
781 Buyer. A copy of this Contract may be executed by each party, separately and when each party has executed a copy thereof, such
782 copies taken together are deemed to be a full and complete contract between the parties.

783 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not limited
784 to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations; Title Insurance,**
785 **Record Title and Off-Record Title; New ILC, New Survey; and Property Disclosure, Inspection, Indemnity, Insurability, Due**
786 **Diligence, and Source of Water.**

787

ADDITIONAL PROVISIONS AND ATTACHMENTS

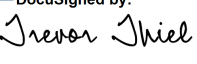
788 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate
789 Commission.)
790 See Exhibit A
791
792
793
794

795 **31. OTHER DOCUMENTS.**
796 **31.1.** The following documents **are a part** of this Contract:
797 Exhibits A - C
798
799
800 **31.2.** The following documents have been provided but are **not** a part of this Contract:
801
802
803

804

SIGNATURES

805

Buyer's Name: <u>3T LLC</u>	Buyer's Name: _____
DocuSigned by:  664897244BEB42A... 11/11/2021	
Buyer's Signature _____	Date _____
Address: <u>12644 County Road 62</u>	Address: _____
<u>Greeley, CO 80631</u>	_____
Phone No.: <u>970-978-0800</u>	Phone No.: _____
Fax No.: _____	Fax No.: _____
Email Address: <u>trevor@orrand.com</u>	Email Address: _____

806 [NOTE: If this offer is being countered or rejected, do not sign this document.

Seller's Name: City of Greeley

Seller's Name: _____

[See Attached Signature Page]

Seller's Signature _____ Date _____

Seller's Signature _____ Date _____

Address: 1001 11th Ave., 2nd Floor

Address: _____

Greeley, CO 80631

Phone No.: cole.gustafson@greeleygov.com

Phone No.: _____

Fax No.: copy to: aaron.goldman@greeleygov.com

Fax No.: _____

Email Address: _____

Email Address: _____

807

808

END OF CONTRACT TO BUY AND SELL REAL ESTATE

32. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

Broker ☐ Does ☒ Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.

Broker is working with Buyer as a ☒ Buyer's Agent ☐ Transaction-Broker in this transaction. ☐ This is a **Change of Status**.

☐ **Customer.** Broker has no brokerage relationship with Buyer. See § 33 for Broker's brokerage relationship with Seller.

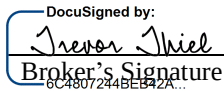
Brokerage Firm's compensation or commission is to be paid by ☒ Listing Brokerage Firm ☐ Buyer ☐ Other _____.

Brokerage Firm's Name: Orr Land Company, LLC

Brokerage Firm's License #: EC.100025822

Broker's Name: Trevor Thiel

Broker's License #: IA.0038006

DocuSigned by:

Broker's Signature
6C4807244BE842A...

11/11/2021

Date

Address: 1813 61st Ave., #200

Greeley, CO 80634

Phone No.: 970-351-0800

Fax No.: 970-351-7851

Email Address: trevor@orrland.com

33. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Seller)

Broker ☐ Does ☒ Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written

mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder’s receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.

Broker is working with Seller as a ☒ **Seller’s Agent** ☐ **Transaction-Broker** in this transaction. ☐ This is a **Change of Status**.

☐ **Customer**. Broker has no brokerage relationship with Seller. See § 32 for Broker’s brokerage relationship with Buyer.

Brokerage Firm’s compensation or commission is to be paid by ☒ **Seller** ☐ **Buyer** ☐ **Other** _____.

Brokerage Firm’s Name: Hayden Outdoors Real Estate
Brokerage Firm’s License #: EC.100004181
Broker’s Name: Seth Hayden
Broker’s License #: EA.100002584

Broker’s Signature Date

Address: 501 Main Street, Windsor, CO 80550

Phone No.: (970) 674-1990

Fax No.: (970) 674-5090

Email Address: admin@haydenoutdoors.com

809

CITY OF GREELEY SIGNATURE PAGE
Contract to Buy and Sell Real Estate
Between 3T, LLC (Buyer) and City of Greeley (Seller)

THE CITY OF GREELEY, COLORADO

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO SUBSTANCE:

By: _____
City Manager

APPROVED AS TO LEGAL FORM:

By: _____
City Attorney

APPROVED AS TO AVAILABILITY OF FUNDS:

By: _____
Director of Finance

Dated: _____

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 12

TITLE: NORTH WELD COUNTY WATER DISTRICT
IGA FOR TEMPORARY INFRASTRUCTURE
USE AND COST SHARING

RECOMMENDATION: APPROVE THE TEMPORARY
INFRASTRUCTURE USE AND COST SHARING
INTERGOVERNMENTAL AGREEMENT WITH
NORTH WELD COUNTY WATER DISTRICT,
AND DELEGATE AUTHORITY TO STAFF TO
ENTER INTO MINOR, NON-SUBSTANTIVE
AMENDMENTS THERETO

ADDITIONAL INFORMATION:

North Weld County Water District (NWCWD) has historically served the area north of Greeley known as the North Greeley service area, which includes an incorporated area into the city known as the Budweiser Annexation. The City of Greeley entered into an Intergovernmental Agreement with NWCWD on February 5th, 2013 (2013 IGA) to guide the orderly transfer of municipal water service territory within the City's long range growth area, currently served to date by NWCWD. . The 2013 IGA provides for the transfer of water distribution facilities and pipelines from NWCWD to the City at the time City of Greeley takes over the responsibility for water service, and requires the City to purchase the infrastructure from NWCWD for locations to be served by Greeley.

In 2022, consistent with the 2013 IGA's provisions, the City of Greeley will purchase infrastructure from NWCWD, coordinate the installation of master meters, and will then commence to provide retail water service in the Budweiser Annexation.

Concurrently, Weld County and City of Greeley Public Works Department are installing two new major roundabouts at 59th Ave. and O St., and 35th Ave. and O St. These roundabouts need adequate water conveyance and distribution infrastructure installed prior to the roundabouts' construction. Therefore, the Water and Sewer Department will use this opportunity to install infrastructure in

anticipation of accepting the Budweiser Annexation service area and customers from NWCWD.

Water distribution and conveyance infrastructure installation will be more cost effective by collaborating with Weld County and NWCWD. This IGA will grant permission for NWCWD to use the City's new potable water distribution infrastructure located within the new roundabouts and surrounding areas on a temporary basis to serve customers located within the Budweiser Annexation until the City assumes responsibility for serving the customers. Allowing NWCWD temporary use will limit their construction and installation of pipes that would have short term use. The proposed IGA will reduce City's future costs to purchase infrastructure back from NWCD when Greeley takes over this area of their system.

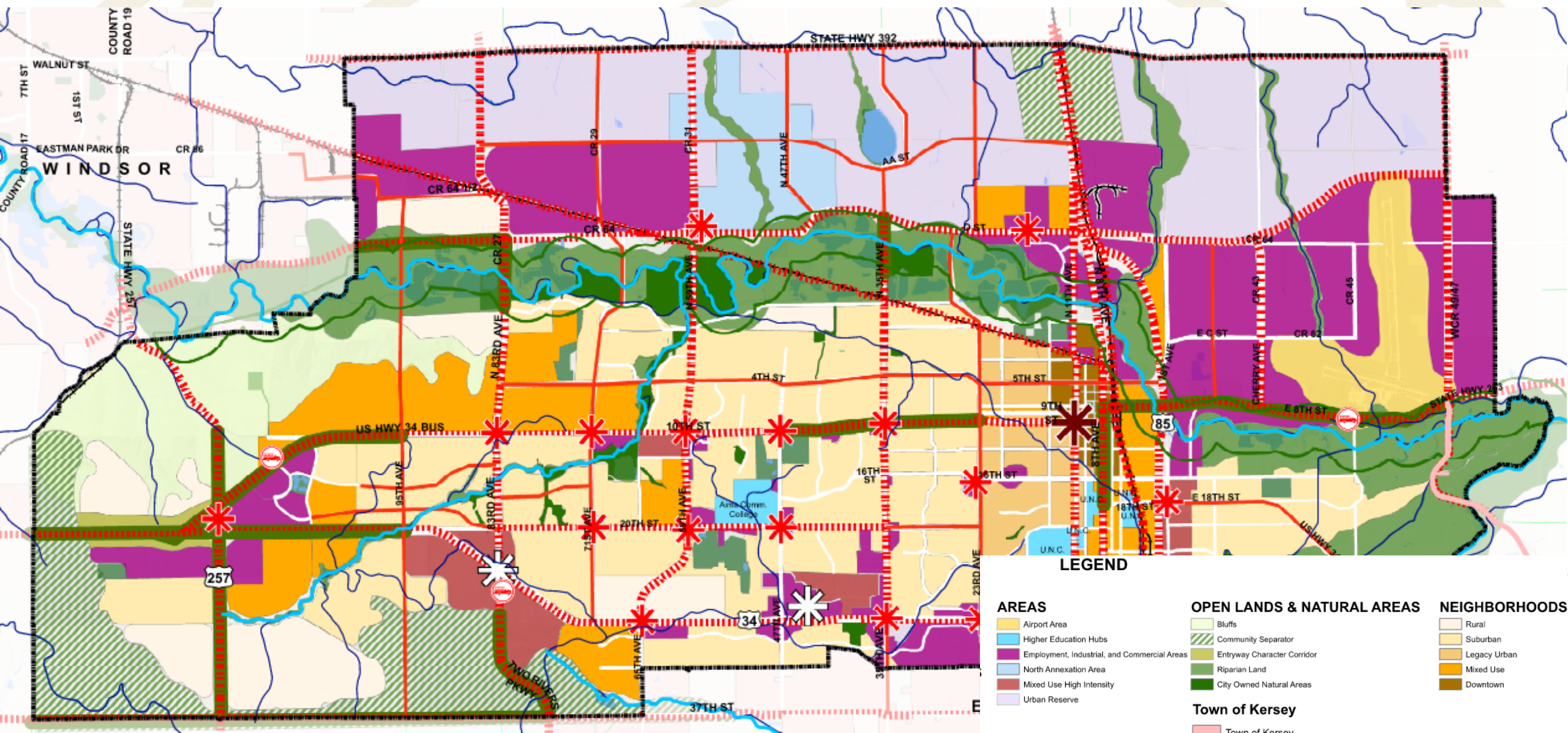
Under the terms of the IGA submitted for Board's consideration, the City and NWCWD will also share the costs associated with the design, acquisition, construction, and installation of the new potable water distribution infrastructure for NWCWD, near the intersection of 35th Avenue and O Street and 59th Avenue and O Street. Under the terms of this IGA, NWCWD will deduct the costs of the new infrastructure built for its long term use, from the overall amounts owed to it under the 2013 IGA when the City takes over service areas and acquires the infrastructure for the Budweiser Annexation area.

North Weld County Water District IGA for Temporary Infrastructure Use and Cost Sharing with

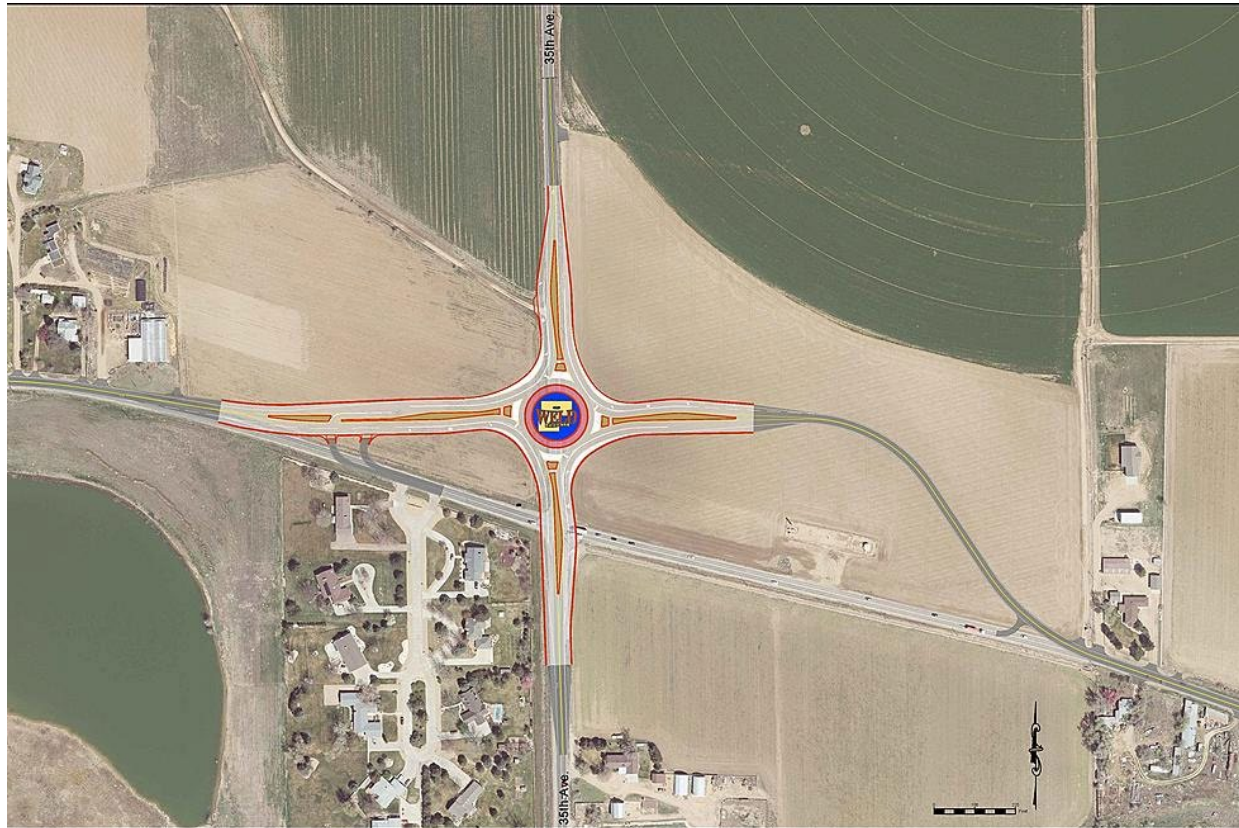
Water and Sewer Board| November 17th, 2021



Greeley Long Term Growth Area



IGA Project Drivers

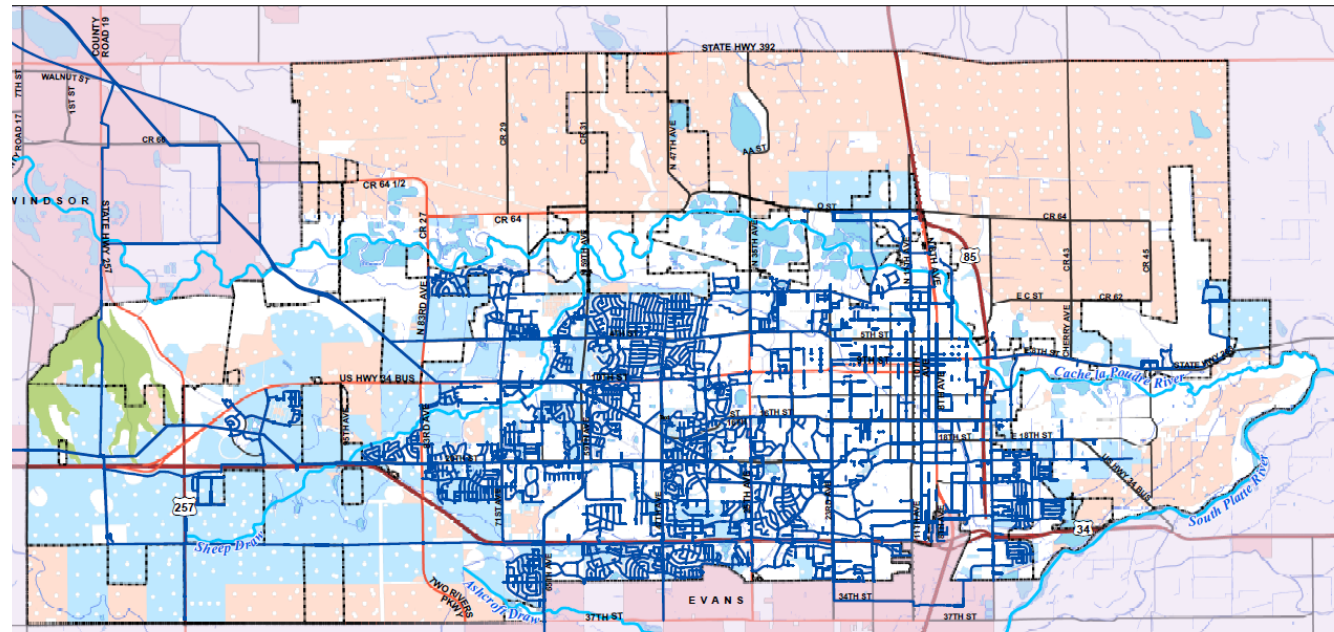


New O St. roundabouts to be constructed at 59th Ave. and 35th Ave. by Weld County and City of Greeley

- Need to install new water lines through the roundabout infrastructure
- Most cost effective to install with other agencies doing construction
 - Also limits future impacts to Greeley roads

Need for a Temporary Use IGA?

