

**City of Greeley
Water and Sewer Board
Minutes of January 19, 2022
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:02 p.m. on Wednesday, January 19, 2022.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Fred Otis, Joe Murphy, Cheri Witt-Brown, Tony Miller, Manuel Sisneros, Mayor John Gates, City Manager Raymond Lee, and Deputy Finance Director Tammy Hitchens

Water and Sewer Department staff:

Director Sean Chambers, Deputy Director Adam Jokerst, Utility Finance Manager Erik Dial, Deputy Director Operations Nina Cudahy, Water Resources Manager Jen Petrzelka, Water Resources Administrator II Alex Tennant, Water Resources Administrator III Leah Hubbard, Water Resource Administrator I Megan Kramer, Water Resources Administrator Cole Gustafson, Senior Administrative Assistant Crystal Sanchez and Office Manager Ettie Arnold

Legal Counsel:

Counsel to Water & Sewer Board Attorney Jim Noble, Senior Environmental and Water Resources Attorney Jerrae Swanson

2. Approval of Minutes

Ms. Witt-Brown made a motion, seconded by Mr. Murphy, to approve the December 15, 2021 Water and Sewer Board meeting minutes. The motion carried 7-0.

Raymond Lee joined the meeting at 2:04 p.m.

3. Approval of and/or Additions to Agenda

One item from Director's report moved to item 7.

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Consent Agenda

1. **Approve the Second Reimbursement Agreement for Wildfire Mitigation and Rehabilitation with CPRW**
2. **Approve the Reimbursement Agreement Big Thompson Watershed for the Purpose of Wildfire Recovery**
3. **Approve and Recommend to City Council the Wildfire Research Agreement with Colorado State University**

Recommended action: Approve items included on the consent agenda and their respective recommended actions.

Mr. Murphy made a motion, seconded by Ms. Witt-Brown, to approve the proposed recommended actions on the Consent Agenda. The motion carried 7-0.

End of Consent Agenda

4. Pulled Consent Agenda Items

There were no items removed from the Consent Agenda.

Tammy Hitchens joined the meeting at 2:16 p.m.

5. Welcome New Employees and Promotions

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

6. Election of Officers

Mr. Miller nominated Harold Evans for Chairman and Mick Todd for Vice-Chairman of the Water and Sewer Board for 2021. There were no further nominations. Mr. Miller made motion, seconded by Mr. Murphy, to elect Harold Evans as Chairman and Mick Todd as Vice-Chairman. The motion carried 7-0.

7. 4th Quarter Water Court Update

Ms. Hubbard provided updates regarding Water Court matters to develop additional water supply and to protect existing water rights. In the fourth quarter of 2021, Greeley was active in a total of 31 Water Court cases, 28 of which were in the role of an opposer, and 3 of which were in the role as an applicant.

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Ms. Hubbard summarized significant activities over the past quarter. Looking forward, Water & Sewer Staff are in the planning stages for filing four Water Court applications in the future. The Department will also be active as an opposer in several high priority change cases affecting the Poudre, Big Thompson, and South Platte Rivers, as well as non-tributary groundwater resources near Terry Ranch. Staff and counsel are currently assessing how these various cases will be managed in the coming years given case load, budget, and resource constraints.

8. Legal Report

Jim Noble of Welborn, Sullivan, Meck & Tooley explained that staff and counsel do not recommend filing statements of opposition to any water court cases in the month of January, 2022.

9. Executive Session

Fred Otis recused himself from Executive Session due to conflict of interest.

Chairman Evans made motion for the Board to hold an executive session to address the following matters, as provided by C.R.S. § 24-6-402(4)(a), (b) and (e) and Greeley Municipal Code Sec. 2-151 (a) (1), (2) and (5):

For the purpose of providing the Board legal advice and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators on matters related to Acquisition and Trade Agreement for Longs Peak Dairy Water Rights.

The motion carried 6-0.

The Board left the public session and moved into a private, executive session.

Present during the executive session were:

Chairman Harold Evans, Vice Chairman Mick Todd, Manual Sisneros, Joe Murphy, Tony Miller, Cheri Witt-Brown, City Manager Raymond Lee, Mayor John Gates, Finance Deputy Director Tammy Hitchens, Director Sean Chambers, Deputy Director Water Resources Adam Jokerst, Water Administrator II Cole Gustafson, Outside Legal Counsel Jim Noble, Environmental and Water Resources Attorney Jerree Swanson, and Office Manager Ettie Arnold

This executive session was authorized by Subsections (a), (b) and (e) of Section 24-6-402(4) of the Colorado Revised Statutes, and Subsections (1), (2) and (5) of Section 2-151 (a) of the Greeley