- NWCWD Water Service Area IGA (2013)
 - COG to purchase North Weld County Water District (NW) service area infrastructure in the Budweiser Annex Area in 2022
 - IGA obligates COG to purchase pipelines from NW when it takes over service area
- Temp Use IGA minimizes
 - Redundant infrastructure
 - Duplicative costs for COG



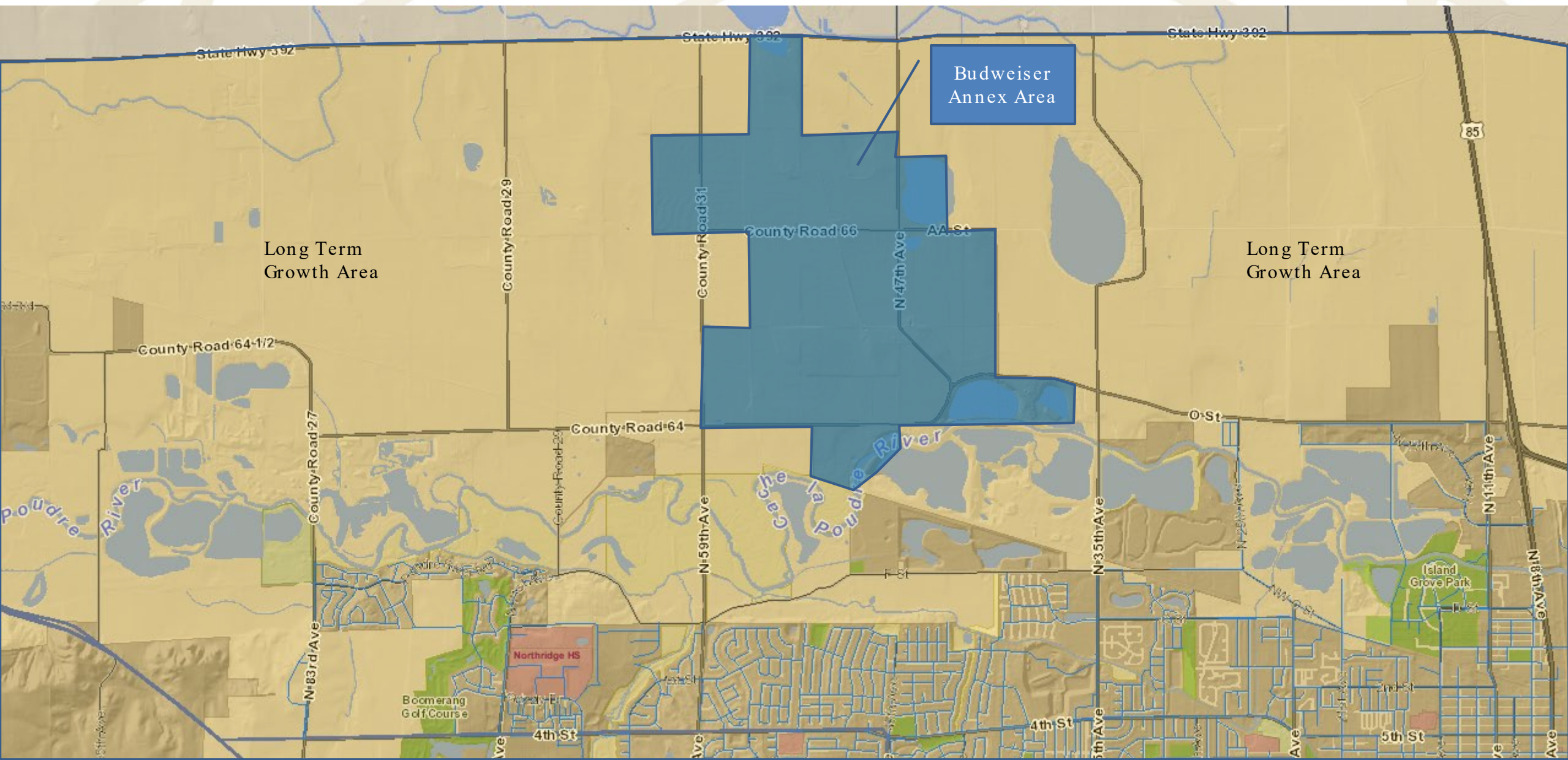
Goals of IGA for Temp Use and Cost Sharing

Goals and Key Components:

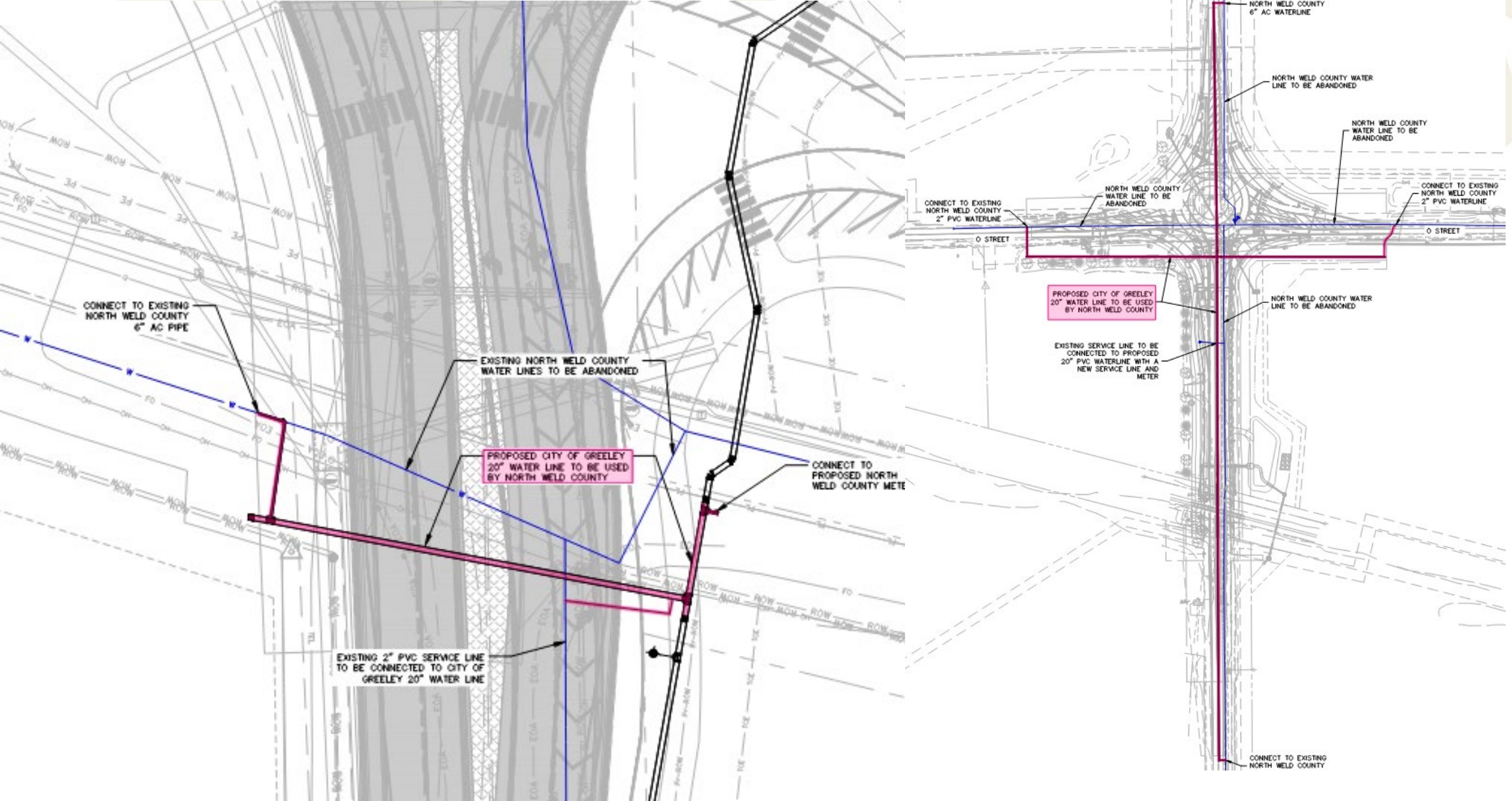
- Allow NWCWD to temporarily use potable water distribution infrastructure within the Budweiser Annexation
 - Until Greeley takes ownership under the terms of the 2013 Water Service IGA
- Share costs associated with design, acquisitions, construction, and installation of distribution infrastructure for NWCWD at 35th and 59th and O St.



Long Term Growth Area

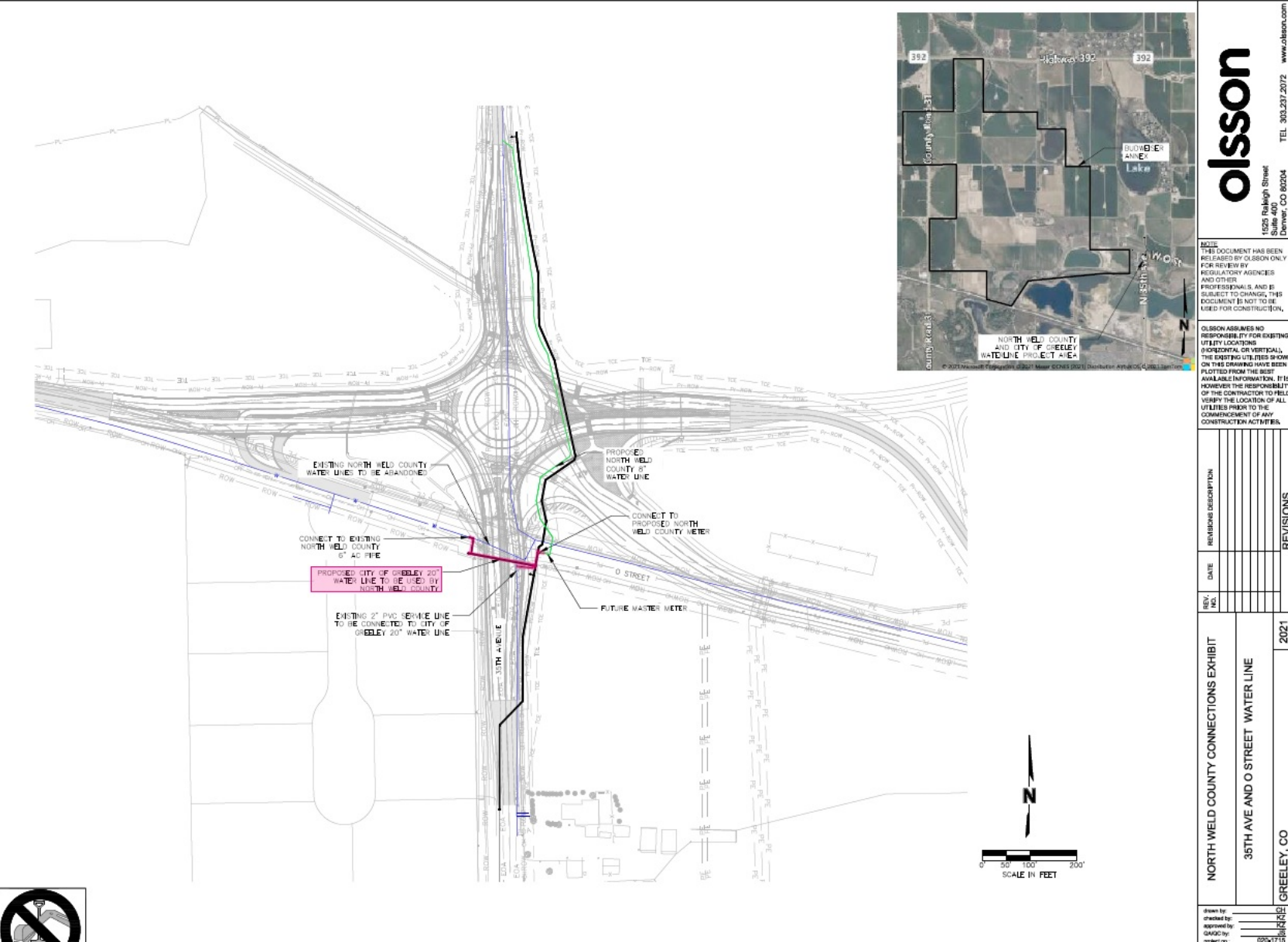


Temporary Shared Infrastructure



North Weld Infrastructure

J:\1501-2020\020-715\45-Design\Utility\Plan\Sheet\VTW010.dwg & 35th Ave Water Line 2020715.dwg
1/21/2021 2:23pm
USER: daniel
DATE: 1/21/2021 2:23pm
PROJECT: 1501-2020-020-715
SHEET: 101
SCALE: 1"=100'
DATE: 1/21/2021 2:23pm
PROJECT: 1501-2020-020-715
SHEET: 101
SCALE: 1"=100'





1625 Raleigh Street
Suite 400
Denver, CO 80204
TEL 303.237.2072
www.olson.com

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PLOTTED FROM THE BEST
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HOWEVER THE RESPONSIBILITY
OF THE CONTRACTOR TO FIELD
VERIFY THE LOCATION OF ALL
UTILITIES PRIOR TO THE
COMMENCEMENT OF ANY
CONSTRUCTION ACTIVITIES.

REV.	DATE	REVISION DESCRIPTION

NORTH WELD COUNTY CONNECTIONS EXHIBIT	
35TH AVE AND O STREET WATER LINE	
2021	REVISIONS

drawn by:

checked by:

approved by:

QA/QC by:

GREELEY, CO



Staff Recommendation

- Staff Recommends Approval of IGA for the Temporary Infrastructure Use and Cost Sharing with North Weld County Water District and delegation of authority to Staff to enter into minor, non-substantive amendments thereto

Questions?



WATER SERVICE AGREEMENT

THIS AGREEMENT is made and entered into as of the 5th day of February 2013, by and between the North Weld County Water District, acting by and through the North Weld County Water District Enterprise (hereinafter "District"), and the City of Greeley, a home rule municipality, acting by and through its Water Enterprise (hereinafter "Greeley")(collectively "Parties").

RECITALS

WHEREAS, the District is a statutory special district formed under the laws of the State of Colorado and is a quasi municipal corporation; and,

WHEREAS, Greeley is a home-rule municipal corporation; and,

WHEREAS, the North Weld County Water District Enterprise and the Greeley Water Enterprise are established and administered in compliance with the provisions of Section 20, Article X of the Colorado Constitution and Article 45.1 of Title 37 of the Colorado Revised Statutes, and the Greeley City Charter and Municipal Code, as applicable; and,

WHEREAS, the District (on its own or in cooperation with others) owns, maintains and operates a system for the storage and distribution of potable water within Weld County and Larimer County; and,

WHEREAS, Greeley owns, maintains and operates a separate and independent system for the storage and distribution of potable water to its residents and to other customers in Weld County and Larimer County; and,

WHEREAS, the District, as a non-profit quasi municipal statutory special district, must establish and provide water rates to cover the maintenance and operation, depreciation, replacement, and appropriate funding of capital costs of the District; and,

WHEREAS, Greeley's policy is to provide water service to all Greeley citizens; and,

WHEREAS, the District's policy is to provide water service within the boundaries of the District; and,

WHEREAS, the District has a master plan to serve a portion of its service area, lying north of the Poudre River, at densities between one and two dwelling units per five acres; and,

WHEREAS, portions of the District's service area overlap Greeley's Long-Range Expected Growth Boundary, which is outlined in Greeley's 2060 Comprehensive Plan; and,

WHEREAS, Greeley and the District have determined that it is in the best interest of the residents of Greeley and the District for the Parties to cooperate with each other in providing water services; and,

WHEREAS, by enacting Titles 31 and 32 and specifically § 31-35-402(1)(b) and § 32-1-502(2)(c) of the Colorado Revised Statutes and pursuant to Article XIV, Section 18 of the Colorado Constitution, the Legislature of the State of Colorado has: (a) determined that the State of Colorado has a valid interest in providing water for its citizens; (b) clearly articulated and affirmatively expressed the State of Colorado's policy to allow municipalities and special service districts to provide water by utilizing cooperative agreements and to eliminate competition in areas where each Party is capable of providing service; and (c) developed a structure to actively supervise municipalities and special service districts, if the Parties choose to utilize such agreements; and,

WHEREAS, taking into consideration the foregoing factors and the natural drainage basins and topography that affect the quality and cost of utility service in the overlapping service area, Greeley and the District desire to enter into a long-term contract for the treatment and delivery of potable water, to eliminate overlapping facilities, and to coordinate long-range planning prior to initiating costly capital expansion programs; and,

WHEREAS, Greeley and the District desire to craft this Agreement with the following guiding principles: to keep North Weld financially whole; to allow Greeley to maintain land use control of much denser, urban development in the overlapping service area; and to provide for flexible water sharing between the Parties; and,

WHEREAS, Greeley and the District enter into this Agreement pursuant to the provisions of § 29-1-203, C.R.S; and,

WHEREAS, the District and Greeley shall and will continue to own their own water rights individually and separately, with Greeley relying upon the yield of its own water rights to provide the raw water necessary for treatment proposed under this Agreement; and,

NOW, THEREFORE, in consideration of the premises and the covenants and agreements hereinafter set forth, it is agreed by and between the District and Greeley as follows:

ARTICLE 1 DEFINITIONS

1.1 "Delivery Point(s)" shall mean the point(s) at which the Furnishing Party delivers water to the Receiving Party's water system.

1.2 "Furnish" shall mean to treat, to the standards set forth in Section 3.4, and deliver water, which includes all of the intermediate steps necessary to provide water at the Delivery Point(s).

1.3 "Furnishing Party" shall mean the Party who treats, delivers, and performs all of the intermediate steps necessary to provide water at the Delivery Point(s).

1.4 "Master Meter" shall mean a meter at which the Furnishing Party will furnish water to the Receiving Party to enable the Receiving Party to provide water service to its customers.

1.5 "North Greeley Service Area" shall be that area identified within the Long-Range Expected Growth Boundary outlined in Greeley's 2060 Comprehensive Plan.

1.6 "Notice" shall mean the notice described in Section 10.12

1.7 "Raw Water Requirement" shall mean untreated water in an amount equal to 110% of Greeley's net potable water usage at the Master Meter(s) for the previous year plus any anticipated increases or decreases in net usage.

1.8 "Receiving Party" shall mean the Party who takes delivery of water from the Furnishing Party at a Master Meter.

1.9 "Uncontrollable Forces" shall mean any cause beyond the control of the obligated Party, including, but not limited to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, breach of construction contract by a third party or restraint by court or public authority, which through due diligence and foresight, such Party could not have reasonably been expected to avoid.

1.10 Unless described as "raw water", "water" shall mean water treated to the standards set forth in Section 3.4, and shall have the same meaning as "potable" or "treated" water.

1.11 "Water Service" shall mean providing water directly to individual customers.

1.12 "Water Supply" shall include, but is not limited to, existing water supplies, future water supply projects, and development of existing and after-acquired water rights.

1.13 "Water System" shall mean the distribution system whereby a Party provides water service.

ARTICLE 2 GENERAL PROVISIONS

2.1 This Agreement defines the method by which the Parties shall furnish and provide water service to individual customers located within the North Greeley Service Area. It shall also determine the method of transferring the District's customers to Greeley; the transfer of infrastructure upon the exclusion of territory from the District's service area; the provisions for furnishing water to the Parties' respective water systems; and the method by which this Agreement may be amended to account for future growth, expansion, and development within the North Greeley Service Area.

2.2 To account for the transfer of customers to Greeley within the North Greeley Service Area and to track portions of the District's service area that are excluded there from, this Agreement may be amended, from time to time, through the use of exhibits. The exhibits shall contain the information required by Articles 3, 5, and 8 of this Agreement and shall be identified and generally contain the following:

2.2.1 Exhibit A of this Agreement shall contain the name of each Master Meter and its corresponding location; the annual minimum amount of water that Greeley must purchase through Master Meter(s); and the maximum gallons per minute of water that shall be delivered through a Master Meter based on Plant Investment Fees paid and credited. If any of the foregoing information is inapplicable to a Receiving Party, that portion of Exhibit A shall so reflect.

2.2.2 Exhibit B shall contain a complete list of all customers transferred from the District to Greeley.

2.2.3 Exhibit C shall be a map depicting the North Greeley Service Area and any property excluded from the District's service area.

2.3 The exhibits identified in paragraph 2.2 shall be amended prior to any relocation of a Master Meter, increase in peak demand, transfer of customer, or exclusion of territory from the District's service area. The exhibits shall be redefined as agreed to in writing by the Parties, or their respective designee, and made effective in accordance with the Parties' respective rules and procedures. Each amendment shall fully replace the prior exhibit and shall be effective upon the date specified therein.

2.4 The terms of this Agreement shall only apply to the North Greeley Service Area and shall not be extend to, or binding on, the Parties in any other geographical location.

2.5 This Agreement is not intended to provide for emergency water connections and supplies. If, at any time after the effective date of this Agreement, the Parties determine that an emergency interconnection is needed, then the Parties shall negotiate a separate agreement to determine the locations and facilities that will provide for emergency interconnections and the terms and conditions thereof.

ARTICLE 3 WATER SUPPLY

3.1 The District shall furnish potable water via Master Meter(s) for use in Greeley's water system at the locations and in the maximum and minimum annual amounts, peak demands in gallons per minute, and minimum and maximum pressures that shall be specified in Exhibit A.

3.2 Upon the District's written request, Greeley may furnish potable water via Master Meter(s) for use in the District's water system, subject to the terms of this Agreement, at the location(s) that shall be specified in Exhibit A.

3.3 The minimum and maximum pressures shown in Exhibit A shall be met by the Furnishing Party at the Master Meter(s) only. The Receiving Party is responsible for all pressures within its system following delivery from the Furnishing Party at the Master Meter(s). No promise or guarantee of pressure is made by the Furnishing Party or is to be implied from anything contained herein except as established in Exhibit A.

3.4 The furnished water shall be potable water, the quality of which shall be in accordance with the Federal Safe Drinking Water Act and all other applicable drinking water regulations and potable water law. The Parties shall conduct all testing necessary to assure that the water furnished under this Agreement complies with all Federal and State drinking water standards. The Furnishing Party agrees to provide the Receiving Party with the results of its annual testing, on or before April 1 of each year, as required by Colorado Primary Drinking Water Regulations, 5 CCR 1003.

3.5 Neither Party shall, by reason of this Agreement or by use of any water hereunder, acquire vested or adverse right or future right, in law or equity, in the water rights or water system owned by the other Party.

ARTICLE 4 RAW WATER

4.1 On an annual basis, Greeley shall provide raw water to the District, for treatment and delivery by the District through one or more Master Meters, in the amount of one hundred and ten percent (110%) of Greeley's estimated net demand ("Raw Water Requirement"). The Raw Water Requirement shall be calculated based on Greeley's net potable water usage at the Master Meter(s) for the previous year, plus any anticipated increases or decreases in Greeley's net usage. Not later than September 1 of each year, Greeley will supply the District with estimates of its projected Raw Water Requirement for the following year. The Raw Water Requirement made available to the District shall be provided on an actual gallon basis as measured at the intake station at the Soldier Canyon Filter Plant. The stated "one hundred and ten percent (110%)" shall mean one hundred percent (100%) plus an allowance of ten percent (10%) to cover the estimated shrinkage from the Soldier Canyon Filter Plant to the Master Meter(s).

4.2 Greeley's Raw Water Requirement shall be met from the following sources: Colorado-Big Thompson Project ("CBT"), the Windy Gap Project, the Water Supply and Storage Company, the North Poudre Irrigation Company, or from any other source capable of being delivered to and treated by the District's then existing water treatment system to the standards set forth in Section 3.4, and otherwise usable in the District's water system.

4.3 The District shall not be required to acquire, rent or own any additional raw water necessary to meet the Raw Water Requirement. Greeley is solely liable to make arrangements for the raw water necessary to make available the Raw Water Requirement.

4.4 In the event that Greeley does not make sufficient raw water available to the District, based on Greeley's net usage, the District shall notify Greeley as soon as possible but no later than thirty days prior to the time when such additional raw water will be necessary. If, after such notice, Greeley fails or refuses to provide sufficient raw water, the District may, in its sole and reasonable discretion, provide such raw water, at an additional fee to Greeley ("Water Surcharge"). The Water Surcharge shall be determined solely by the District dependant on the availability of raw water and shall be applied per one thousand gallons of water delivered to Greeley of District supplied raw water. The District shall maintain dominion and control over all raw water provided to Greeley under this Paragraph 4.4, and Greeley releases any right to the return flows that result from such water supplied by District, including any reuse rights associated with such water.

4.5 Greeley shall maintain dominion and control over any and all raw water provided to the District for treatment under this Agreement, and the District releases any right to the return flows that result from such water supplied by Greeley, including any reuse rights associated with such water.

ARTICLE 5 FACILITIES

5.1 The Furnishing Party shall take such actions and make such connections between the Receiving Party's system and the Furnishing Party's system necessary to furnish water to the Receiving Party as required by this Agreement at the Furnishing Party's sole cost.

5.2 The Furnishing Party shall install, replace, relocate, or add any necessary metering equipment and Master Meter vault(s) as required by this Agreement. The Furnishing Party shall design the Master Meter vault(s) and flow control device(s) in accordance with the specification of the Furnishing Party. Design shall consider system growth. The Furnishing Party shall submit all designs to the Receiving Party for review and approval prior to construction or installation. Following the Receiving Party's review and approval of such design plans, the Receiving Party shall reimburse the Furnishing Party for all reasonable and customary costs and expenses including design,

construction and installation of all necessary metering equipment and Master Meter vault(s) replaced, relocated, or added after the date of this Agreement.

5.3 The Furnishing Party shall install, own and operate a flow-restricting device(s) at the Master Meter vault(s). Said device(s) shall be capable of controlling the flow rate, if applicable, to the Receiving Party within the rates set forth in Exhibit A. The Receiving Party shall not be responsible for charges based on deliveries at flow rates greater than the flow rates directed by Receiving Party in writing or as stated in this Agreement.

5.4 The Furnishing Party shall own and maintain the Furnishing Party's water system, including but not limited to any interconnection facilities, water lines, pump station and treatment plant facilities necessary to serve the Receiving Party as required by this Agreement up to the Master Meter(s). The Furnishing Party shall own the Master Meter(s), Master Meter Vault(s), Backflow Prevention Assembly, and flow and pressure control facilities, which shall be managed, administered, operated and maintained exclusively by the Furnishing Party. For the purpose of determining operation and maintenance responsibility, the Furnishing Party shall be responsible up to and including the outlet valve(s) on the Receiving Party's side of the Master Meter(s).

5.5 The Receiving Party shall maintain complete and unilateral control over the Receiving Party's system operations. The Receiving Party agrees that it will, at all times, to the extent practicable in the Receiving Party's reasonable discretion operate its water distribution system on the Receiving Party's side of the Master Meter(s) so as not to unreasonably interfere with service to others dependent upon the Furnishing Party for a supply of water. The Receiving Party agrees that it will, to the extent practicable in the Receiving Party's reasonable discretion, operate its facilities, especially any pumping or storage facilities, in correlation with operation of the Furnishing Party's facilities and will install and use such devices, including telemetry, as are necessary to effectuate correlation; provided, however, that Greeley shall not be obligated to pay for the installation of any physical changes to its water distribution system that will benefit only District customers within the District's service area.

5.6 The Parties agrees to maintain all facilities within their respective water systems in good repair and to make such replacements as may be necessary to keep the facilities in proper operating condition at all times.

5.7 The Parties shall cooperate with each other in acquiring any easements and other permits or approvals necessary to accomplish and place into effect this Agreement and for the construction of any necessary facilities.

5.8 Nothing in this Agreement shall be interpreted as creating an "Integrated System" within the meaning of the Colorado Primary Drinking Water Regulations, 5 CCR 1003. Each Party owns its own water system and each is a separate and independent system from the other.

ARTICLE 6 MASTER METERS

6.1 The Furnishing Party shall read the Master Meter(s) at monthly intervals under its own meter reading schedule. If requested by the Receiving Party, the Furnishing Party shall give the Receiving Party notice of any Master Meter reading and allow a Receiving Party representative to be present and observe. For all Master Meter reads performed by Greeley, as the Furnishing Party, it shall deliver the Master Meter reads to the District, on or before a date mutually agreed to by the Parties, in order for the District to calculate the net monthly flow amount as provided in Section 7.1.

6.2 At least once every five years, the Furnishing Party shall test and calibrate the Master Meter(s) at the Furnishing Party's cost. At anytime, upon the Receiving Party's written request, the Furnishing Party shall make or cause to be made a special meter test at the Receiving Party's cost. The Furnishing Party shall notify the Receiving Party in advance of any Master Meter test and allow a Receiving Party representative to be present and observe.

6.3 The readings of any Master Meter, which has been disclosed by tests conducted pursuant to American Water Works Association standards to be inaccurate, shall be corrected from the beginning of the monthly billing period immediately preceding the billing period during which the tests are made in accordance with the percentage of inaccuracy found by such tests.

6.4 If any Master Meter shall fail to register for any period, the Receiving Party and the Furnishing Party shall agree as to the amount of water furnished during such period and the Furnishing Party shall render a bill therefore. If no agreement can be reached, the billing shall be based upon historical usage data.

6.5 If at any time the Receiving Party desires to change the location of any Master Meter vault(s), the Furnishing Party will attempt to accommodate such request if, in the reasonable opinion of the Furnishing Party, such relocation will not detrimentally affect the Furnishing Party's water system in any manner and only upon the condition that Receiving Party shall be responsible for any and all costs and expenses thereof.

ARTICLE 7 RATES AND CHARGES

7.1 The District shall bill Greeley, in monthly intervals, based on Greeley's net monthly water usage. The net monthly usage shall be determined by the difference between Greeley's total monthly water usage and the District's total monthly water usage. If Greeley's total monthly usage is less than the District's, Greeley shall be given a credit that shall be applied to the next monthly billing cycle. In the event that Greeley has a monthly credit on December 31st of any year this Agreement is in effect,

the same amount shall be paid in full by the District to Greeley by January 31st of the following calendar year.

7.2 The District will adopt water service rates sufficient to totally and fully reimburse the District for all costs of furnishing water under this Agreement. Any portion of the rate that is identified as a recovered return on investment shall be limited to 4.5%. The District may adjust the charges to be made for the use of water hereunder. The rates charged to Greeley shall be directly related and limited to the cost incurred by the District in furnishing water to Greeley as fairly determined by the District. The charges provided for in this paragraph shall remain in effect until the District deems it necessary to raise or lower the charges for the water, in accordance with section 7.3. In addition to any other rate or charge herein provided, Greeley shall pay all applicable fees, and such other rates, tolls, charges or combination thereof as the District may, from time to time, in the exercise of its lawful authority impose consistent with this Article and Article 1, Title 32 of the Colorado Revised Statutes.

7.3 The District will, not less than once, but not more than two times in each calendar year, review the Plant Investment Fee and the rates for potable water furnished hereunder. If necessary and consistent with Sections 7.1 and 7.2 hereof, the District shall adjust such rates based upon actual usage and audit figures to produce sufficient revenues to maintain and operate the system necessary to serve Greeley and to establish and maintain reasonable reserves for operation and maintenance.

7.4 The District shall provide Greeley written notice of any expected rate change or any projected operation, maintenance or capital improvement cost that will affect the rates to be paid by Greeley as follows:

7.4.1 The District shall notify Greeley of a proposal for an increase in the rate charged to Greeley at least thirty days prior to the Board Meeting at which formal action on such proposal is scheduled;

7.4.2 The District shall notify Greeley of any new rate within ten days after the District has adopted it; and

7.4.3 The new rate to be charged to Greeley shall not become effective sooner than thirty days after it has been adopted and shall not apply to water delivered by the District on or before the effective date.

7.5 Billing for each month shall be made on or about the last day of the month and payment is due on the tenth day of the following month. Any bill not paid within sixty days of the payment due date shall be delinquent, and Greeley shall pay an additional delinquent fee of one and one-half percent of the unpaid monthly billing per month. If Greeley refuses or fails to pay any bill within sixty days of the payment due date, the District may discontinue delivery of potable water hereunder upon ninety days written notice to Greeley.

7.6 If Greeley's annual water usage does not equal or exceed the total minimum annual amount of water, as stated in Exhibit A, for all Master Meters furnishing water to Greeley, the District shall bill Greeley for the balance due in January of the following year.

7.7 For water service customers within the North Greeley Service Area, Greeley and the District shall establish their own separate rates, fees, and raw water requirements in accordance with the legal procedures and policies applicable to each entity.

ARTICLE 8

INCREASES IN PEAK DEMAND; TRANSFER OF CUSTOMERS; AND EXCLUSION OF TERRITORY FROM THE DISTRICT'S SERVICE AREA

8.1 The Parties have consulted with each other concerning the North Greeley Service Area using the following criteria: natural drainage patterns, topography, existing installations of capital facilities, the probable future needs of customers, the most cost-efficient means for delivering water service, and considerations which reduce the cost of service or result in higher quality of service to the customer. Based on the foregoing, the Parties agree that Greeley shall be responsible for providing water service to new customers within the North Greeley Service Area and, except as provided in this Agreement, the District shall not provide water service to new customers in the North Greeley Service Area.

8.2 The District presently provides water service to a number of customers within the North Greeley Service Area. Existing customers will continue to be served by the Party presently providing water service, except as provided for herein or as otherwise mutually agreed upon in writing by the Parties.

8.3 The District shall refer to Greeley any request it receives for water service within the North Greeley Service Area. Upon receipt of the referral, Greeley will determine whether it intends, or has the infrastructure in place, to provide water service to the applicant. Greeley shall provide written notice of its determination to the applicant and to the District as soon as possible but no later than ninety days after receipt of the application. If Greeley declines to provide water service to the applicant, then the District may provide water service.

8.4 As Greeley extends water service to new development, but prior to annexation by Greeley, Greeley and District may transfer existing District customers to Greeley's water system within the North Greeley Service Area, if Greeley determines that it intends, or shall have infrastructure in place, to provide water service to the existing customer.

8.5 When existing District customers are transferred to Greeley, the District shall permanently transfer to Greeley one unit of CBT per equivalent three-quarter inch tap transferred. In addition, the District shall credit Greeley with one gallon per minute

Plant Investment Fee per equivalent three-quarter inch tap transferred. Greeley shall, in turn, purchase from the District the annual usage of that tap at a Master Meter. The annual usage shall be set at 120,000 gallons per equivalent three-quarter inch tap. Both the annual use and the Plant Investment Fee credit shall be reflected in Exhibit A.

8.6 If Greeley expects additional demand above the peak demand of the transferred customer(s) as established in section 8.5, Greeley shall make written request to the District for the furnishing of additional water to meet such additional expected demand. Upon receipt of such written request, the District shall have thirty days to notify Greeley in writing of its decision and terms to supply such additional water. If the District decides to furnish such additional water, Greeley shall provide the Raw Water Requirements and pay the then existing Plant Investment Fee adopted by the District for each additional one gallon per minute beyond the peak demand amount specified in Exhibit A.

8.7 If the District expects additional master meters, water usage, or demand above the peak demand identified in Exhibit A upon the effective date of this Agreement, the District shall make written request to Greeley for the furnishing of additional water to meet such additional demand. Upon receipt of such written request, Greeley shall have thirty days to notify the District in writing of its decision and terms to supply such additional water. If Greeley decides to furnish such additional water, the District shall provide Greeley a Plant Investment Fee credit for each additional one gallon per minute peak demand requested by the District. Greeley may, in turn, assign or apply such credit at any Master Meter, identified in Exhibit A, that is furnishing water to Greeley as Receiving Party.

8.8 Following annexation of property located within the North Greeley Service Area and upon receipt of notice of intent to exclude territory, the District shall transfer to Greeley, within one year from the date of notice, all of the District's customers and infrastructure within the annexed area. Such transfer shall include all facilities, which are owned or maintained by the District, necessary to provide such service from the Master Meter(s) to the point of connection at the customer's facilities, including but not limited to mains, local distribution lines, meters, meter pits, booster pumps, easements, permits, or rights of way and valves. Such transfer shall not include any transmission lines or associated facilities, distribution lines or associated facilities, easements, permits, or rights of way the District determines are necessary to serve other existing or potential customers of the District. As consideration for such transfer, the following provisions shall apply:

8.8.1 In accordance with the District's Master Plan, the District anticipates serving an average of two three-quarter inch equivalent taps per every five acres of its service area that is located within the North Greeley Service Area. The Parties agree that the District's anticipated annual usage shall equal an annual use of 240,000 gallons of water per five acres. Therefore, as Greeley excludes portions of the District's territory from the North Weld Service Area, Greeley shall compensate the District by purchasing a minimum annual amount of water from

the District at Master Meters. The minimum annual amount of water shall be calculated based on the greater of either (1) the product of 240,000 gallons of water per five acres of all territory excluded in accordance with this section 8.8 or (2) the total annual usage of each equivalent three-quarter inch tap transferred to Greeley in accordance with section 8.5. The minimum annual amount shall be reflected in Exhibit A.

8.8.2 Greeley shall provide the District fair compensation for all facilities transferred from the District to Greeley, taking into account depreciation. The value determination provisions set forth in C.R.S. § 32-1-502, as the same may be amended from time to time, shall govern such compensation.

8.8.3 Greeley shall be responsible for all reasonable costs, excluding attorney fees, associated with the transfer of customers from the District to Greeley within the North Greeley Service Area. However, in the event litigation is pursued against Greeley and/or the District by a transferred customer, the parties shall be responsible for their own costs, expenses, attorney fees and awards, if any.

8.8.4 Exclusion of land from North Weld's territory shall occur before any further subdivision of the property.

8.9. At the time of transfer of customers and facilities to Greeley, North Weld shall provide the best available and known information regarding locations of water lines, meters, appurtenances, and other associated facilities to the best knowledge of the District. Greeley and the District agree to cooperate in preparation and transfer of such information as the Parties deem necessary. North Weld maintains responsibility for locating any of their active or abandoned lines including all asbestos-cement pipe. Any North Weld line transferred to Greeley becomes Greeley's responsibility for One-Call locating. North Weld will for two years assist Greeley in location of any transferred lines, including potholing and establishing position with GPS.

ARTICLE 9 TAXES AND EXCLUSION

9.1 Portions of the North Greeley Service Area are within the District's service area. Pursuant to Colorado Law, the District has authority to assess property taxes by imposition of a mill levy upon property within the District; however, at the time of this Agreement, no such assessment or levy is in place.

9.2 The District agrees that there shall be no property tax assessment or mill levy on any properties within the boundaries of the District that may be located in the North Greeley Service Area and annexed by Greeley. If it is determined to be necessary and/or required by law, the District agrees to exclude from its service area all such property located in the North Greeley Service Area and annexed by Greeley.

ARTICLE 10 GENERAL TERMS AND REMEDIES

10.1 This Agreement shall be effective on the date first above written and remain in effect on a perpetual basis unless terminated as provided in this Article.

10.2 The Parties agree to act in good faith and to the best of their ability in taking all steps necessary to fully implement the terms and conditions of this Agreement, including the execution and delivery of such other documents, certificates, agreements and other writings and the taking of such other actions as may be necessary or desirable to consummate or implement this Agreement. The Parties agree that this Agreement shall be construed and enforced as the fully integrated expression of their contract with respect to the matters addressed herein. No express or implied covenants not specifically set forth shall be deemed to be a part of this Agreement. The Parties expressly aver that no representations other than those specifically set forth in this Agreement have been relied upon by either Party to induce it to enter into this Agreement.

10.3 The Parties shall use reasonable diligence to provide a constant and uninterrupted supply of water, except for interruption or reductions due to: (1) Uncontrollable Forces; (2) operations or devices installed for water system protection; and (3) maintenance, repair, replacement, installation of equipment, or investigation and inspection of the water system, which interruption or reductions are temporary, and in the opinion of the Furnishing Party, necessary. Excepting cases of emergency, the Receiving Party will be given reasonable advance notice of such interruptions. Neither Party shall be considered in default under this Agreement if prevented from fulfilling any obligations by reason of Uncontrollable Forces. A Party rendered unable to fulfill its obligation by reason of Uncontrollable Forces shall exercise due diligence to remove such inability with all reasonable dispatch.

10.4 The Parties have implemented their own respective water conservation plans and shall not be required to adopt the other Party's conservation plan in whole or in part.

10.5 The invalidity or un-enforceability of any provision of this Agreement shall not affect or impair any other provision unless material to the performance of either Party.

10.6 Neither Party may assign or transfer all or any part of this Agreement without the prior written consent of the non-assigning Party which consent will not be unreasonably withheld.

10.7 In the event of a material breach of any provision of this Agreement by any Party, which is not corrected within one year from the date of notice of the breach, the non-defaulting party may either terminate or pursue litigation for specific performance of this Agreement. However, if this Agreement is terminated by the District due to an uncorrected material breach of any provision of this Agreement by Greeley, the District

will not cease water service to Greeley until after two years from the written date of notice of the breach. In the event of an uncorrected material breach of any provision of this agreement by the District, Greeley may terminate this Agreement due to said material breach in which case termination shall be effective two years from the written date of the notice of the breach.

10.8 The Parties agree that, in addition to any other remedies allowed by law consistent with this Agreement, the provisions of this Agreement may be specifically enforced in a Court of competent jurisdiction and, in any judicial action, the unsuccessful party agrees to pay all reasonable costs of such action as actually incurred by the successful party, including attorney fees. Venue for any action shall be the District Court in and for Weld County, Colorado.

10.9 None of the remedies provided for under this Agreement need to be exhausted or exercised as a prerequisite to either party's pursuit of further relief to which it may be entitled. No Party shall waive its rights hereunder by failing to exercise its rights; any such failure shall not affect the right of such Party to exercise at some future time the rights not previously exercised.

10.10 In the event Greeley desires to terminate this Agreement, Greeley shall give written notice to the District of such intent in accordance with the notice provisions of this Agreement. Twenty years after the giving of such notice, District shall no longer furnish water to the North Greeley Service Area through the Master Meters. However, during this twenty year period Greeley shall be obligated to take and pay for, or in the alternative pay for, the minimum annual volume of water defined by Exhibit A. All other provisions and terms of this Agreement, including but not limited to the establishment and descriptions of the North Greeley Service Area, shall remain in effect.

10.11 It is expressly understood and agreed that the terms and the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, are strictly reserved to the undersigned Parties and nothing in this Agreement shall give or allow any claim or right or cause of action whatsoever by any other person not included in this Agreement. It is the express intention of the undersigned Parties that no person and/or entity, other than the undersigned Parties, receiving services or benefits under this Agreement shall be deemed any more than an incidental beneficiary only.

10.12 Any notice, demand or request delivered by mail, in accordance with this Agreement shall be deemed given seventy-two hours after the same is deposited certified mail, in any post office or postal box regularly maintained by the United States Postal Service addressed to the District at P.O. Box 56, Lucerne, CO, 80646 and to Greeley, attention to the Director of the Water and Sewer Department, at 1100 10th Street, 3rd Floor, Greeley, CO, 80631. The addresses may be changed at any time by similar notice.

10.13 Nothing herein shall constitute a multiple fiscal year obligation pursuant to

Colorado Constitution Article X, Section 20. Notwithstanding any other provision of this Agreement, Greeley's obligations under this Agreement are subject to annual appropriation by the City Council of the City of Greeley. Any failure by the Greeley City Council to annually appropriate adequate monies to finance Greeley's obligations under this Agreement shall terminate this Agreement in accordance with paragraph 10.10 at such time as such then-existing appropriations are to be depleted. Notice shall be given promptly to the District of any failure to appropriate such adequate monies.

10.14 To the extent legally possible, each Party shall indemnify and hold the other Party harmless from and against any and all liability, loss, damages, costs and expenses, including reasonable attorney fees, arising from the identifying Party's negligence, including but not limited to, negligent delivery of water at rates or pressures which exceed the maximum pressure or do not meet the minimum pressure established on Exhibit A. By such agreement to indemnify and hold each other harmless, neither Party waives any defenses and immunities to third Parties, which it would otherwise be entitled under the Colorado Governmental Immunity Act.

10.15 This Agreement, along with all exhibits and addendums and amendments hereto, encompasses the entire agreement of the parties, and supersedes all previous understandings and agreements between the parties, whether oral or written. The terms of the Water Supply Agreement dated August 26th, 2011 ("August 26th, 2011, Agreement"), shall remain in effect, except that all exhibits attached to the August 26th, 2011, Agreement shall be incorporated and reflected in the corresponding exhibit that are attached hereto and thus superseded hereby. The parties hereby acknowledge and represent, by affixing their hands and seals hereto, that said parties have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this Agreement. The parties hereby waive all rights and remedies, at law or in equity, arising or which may arise as the result of a party's reliance on such representation, assertion, guarantee, warranty, collateral contract or other assurance, provided that nothing herein contained shall be construed as a restriction or limitation of said party's right to remedies associated with the gross negligence, willful misconduct or fraud of any person or party taking place prior to, or contemporaneously with, the execution of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

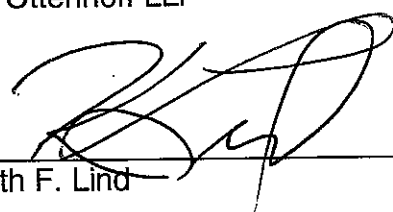
ATTEST:

NORTH WELD COUNTY WATER DISTRICT

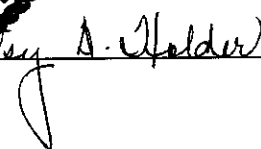
By: Robert Ambrecht
Secretary

By: Charles Achziger
President

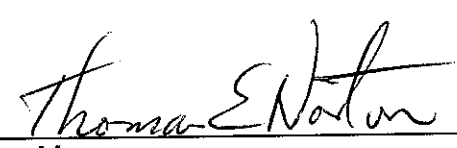
APPROVED AS TO LEGAL FORM:
Lind & Ottenhoff LLP

By: 
Kenneth F. Lind

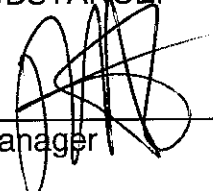



City Clerk

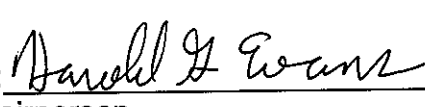
CITY OF GREELEY, COLORADO

By: 
Mayor

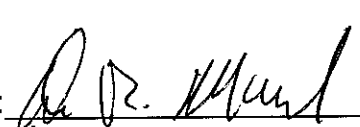
APPROVED AS
TO SUBSTANCE:

By: 
City Manager

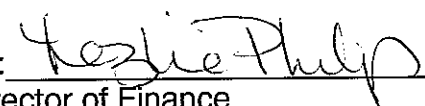
APPROVED:
Greeley Water & Sewer Board

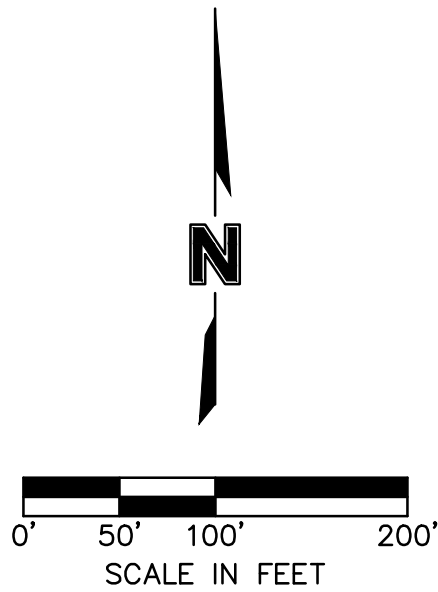
By: 
Chairperson

APPROVED AS TO LEGAL FORM:

By: 
City Attorney

APPROVED AS TO AVAILABILITY OF FUNDS:

By: 
Director of Finance



OLSSON ASSUMES NO
RESPONSIBILITY FOR EXISTING
UTILITY LOCATIONS
(HORIZONTAL OR VERTICAL).
THE EXISTING UTILITIES SHOWN
ON THIS DRAWING HAVE BEEN
PLOTTED FROM THE BEST
AVAILABLE INFORMATION. IT IS
HOWEVER THE RESPONSIBILITY
OF THE CONTRACTOR TO FIELD
VERIFY THE LOCATION OF ALL
UTILITIES PRIOR TO THE
COMMENCEMENT OF ANY
CONSTRUCTION ACTIVITIES.

drawn by: CH
checked by: KZ
approved by: KZ
QA/QC by: JS
project no.: 020-1715
drawing no.:
date: 11/8/2021

**INTERGOVERNMENTAL AGREEMENT FOR
TEMPORARY INFRASTRUCTURE USE AND COST SHARING**

**BETWEEN THE CITY OF GREELEY, COLORADO
AND NORTH WELD COUNTY WATER DISTRICT**

This Intergovernmental Agreement for Temporary Infrastructure Use and Cost Sharing (“Agreement”) is entered into as of ____ day of _____, 2021 (“Effective Date”), by and between **THE CITY OF GREELEY**, Colorado, a home rule municipality acting by and through its Water and Sewer Board (“Greeley”) and **NORTH WELD COUNTY WATER DISTRICT**, acting by and through the North Weld County Water District Water Activity Enterprise (“North Weld”), a special district organized under Title 32, Article 1, Colorado Revised Statutes (Greeley and North Weld are collectively referred to as “Parties” and individually as “Party”).

WHEREAS, pursuant to C.R.S. § 29-1-203, governmental entities may cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each of the following cooperating units of government; and

WHEREAS, pursuant to Article XIV, Section 18 of the Colorado Constitution and C.R.S. § 31-35-402(1)(b), municipalities and special service district may provide water by utilizing cooperative agreements; and

WHEREAS, in accordance with Greeley Municipal Code §§ 2-186, -461, Greeley has the authority to enter into cooperative or joint activities with other governmental bodies by intergovernmental agreement; and

WHEREAS, Greeley City Council passed Ordinance 29 (1982) on May 18, 1982, annexing that certain territory into Greeley’s boundaries (“Budweiser Annexation”) and described in more detail in Ordinance 29 (1982); and

WHEREAS, Greeley and North Weld previously entered into that certain Water Service Agreement dated February 5, 2013 (“2013 IGA”); and

WHEREAS, the 2013 IGA obligates Greeley to provide fair compensation for certain water facilities transferred from North Weld to Greeley, when Greeley annexes property and accepts customers therein currently served by North Weld, but located within Greeley’s Long-Range Expected Growth Boundary; and

WHEREAS, the Budweiser Annexation is located within the Long-Range Expected Growth Boundary outlined in Greeley’s 2060 Comprehensive Plan; and

WHEREAS, North Weld has historically served customers within the Budweiser Annexation under the 2013 IGA and, in a separate forthcoming agreement, Greeley will accept said customers from North Weld; and

WHEREAS, the Parties wish to cooperate with one another in allowing North Weld to use Greeley’s potable water distribution infrastructure located within the Budweiser Annexation and surrounding areas (“Greeley Distribution Infrastructure”), as described more particularly herein,

on a temporary basis to serve customers located within the Budweiser Annexation currently served by North Weld; and

WHEREAS, the Parties desire to share the costs associated with the design, acquisition, construction, and installation of master meters near the intersection of 35th Avenue and O Street and 59th Avenue and O Street (“Master Meters”); and

WHEREAS, the North Weld desires a new, distribution pipeline and ancillary infrastructure (“New North Weld Infrastructure”) to serve its own customers east of the Budweiser Annexation; and

WHEREAS, North Weld is amenable to setting off the cost of the New North Weld Infrastructure from the amounts Greeley would otherwise owe North Weld under the 2013 IGA when taking over service for the Budweiser Annexation, and Greeley is amendable to constructing the New North Weld Infrastructure in exchange for said setoff; and

WHEREAS, Greeley is amenable to North Weld’s use of the Greeley Distribution Infrastructure until the Master Meters are installed and Greeley acquires the existing North Weld water distribution infrastructure; and

WHEREAS, Greeley and North Weld desire to reduce their understandings, and the terms and conditions of this Agreement, in writing as set forth below;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is acknowledged, and in further consideration of the mutual covenants contained herein, Greeley and North Weld agree as follows:

1. **DEFINITIONS.** In addition to those terms defined in the Recitals, for the purposes of this Agreement the following terms shall have the following meanings:
 - A. Budweiser Annexation: That area of land annexed by Greeley under Ordinance 29 (1982) and any lands served by potable water infrastructure downstream of the Master Meters.
 - B. Greeley Distribution Infrastructure: Greeley’s potable water distribution infrastructure located near 35th Avenue and O Street, 59th Avenue and O Street, and other areas within the Budweiser Annexation, as depicted in **Exhibit A**.
 - C. New North Weld Infrastructure: North Weld’s new, distribution pipeline and ancillary infrastructure, as generally depicted in **Exhibit A**.
 - D. Master Meters: those master meters and ancillary infrastructure, such as vaults and valves, to be located near the intersections of 35th Avenue and O Street, as depicted in **Exhibit A**, 59th Avenue and O Street, and as may be added by time to time by mutual written agreement.
2. **INTENT OF AGREEMENT.** The Parties acknowledge that the purpose of this Agreement is to allow North Weld to use the Greeley Distribution Infrastructure on a temporary basis to serve customers located within the Budweiser Annexation, until Greeley accepts responsibility for providing potable water service to customers within the Budweiser Annexation, and to allow Greeley to setoff the cost of constructing the New North Weld Infrastructure from amounts it would otherwise owe North Weld under the 2013 IGA. The Parties specifically

agree consideration for North Weld's setoff obligations under Section 4 also includes Greeley's construction of the New North Weld Infrastructure.

3. FEES, PAYMENT TERMS, AND CONSTRUCTION AND DESIGN OF GREELEY DISTRIBUTION INFRASTRUCTURE.

- A. Unless otherwise mutually agreed upon in writing, North Weld shall be responsible repairing and maintaining the Greeley Distribution Infrastructure during the term of this Agreement.
- B. North Weld shall be responsible for any damage caused by or related to its use of the Greeley Distribution Infrastructure. North Weld agrees to cooperate with Greeley in permitting the inspection of the Greeley Distribution Infrastructure.
- C. North Weld shall pay Greeley an annual rental fee of \$1,000 in exchange for use of the Greeley Distribution Infrastructure. The first annual payment shall be due and owing to Greeley upon the Effective Date, and each annual payment for each succeeding year shall be due on the anniversary of the Effective Date.
- D. Payment terms for invoices sent pursuant to Section 3A, 3B, and 4 shall be net thirty-five (35) days.

4. SETOFF OF AMOUNTS-OWED.

- A. Prior to installation of the New North Weld Infrastructure, Greeley shall provide North Weld an accounting, complete with estimates and/or invoices, of all costs associated with designing and constructing the New North Weld Infrastructure.
- B. Greeley and North Weld agree to work in good faith to come to an agreed-upon setoff amount based upon said accounting.
- C. When initiating the transfer of North Weld's customers and infrastructure within the Budweiser Annexation to Greeley under the 2013 IGA's provisions regarding exclusion of land from North Weld's territory, Greeley shall include in the notice it is required to provide under Section 8.8 of the 2013 IGA, an invoice for the agreed-upon setoff amount.
- D. Notwithstanding any provision to the contrary in the 2013 IGA, North Weld shall deduct from amounts otherwise owed to it under the 2013 IGA, the agreed-upon setoff amount.

5. CONNECTION TO NORTH WELD SYSTEM. To the extent necessary to carry out the respective duties and obligations of the Parties under this Agreement and Greeley's obligation to serve the Budweiser Annexation on a permanent basis under the terms the 2013 IGA, North Weld grants Greeley permission to connect the Greeley Distribution Infrastructure with North Weld's potable water distribution system.

6. INSTALLATION OF MASTER METER. Notwithstanding any provision to the contrary in the 2013 IGA, Greeley may purchase and install a Master Meter at the intersection of 35th Avenue and O Street, at its own cost.

7. ACCEPTANCE OF INFRASTRUCTURE.

- A. Greeley will complete standard construction practices for potable water lines. Prior to acceptance of the New North Weld Infrastructure from Greeley, North Weld may conduct additional testing, and submit requests to cure defects.
- B. Within twenty-eight (28) days after receipt of notice from Greeley that the New North Weld Infrastructure is installed and operational, North Weld may submit a notice of defect to Greeley. If no such notice is submitted, the New North Weld Infrastructure shall be deemed acceptable.
- C. Greeley shall have thirty-five (35) days to cure any such defect.

6. FORCE MAJEURE.

- A. Any delay or failure of either Party to perform its obligations under this Agreement will be excused to the extent that the delay or failure was caused directly by an event beyond such Party's control, without such Party's fault or negligence, and that by its nature and despite the exercise of reasonable due diligence and foresight, was unforeseeable by such Party or if unforeseeable was unavoidable.
- B. Such excusable events shall not include a Party's financial inability to cover any cost or make any payment required under this Agreement.
- C. Such excusable events may have natural or man-made causes, and include, without limitation, the following examples: floods; earthquakes; storms; lightening; fire; epidemics; pandemics; embargoes; riots; labor disturbances; acts of terrorism; riots; or restraint by a court order.
- D. The Party unable to perform due to an excusable event will use all diligent efforts to end the event and ensure that the effects of any event are minimized. During the excusable event, the non-affected Party may suspend its obligations until such time as the affected Party resumes performance.

- 7. **TERM OF AGREEMENT.** The term of this Agreement shall commence on the Effective Date and terminate upon Greeley sending a notice to North Weld accepting responsibility for providing potable water service to customers within the Budweiser Annexation, or under the provisions of Section 10.

8. LIMIT OF OBLIGATIONS AND NO RIGHTS IN EITHER WATER SYSTEM.

- A. Greeley's potable water system is an asset of the Greeley Water Enterprise, as established under Section 17-1 of the Greeley City Charter and Section 14.04.050 of the Greeley City Code. Accordingly, the aforementioned is owned by the citizens of Greeley. Similarly, the North Weld potable water system is owned by the customers of North Weld.
- B. North Weld specifically acknowledges and agrees it acquires no rights nor ownership in the Greeley potable water system as a result of this Agreement. Greeley specifically acknowledges and agrees it acquires no rights nor ownership in the North Weld potable water system as a result of this Agreement. No Party shall, by reason of any provision in this Agreement acquire any vested or adverse right, in law or in equity, in the water rights or water systems of the other Party. Further, no Party shall assert or claim any vested rights to continued service beyond the term of this Agreement.

9. NOTICE.

- A. All notices, requests, responses, consents, claims, demands, waivers, and other communications under this Agreement will be in writing and will be deemed to have been given:
- i. on the date and at the time of delivery if delivered personally to the party to whom notice is given;
 - ii. on the date of delivery or attempted delivery shown on the return receipt if mailed to the party to whom notice is given, or attempted to be given, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed;
 - iii. on the date and at the time shown on the facsimile if telecopied, provided that receipt thereof is acknowledged by the intended recipient thereof;
 - iv. on the date and at the time shown on the electronic mail (email) if emailed, provided that receipt thereof is acknowledged by the intended recipient thereof; or
 - v. on the date shown on the delivery acknowledgment provided by the courier if sent by a nationally-recognized overnight courier service that provides evidence of delivery.
- B. Such notices must be sent to the Parties at the respective addresses, facsimile numbers, and e-mail addresses indicated below (or to updated contact information for a Party as specified in a notice given in accordance with this Section):

i. **City of Greeley**

1001 11th Avenue, 2nd Floor
Greeley, CO 80631
Attention: Water & Sewer Department
Email: adam.prior@greeleygov.com
Facsimile: 970-350-9805

With a copy to:

1100 10th Street, Suite 401
Greeley, CO 80631
Attention: Office of the City Attorney
Email: Aaron.Goldman@Greeleygov.com
Facsimile: 970-350-9763

ii. **North Weld County Water District**

32825 CR 39
P.O. Box 56
Lucerne, CO 80646
Attention: Eric Reckentine, Manager
Email: ericr@nwcwd.org
Telephone: (970) 356-3020

Facsimile: (970) 395-0997

With a copy to:

White Bear Ankele Tanaka & Waldron
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attention: Zachary P. White
Email: zwhite@wbapc.com
Telephone: (303) 858-1800
Facsimile: (303) 858-1801

- 10. TERMINATION.** In the event any Party fails to meet its obligations under this Agreement, such failure shall constitute a default of this Agreement and the non-defaulting Party may give notice of the perceived default. Any Party may cure an asserted default during the thirty (30) days immediately following the notice. Upon a mutually agreed upon cure in writing of an asserted default, this Agreement shall remain in full force and effect. Upon receipt of notice of perceived default, a defaulting Party may invoke the dispute resolution process described in Section 19.
- 11. NO INTEGRATED SYSTEM.** No term or condition of this Agreement or any Exhibits thereto shall be interpreted as creating an “integrated system” within the meaning of the Colorado Primary Drinking Water Regulations, 5 C.C.R. § 1002-11. This Agreement shall not be interpreted as creating an “integrated system” as that term is used in C.R.S. § 37-92-301(4)(b).
- 12. NO PUBLIC UTILITIES COMMISSION CONTROL.** Each Party agrees that it shall not assert nor support any statement, policy, petition, rulemaking, or legislation that would attempt to subject the North Weld or Greeley to the rate-making authority or jurisdiction of the Colorado Public Utilities Commission.
- 13. GOVERNMENTAL IMMUNITY.** No term or condition of this Agreement or any Exhibits thereto shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections and limitations provided by common law or state statute, including the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.*
- 14. NO THIRD PARTY BENEFICIARIES.** The terms and conditions of this Agreement, enforcement of the same, and any claim, suit, action, petition, or proceeding relating to such enforcement, are strictly reserved to the Parties. Nothing in this Agreement or any Exhibits thereto shall be construed or interpreted as giving or allowing any claim, suit, action, petition, or proceeding to any third party. It is the express intention of the Parties that any third party receiving any services or benefits under this Agreement shall be deemed at most an incidental beneficiary only.
- 15. GOVERNING LAW AND VENUE.** This Agreement will be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction)

that would cause the application of laws of any jurisdiction other than those of the State of Colorado.

- 16. ENTIRE AGREEMENT.** This Agreement and any Exhibits thereto constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.
- 17. SEVERABILITY AND WAIVER.** If any term or condition of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or condition of this Agreement. Any single failure to exercise or partial exercise of any right, remedy, power, or privilege under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
- 18. ASSIGNMENT.** No Party, without the prior written consent of the other Party, may assign, transfer, or delegate any or all of its rights or obligations under this Agreement. No assignment will relieve the assigning Party of any of its obligations hereunder. Any attempted assignment, transfer, or other conveyance in violation of the foregoing will be null and void. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns.
- 19. ALTERNATIVE DISPUTE RESOLUTION.** In the event of a disagreement regarding the interpretation of any term or condition of this Agreement, the Parties agree to attempt resolution of such disagreement through negotiation, first at the staff level and second through the respective board of directors, Water Boards, and/or City Councils. Procedures for such negotiations shall be established by written mutual agreement at the time and may, with the concurrence of the Parties, involve the use of qualified outside mediators. Any resolution reached therefrom must be in writing and within the legal authority granted to each Party by their respective City Charter, organizational documents and applicable State law.
- 20. SURVIVAL.** In addition to any right or obligation of the Parties in this Agreement which, by its nature, should survive termination or expiration of this Agreement, the following Sections shall also so survive: 1, 11, 12, and 13 through and including 22.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Parties have authorized and executed this Intergovernmental Agreement for Temporary Infrastructure Use and Cost Sharing as of the Effective Date first written above.

THE CITY OF GREELEY, COLORADO

WATER AND SEWER BOARD:

AS TO SUBSTANCE:

By: _____

Chairman

By: _____

City Manager

AS TO LEGAL FORM:

AS TO AVAILABILITY OF FUNDS:

By: _____

City Attorney

By: _____

Director of Finance

**North Weld County Water District,
acting by and through the North Weld
County Water District Water Activity Enterprise**

By: _____

President

EXHIBIT A

Depiction of Greeley Distribution Infrastructure

[Attached on Following Page]

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE _____ NO ENCLOSURE X

ITEM NUMBER: 13

TITLE: LEGAL REPORT

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

Legal Report
Greeley Water and Sewer Board Meeting
November 17, 2021

Statements of Opposition: Based on our review of the September, 2021 Water Court Resume, staff and water counsel do not recommend that the Water and Sewer Board file statements of opposition to any water court applications that would be due in the month of November, 2021.

Other Matters: Water counsel will provide a brief update regarding plans to file an application for change of water rights for 21.917 shares in the Water Supply and Storage Company.

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 14

TITLE: EXECUTIVE SESSION

RECOMMENDATION: EXECUTIVE SESSION

ADDITIONAL INFORMATION:

WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE X NO ENCLOSURE

ITEM NUMBER: 15

TITLE: DIRECTOR'S REPORT

RECOMMENDATION: INFORMATION ONLY

ADDITIONAL INFORMATION:

- Cameron Peak Fire recovery partners update on work and ongoing needs
- SPBRT Demand Management Remarks (Colorado River shortage)
- Annual W&S Department core values awards and employee recognition
- Fort Collins 1041 regulation process

Cameron Peak Fire – Impacts & Needs

Wildfire in the Watershed

On August 13, 2020, the Cameron Peak Fire ignited in the Upper Poudre River Watershed. Over 112 days, **the fire burned 208,913 acres**, becoming the largest wildfire in Colorado history.

- **The Poudre Watershed is the region's most valuable infrastructure**, providing water to over 1 million people.
- Rains over the burn area have polluted the Poudre with ash and sediment.
- **Treatment costs increased over 10%**, and most Northern Colorado water providers were **unable to use Poudre water** for more than 40 days in 2021.
- Multiple stakeholders came together to plan & implement post-fire recovery



Black Hollow Flood, June 2021



Impacts on the Watershed

Large wildfires have a range of negative effects, including:

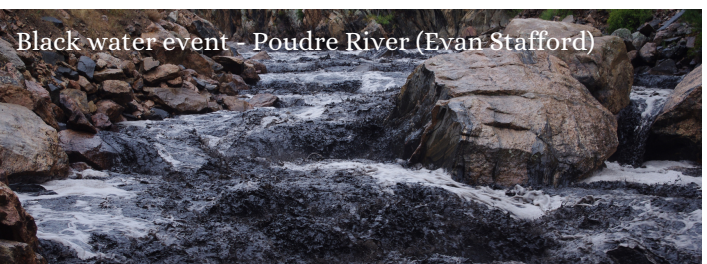
- Destructive flash floods & debris flows (loss of property & life)
- Loss of reservoir capacity due to sedimentation
- Inability to treat water & water quality issues for years after a fire goes out
- Loss of recreation opportunities

Great Needs, Few Resources

Mitigation & restoration is needed as soon as the next snow melts.

What we know:

1. Burn impacts can be mitigated
2. Partners successfully mitigated thousands of high priority acres in 2021
3. As a coordinated group of stakeholders, we are ready to do more, but **current funding does not meet the mitigation and restoration needs.**



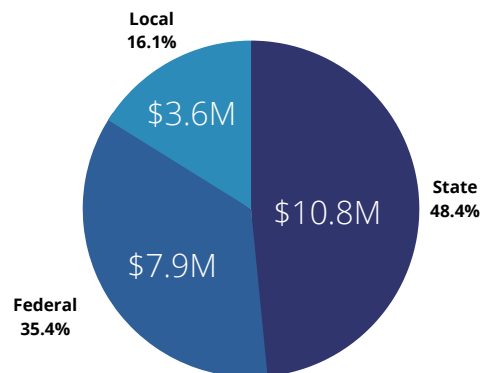
Accomplishments to Date



~ 5,800 acres
of aerial mulching
completed



Hillslope erosion
mitigation on 7-9
communities by
the end of Fall



\$22,300,000
of funding
secured to date

Future Needs

13,000 acres
of additional aerial
mulching identified

\$78+ Million
in funding still
needed

20+
additional hillslope
stabilization projects

**Current federal
funds inadequate**

Additional Resources

Coalition for the Poudre River Watershed:
www.poudrewatershed.org/cameronpeakfire

Remarks on Demand Management by the South Platte Basin Roundtable

11-09-2021

The Issue

The South Platte Basin Roundtable (SPBRT) has been following the feasibility investigation of developing a Demand Management (DM) program within the State of Colorado and the Upper Basin States. The objective of such a program would be to avoid Compact administration of the Colorado River. Recently, several other basins and water user organizations have put forth statements outlining their thoughts and recommendations related to a pilot Demand Management program. There are issues of concern for each of the basins and while several of the concerns are shared by other basins, a few of the concerns are in direct contrast to some basin(s). For example, the South Platte basin's heavy reliance on the Colorado River highlights the statewide water interconnectedness. The SPBRT is representative of a broad spectrum of water users, and the SPBRT believes the posturing has made it difficult for a feasible DM program to move closer to a reality.

The SPBRT is providing this concise communication to guide DM to implementation.

Background

The Colorado River is of fundamental importance to all Coloradans, not just those who reside in that basin. The Colorado River water is foundational to our economies, ecology and agriculture; over the past 25 years great strides have been made to use these scarce water resources more efficiently. The use of Colorado River supplies on the west slope and on the east slope via transmountain diversions (TMDs) are critical to the municipal, industrial, agricultural, and recreational uses and vibrant economies have been built around those uses. The flow in rivers on the west slope and conveyance of Colorado River supplies and return flows that accrue to river systems on the east slope from the initial use of TMDs are all critical to the ecology and the environment on both sides of the divide. On the east slope, return flows from the initial use of TMDs accrue to river systems and flow in natural streams until they are re-diverted for a subsequent use. Return flows from the subsequent use then return to the stream system again and benefit the in-channel environment and ecological function. This process is repeated multiple times and provide significant water supplies for agricultural, industrial, and domestic uses throughout the South Platte River basin from the outlets of the TMDs to water users at the most downstream end of the South Platte in Colorado. Each successive use of the water creates a significant local and statewide economic impact.

The Colorado River Compact outlines the obligation of the Upper Basin to meet non-depletion requirements of the flows in the Colorado River to the Lower basin. The recent long-term drought and declining storage levels have increased the risk of possible Colorado River Compact administration. Demand Management (DM) is one component and one potential tool of a preemptive response, not only of the Drought Contingency Plans (DCPs), but to overall water management within the Colorado River Basin. The SPBRT understands that the 2019 DCPs, and specifically Demand Management, is not a function of Compact Administration, but rather a

potential tool to mitigate the uncertain outcomes and impacts of Compact Administration on the Colorado River. Further, participation in DM by the Upper Basin, the State of Colorado, and any individual user should be strictly voluntary.

Recommendations

In recognition of the South Platte Basin's interconnectedness to the Colorado River, and that there is no DM consensus document, and that the ideas presented by each basin are not Colorado's official position, the SPBRT is providing this concise communication to guide DM to implementation.

Rather than giving detailed technical and policy suggestions, the SPBRT is instead providing the information below in the hopes that basin leaders and water user organizations, across Colorado, will come together and chart a path that is good for the state overall.

The members of the SPBRT are committed to working with the Colorado Water Conservation Board (CWCB), other basin roundtables, the Interbasin Compact Committee (IBCC) and other water user organizations to meet our water resource challenges and the current challenges within the Colorado River Basin. In the development of a thoughtful, fair and mutually beneficial DM program, the following considerations are suggested:

- We support focusing on developing a strong statewide collaborative approach. Through a single Colorado perspective, we support our Commissioner to the Upper Colorado River Commission to negotiate with the other stakeholders from the strongest possible position.
- The DM program must be flexible, easy to administer, and protect Colorado Water Rights.

With these qualifiers, the South Platte Basin Roundtable and its Demand Management Committee supports development of a DM program as one possible tool that allows Colorado to beneficially use the water resources in the State while meeting its obligations to other states.



WATER & SEWER

2021 City of Greeley Water and Sewer Core Value Awards

Welcome by Sean Chambers

Introduction – Janaya Lieberknecht

Process of Today's awards ceremony

What to do for Award Winners

Where to stand

Pose for Picture

Please stay after for group picture

(Video Starts Here)

Sean Chambers – Welcome

Thank you for joining us today for the annual W&S core values awards

Introduction of Raymond

Raymond Lee - Welcome and Thank you – 2-3 Minutes

Sean Chambers - Welcome and Thank you – 2-3 Minutes

Award Presentations:

Principled Relationships

Nomination summary

Award Winner: Jennifer McCollum, Industrial Pretreatment Coordinator, WTRF

Nomination summary

Award Winner: Alex Freehling, Lead Plant Operator, Boyd Water Treatment Plant

Stewardship

Nomination summary

Award Winner: Juan "Johnny" Salazar, Maintenance Technician I, Transmission/ Distribution

Nomination summary

Award Winner: Janaya Lieberknecht, Senior Administrative Specialist, WTRF

Excellence

Nomination summary

Award Winner: Crystal Sanchez, Administrative Specialist II

Nomination summary

Award Winner: Ettie Arnold, Office Manager

Accountability Award

Nomination summary

Award Winner: Chad Brown, Crew Supervisor, Transmission / Distribution

Nomination summary

Award Winner: Scott Wernersbach, Maintenance Supervisor, WTRF

Applied Wisdom

Nomination summary

Award Winner: Rick Ritchie, Equipment Operator II, Transmission / Distribution

Nomination summary

Award Winner: Brent Stanfield, Laboratory Coordinator, WTRF



WATER & SEWER

Resiliency Award

Nomination summary

Award Winner: Jennifer Petrzela, Water Resources Operations Manager

Nomination summary

Award Winner: Alex Tennant, Water Resource Administrator II

Nomination summary

Award Winner: WTRF Operations Team

Sean Cooney, Operations and Maintenance Manager

Steve Hettinger, Lead Plant Operator A

Rich Hopp, Lead Plant Operator A

Jacob Hoffman, Plant Operator D

Ian McCafferty, Plant Operator A

Rudy Montanez, Plant Operator C

Marcial Ortiz, Plant Operator A

Ted Vogel, Plant Operator A

WD Farr Award

Nomination summary

Award Winner: Randy Gustafson, Water Resource Administrator III, HMR

Sean - Closing W&S Awards Comments

(Video Ends Here)

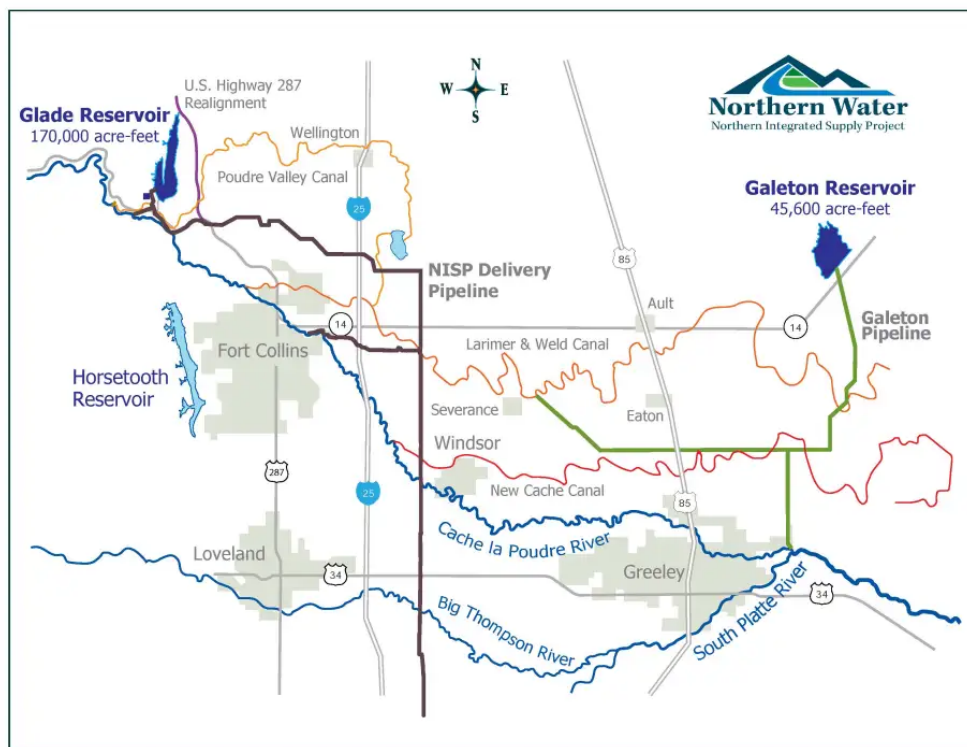
Partnership Awards – Yesenia Padilla, Benjamin Alexander, Shantelle Griego, Margaret Hurley, Tena Mose

Partnership Recognition – Communications and Engagement Team

Group Picture of all 2021 Award Winners and Executive Staff

BUSINESS

Northern Water, Fort Collins still willing to talk on reservoir plans



Map shows 10-year, \$1.5 billion reservoir-and-pipeline aiming to bring water to 500,000 people in Northern Colorado. Its status and effects are in question in Fort Collins. (Courtesy/Northern Water)



FORT COLLINS and BERTHOUD — Parties in a dispute over the Northern Integrated Supply Project said they're still willing to discuss it, including an option where NISP is 'grandfathered' in as regulations against developments of its scope are being written.

Northern Colorado Water Conservancy District in Berthoud, commonly known as Northern Water, wants to build NISP to supply water to 15 towns, municipalities and rural water providers, including two reservoirs.

The 170,000 acre-foot Glade Reservoir and 45,600 acre-foot Galeton Reservoir would deliver 40,000 acre feet of water — 13 billion gallons a year — to 500,000 people starting in 2028. Glade is northwest of Fort Collins; Galeton is northeast of Greeley. The project is projected to cost \$1.5 billion.

Most of the project is outside Fort Collins, but some elements will cross land within the city or involve the Cache la Poudre River within city limits.

"Some smaller communities in Northern Colorado ... asked us to help them develop a new water supply," said Northern Water spokesman Jeff Stahla. "This project came together after looking at a lot of options."

The Fort Collins City Council voted 6-1 on Oct. 19 to spend a year writing new regulations on such projects, preventing NISP's advance. Councilwoman Shirley Peel cast the "no" vote.

"I'm for local control, and I'm still supportive," Peel said. "The reason I voted no is there's been a rush to do this."

The city's vote imposes a moratorium on projects such as NISP in Fort Collins.

"The city's position right now is that NISP is under the moratorium," said senior environmental planner Kelly Smith. "This isn't to stop projects; it's a mechanism to give us a stronger voice."

Water works

The October Fort Collins City Council vote followed Northern Water's "Site Plan Advisory Review" via city planning channels. Northern Water sought permission in May to build NISP components in the city.



Fort Collins planning commissioners on June 30 voted 3-2 to deny permits for the construction. But state law governing relationships among municipalities lets public entities proposing projects override SPAR decisions with two-thirds vote of their board. The full Northern Water board did this unanimously in August.

Two groups, Save the Poudre and No Pipe Dream Corp., had filed a lawsuit in June before the planning commission vote seeking to block the review. A Larimer County District Court judge allowed SPAR but said the groups could amend their complaint afterward.

The groups did so Aug. 31, questioning state SPAR rules and seeking to vacate the concluded process.

Larimer County approved NISP in Sept. 2020. Northern Water had secured a Colorado Department of Public Health and Environment permit eight months before, in January.

Between those two permits, Fort Collins City Council in August 2020 voted to oppose NISP and in May of this year had begun to consider municipal regulations on projects like it. Its vote last month blocked NISP in Fort Collins.

Next steps

All parties agreed that Northern Water and Fort Collins have worked together on water issues over the years and said they continue to discuss NISP. One possibility is that the work could be ‘grandfathered’ in, perhaps with agreement related to how the project will proceed — e.g., mitigation methods of the work’s effects.

Stahla told BizWest in August that Northern Water’s override of the planning commission’s vote to deny NISP its permits included seven pages of self-imposed conditions on the work, for instance. These gave some structure on how the conservancy district could coordinate with the city in building NISP including elements related to easements, paying for property damage and environmental mitigation.

In addition, the City Council vote came after earlier wording of the measure was ratcheted downward, in part to keep the moratorium from excluding smaller-scale work, Smith said. These changes could guide a deal, as well.



“I can’t say about grandfathering,” Smith said. “We do have ongoing negotiations with Northern Water, we are talking with them ... Nothing is impossible.”

Shirley Peel said the “compromise on second reading” of the moratorium exempted projects underway, among other changes. She voted ‘no’ so the city could do more work before blocking projects.

“We still haven’t done our homework,” she said. “I’m a little concerned we passed this” but continuing talks are encouraging, she said.

“I’m open to grandfathering them in,” Peel said. The city and Northern water “are working together to try and figure this out and I hope that continues.”

“Our position is we have already gone through the city process,” Stahla said. Asked about grandfathering the project in, integrating a work with the city’s ongoing goal to craft a city of the particular sort it wants, Stahla was cautious but firm.

“We feel like we have permission” to proceed because of SPAR, he said, “but we’re not ready to begin (yet) for other reasons.”

Northern Water is awaiting a federal permit — NISP involves navigable waterways, which brings in the federal oversight — and “we’re also still in the design phase” on the project.

“There’s time to talk to Fort Collins about a compromise,” he said.

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Paul Hughes

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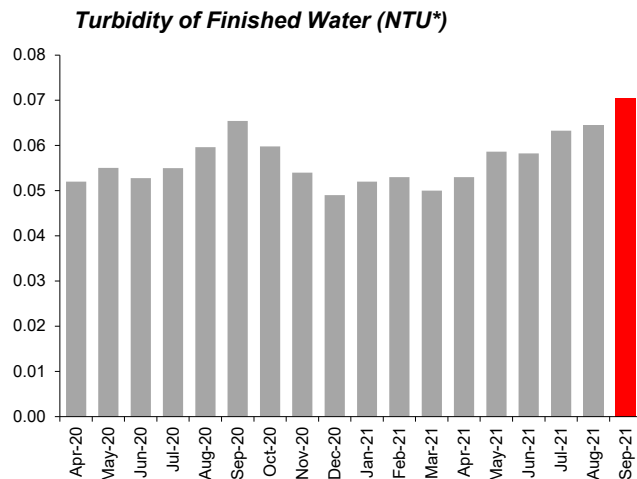
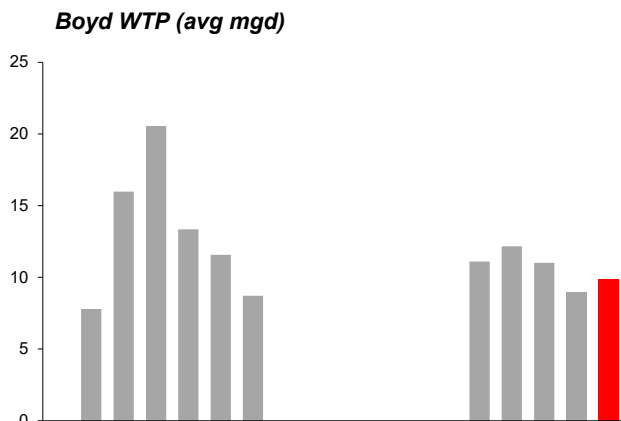
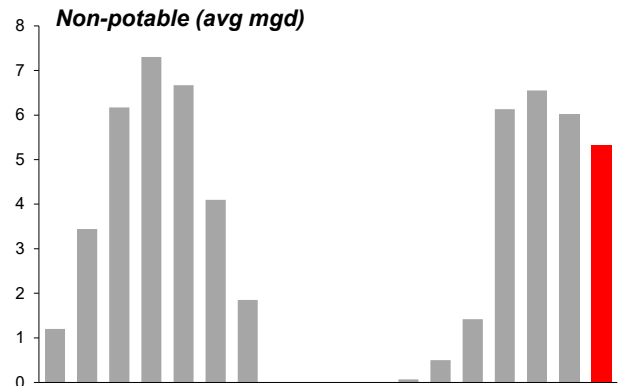
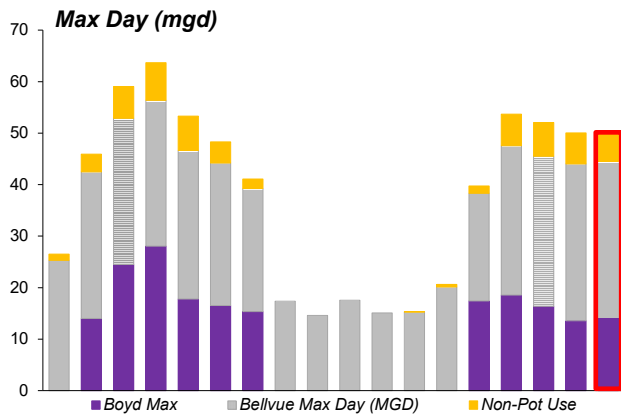


Water Treatment

Bellvue Water Treatment Plant operates year-round with a transmission capacity of 29.1 million gallons per day (mgd) (plant capacity is 32 to 35 mgd). Water sources include Poudre River direct flows, Colorado-Big Thompson (C-BT), Windy Gap, High Mountain Reservoirs, Laramie-Poudre Tunnel, and Water Supply and Storage. Average volume is 19,000 acre-feet a year (2000-2011). The plant was built in 1907, with its last treatment upgrade in 2009. Solar panels were added in 2014.

Boyd Water Treatment Plant operates normally from April to October with a plant capacity of 38 mgd (transmission capacity is 40 mgd). Water sources include Greeley-Loveland Irrigation Company, C-BT, and Windy Gap. Average Volume is 8,200 acre-feet (2000-2011). The current plant was built in 1974, with its last treatment upgrade in 1999. Solar panels were added at Boyd in 2014. In 2016, tube settlers and platte settlers were replaced in the sedimentation basins. In 2018, all old existing chemical lines were replaced with new lines and the piping was up-sized to carry more chemical. A PLC upgrade was done on the SCADA system. Sludge pumps were replaced and hooked into the Trac Vac system that pulls sludge out of the sedimentation basins.

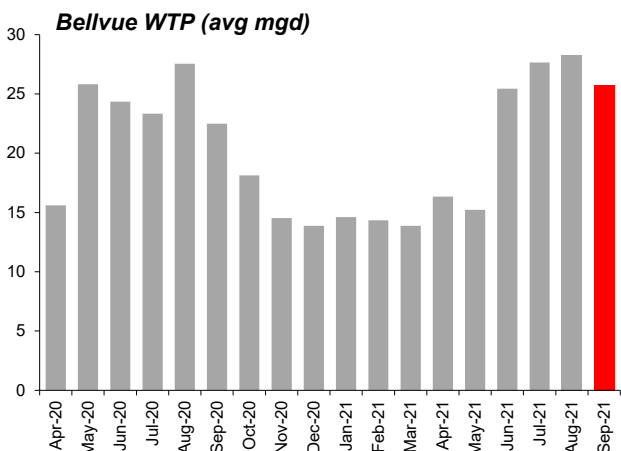
Combined, Bellvue and Boyd can treat a maximum of 70-73 million gallons per day.



Starting May 2016 Bellvue turbidity measurements will use a new method resulting in more accurate readings.

*Turbidity limit: 95% of samples must be below 0.3 NTU.

Turbidity is the measure of relative clarity of a liquid. Clarity is important when producing drinking water for human consumption and in many manufacturing uses. Turbidity is measured in Nephelometric Turbidity Units (NTU).

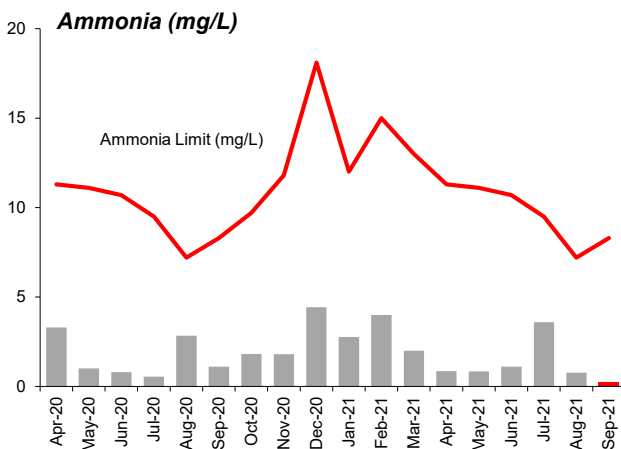
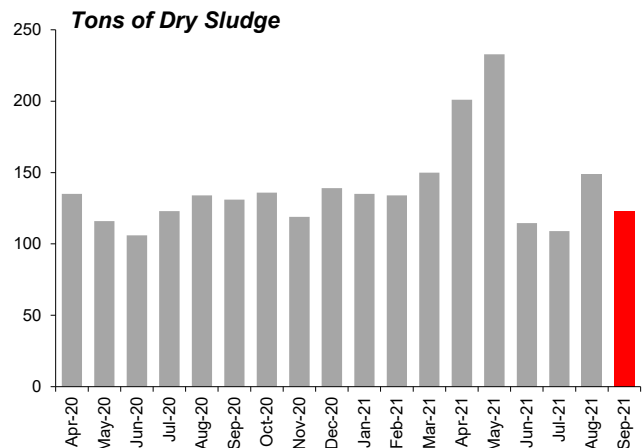
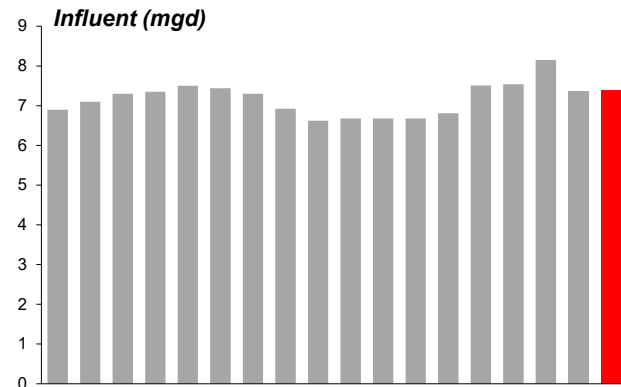
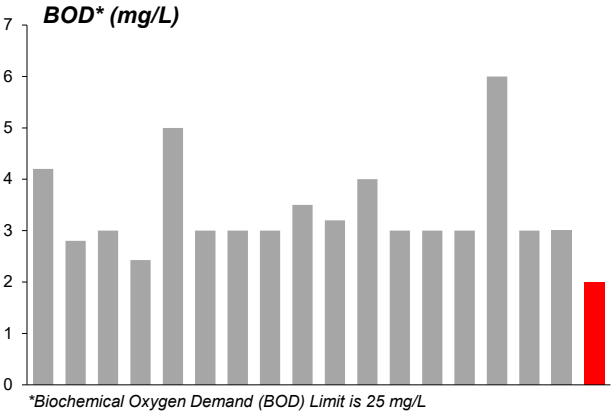
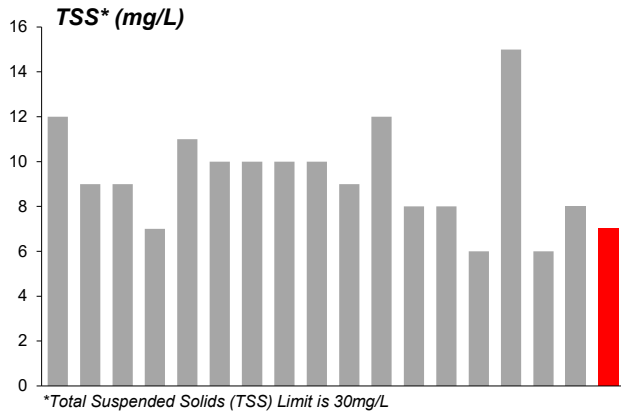


Wastewater Treatment

The Water Pollution Control Facility (WPCF) staff are dedicated environmental professionals who provide quality, safe and cost-effective wastewater treatment services for the citizens of Greeley. The WPCF treats wastewater to meet or exceed Environmental Protection Agency (EPA) and Colorado Department of Public Health & Environment requirements.

In 2011, the WPCF received an Xcel Energy Custom Efficiency Achievement Award for saving 2.78 million kWh and reducing CO2 emissions by 1,584 tons. In 2012, the WPCF received the Rocky Mountain Water Environment Association's (RMWEA) Sustainability Award for Colorado demonstrating excellence in programs that enhanced the principles of sustainability. A Certificate of Achievement from the Colorado Industrial Energy Challenge program managed through the Colorado Energy Office was received in the same year. In 2013, the plant received the City of Greeley's Environmental Stewardship Award for outstanding efforts to reduce energy (watts), conserve energy and water, reduce air and water pollution, and educate and encourage others to be environmental stewards. Also, in 2013, the plant was the recipient of a Bronze Award from the Colorado Environmental Leadership Program. In 2015, after having 5 years without a plant violation, the plant received the 2015 National Association of Clean Water Agencies (NACWA) Platinum Peak Performance award for the City of Greeley Water and Sewer Department.

Note: the red column indicates the current month.



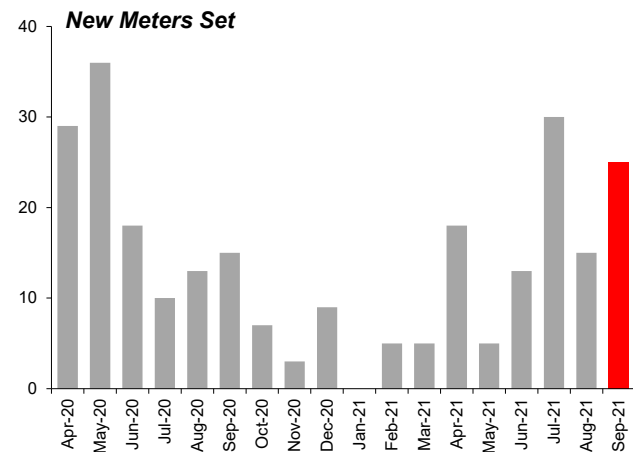
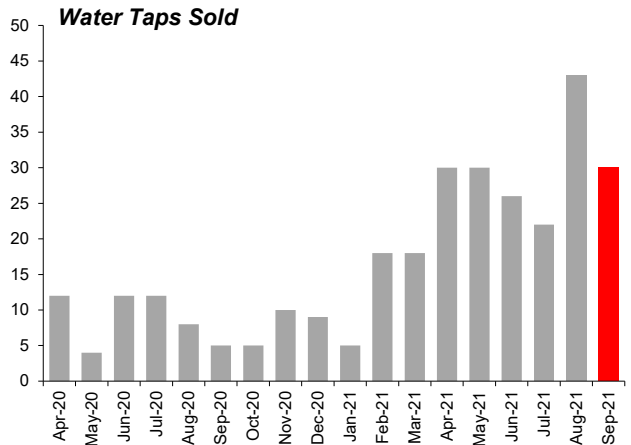
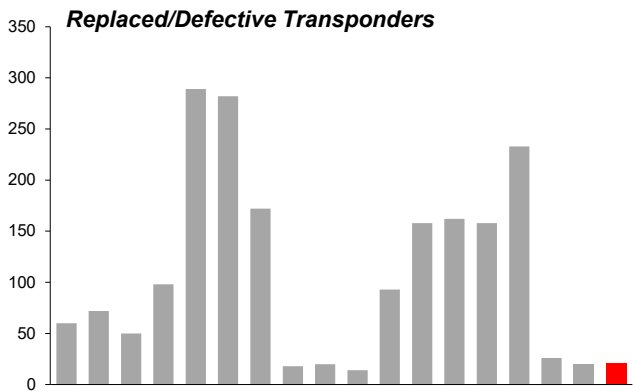
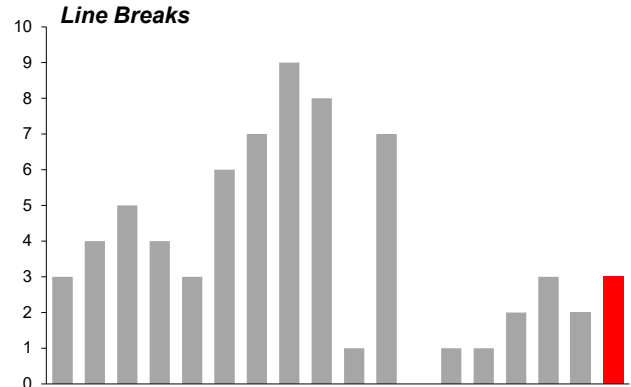
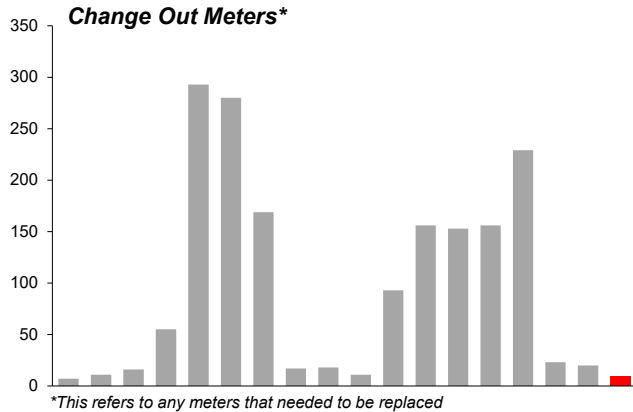
Water Distribution

The Greeley water distribution system consists of various sizes of pipes that generally follow the streets within the City. The distribution system serves residences and businesses in Greeley, Evans and Garden City, and the system is divided into four pressure zones.

There are 69.75 million gallons of potable water storage in Greeley. The water is stored within three covered reservoirs and one elevated tank; 23rd Avenue - 37.5 million gallons, Mosier Hill - 15 million gallons, and Gold Hill - 15 million gallons. The system also has 476 miles of pipeline, 24,233 water meters and 3,378 fire hydrants.

The water pipes in the distribution system vary in size from 4" to 36". Pipe material is steel, ductile iron, cast iron, or polyvinyl chloride. The age of the pipes varies from the 1890's to new installations.

Note: the red column indicates the current month.



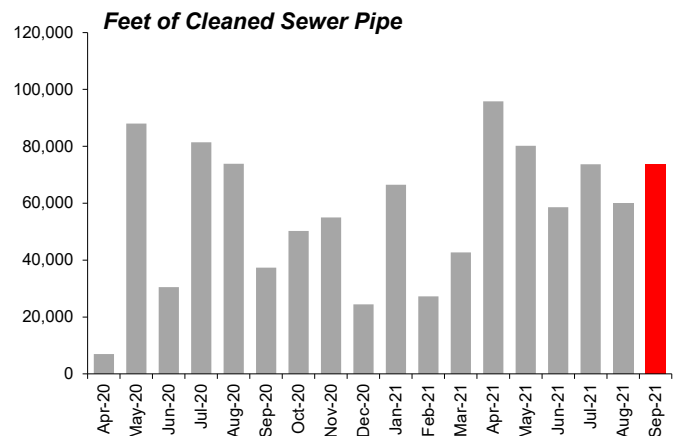
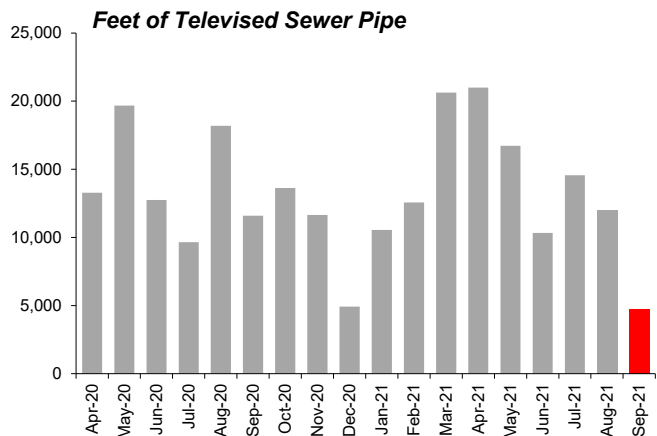
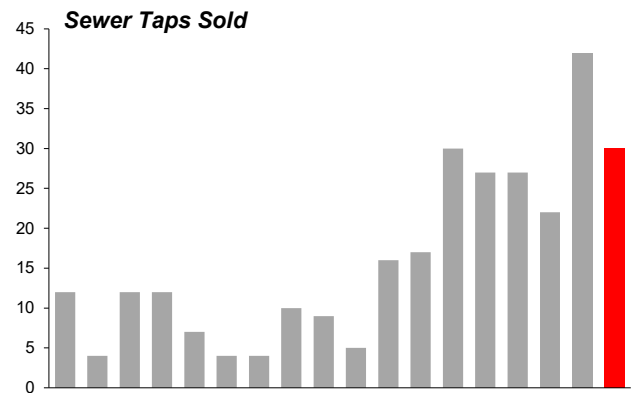
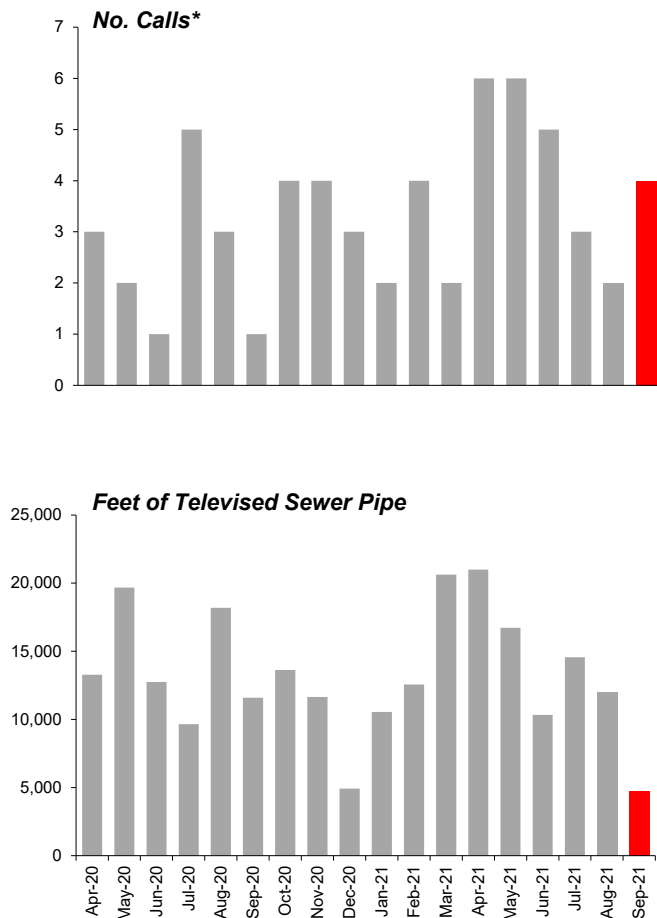
Wastewater Collection

The mission of the Wastewater Collection Division of the Water and Sewer Department is to protect community health by transporting wastewater away from homes and businesses. This includes respecting property values and public safety by reducing the frequency of blockages in the sanitary sewer lines.

A wide variety of work is performed including routine cleaning of sewer lines, inspection of sewer lines, maintenance of the sewage pumping stations, rehabilitation of the system and responding to emergencies.

The wastewater collection system dates back to 1889. At the end of 2017, the system had a total of 364.8 miles of line and 10 sewage pumping stations. The sewer service area is approximately 51 square miles. Over the last 10 years, the system has grown by 17 miles.

Note: the red column indicates the current month.

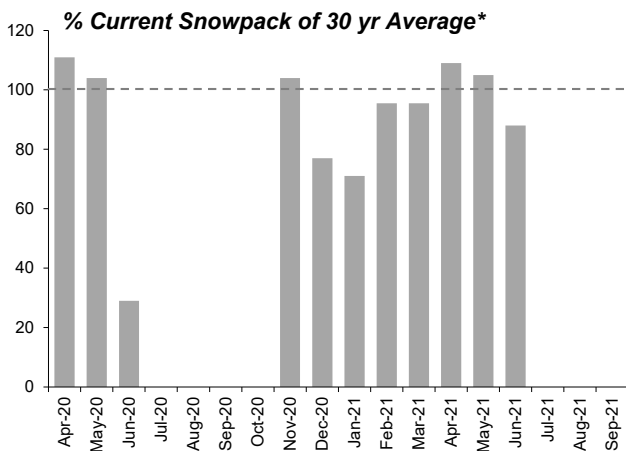
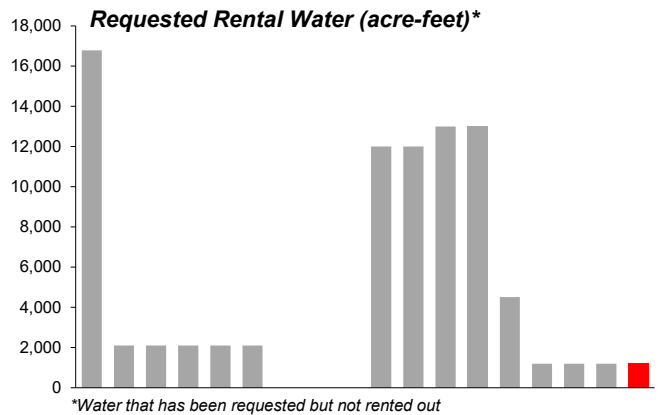
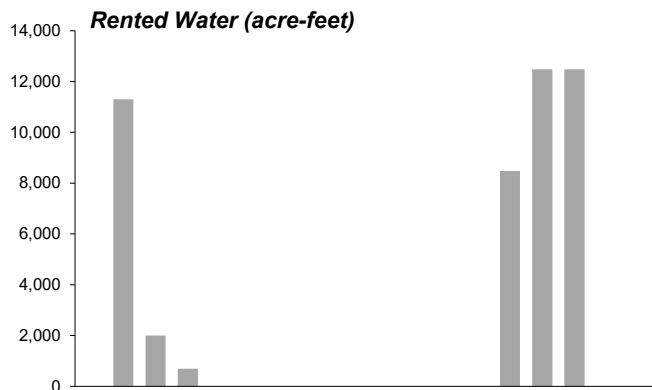
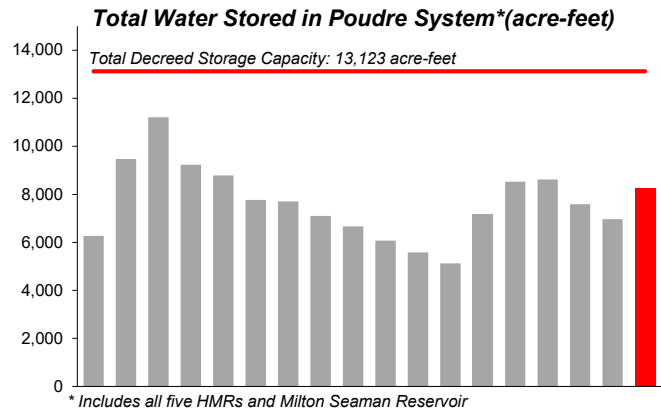
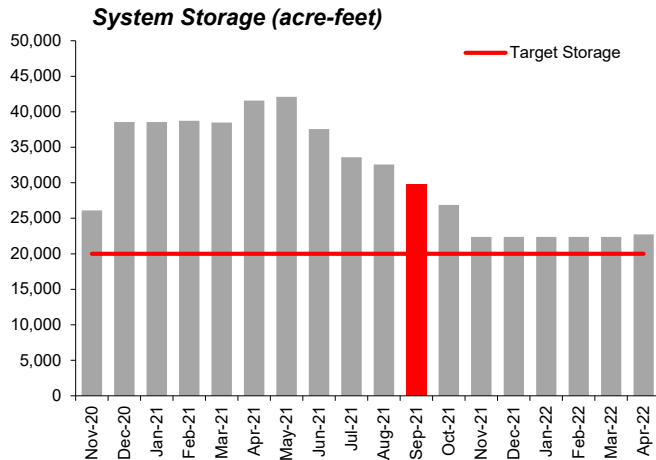


Water Resources

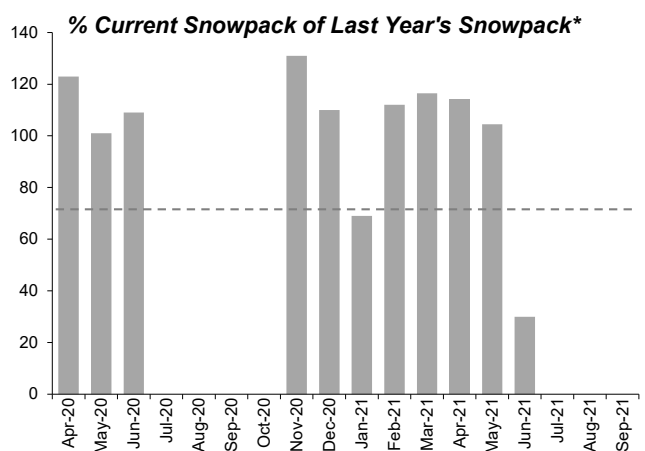
Greeley has numerous water rights in four river basins; the Upper Colorado River, Cache La Poudre, Big Thompson and Laramie River. The Water Resource staff must account for all of this water and comply with the rules of the Colorado Water Court and the State Engineer's Office which is in charge of allocating all of Colorado's water resources. Approximately one-third of the City's water supply comes from agricultural water rights. These water rights must be formally changed to municipal use by a special legal process through the Water Court. In this court, Water Resource staff and attorneys also defend the City's water rights against adverse claims from other parties.

Greeley's goal is to have enough water in carry-over storage to sustain Greeley through a 50-year critical drought. Water in excess of this carry-over drought supply can be leased to agriculture, both for revenue and to support our local agricultural community. Modeling has shown that, given existing population and demand factors, Greeley will have sufficient water for citizens, if at the beginning of the 6-year long, 50-year critical drought, there is 20,000 acre-feet in storage on April 1st of the following year.

Note: the red column indicates the current month.



*Data is from the 1st of the month
**Average of Deadman Hill and Joe Wright

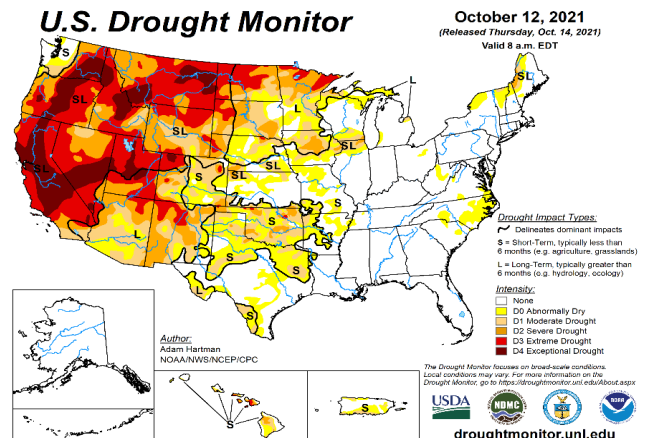
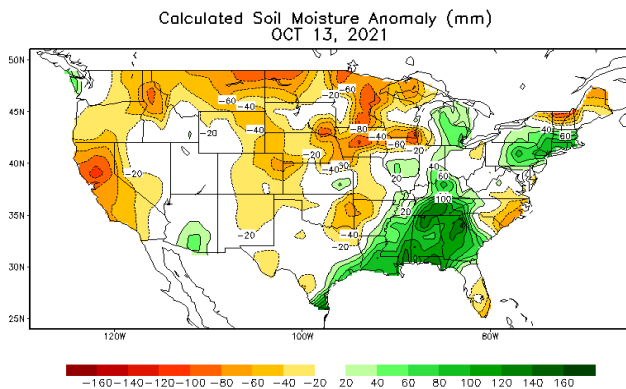
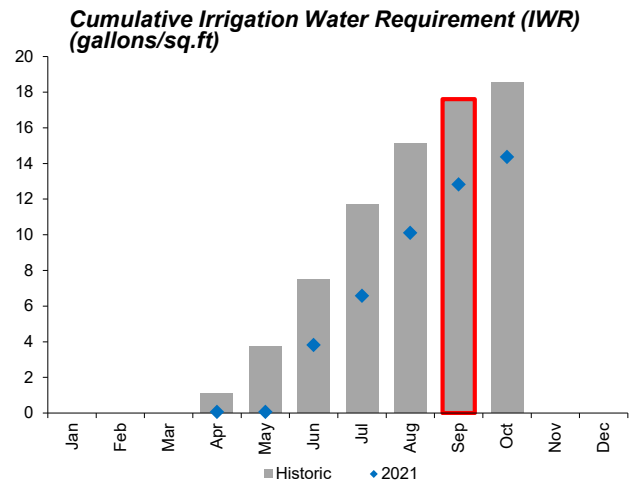
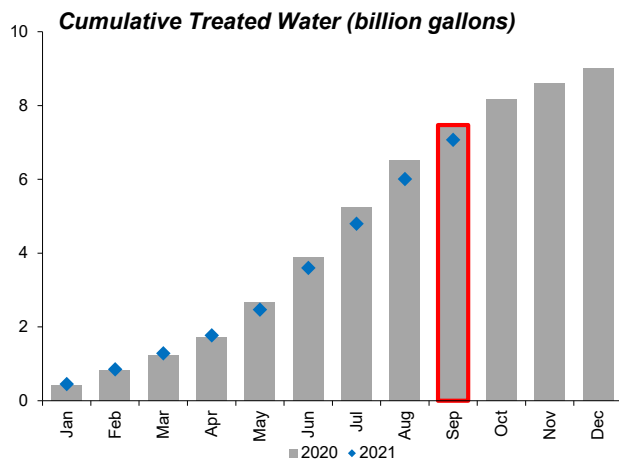
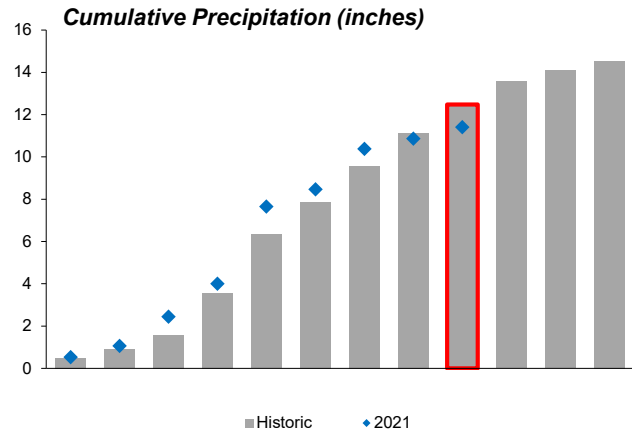
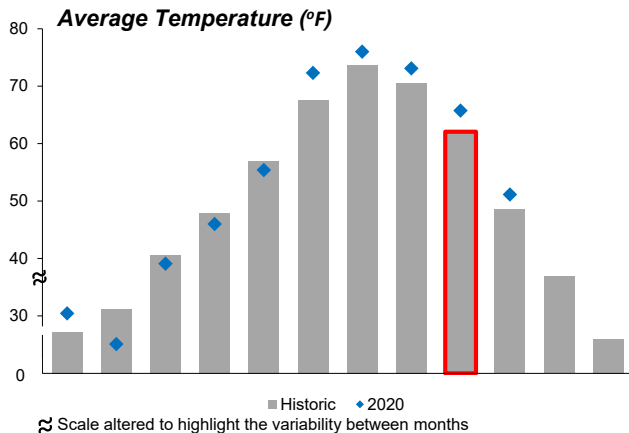


*Data is from the 1st of the month
**Average of Deadman Hill and Joe Wright

Treated Water and Weather Data

January 2021 average temperature was 30.45°F, approximately 3.3°F warmer than average. February average temperature was 25°F which was 6°F colder than average. March and April temperatures were also below average. March 2021 averaged 39.11°F compared to 40.66°F historically and April 2021 averaged 46.03°F compared to 47.86°F. May was also cooler than the historical average, 55.38°F compared to 56.97°F historically. June 2021 temperatures were above average. July temperatures were also above average, 76.01°F compared to 73.67°F. August temperatures were above average. September's average temperature was also above average, 65.22°F compared to 62.08°F.

Greeley precipitation was 0.53 inches in January, which is slightly above average (0.43 inches). February precipitation was also 0.53 inches compared to 0.42 inches, the historical average. March 2021 precipitation was 1.39 inches compared to 0.66 inches historically. April precipitation was 1.56 inches compared to 1.99 inches historically. May precipitation was much above average. Greeley received 3.64 inches of rain in May compared to 2.78 inches historically. June precipitation was 0.82 inches which keeps Greeley above average for the year. July precipitation was above average, 1.91 inches compared to 1.52 inches. This was mostly because of the large rain events that dropped 1 inch in one hour. August precipitation was below average, Greeley only received 0.49 inches which puts us just below average to date. September precipitation was only 0.55 inches, which is below average.



WATER & SEWER BOARD AGENDA NOVEMBER 17, 2021

ENCLOSURE _____

NO ENCLOSURE X

ITEM NUMBER: 16

TITLE: SUCH OTHER BUSINESS THAT MAY BE
 BROUGHT BEFORE THE BOARD AND
 ADDED TO THIS AGENDA BY MOTION OF
 THE BOARD

RECOMMENDATION: TO BE DETERMINED

ADDITIONAL INFORMATION: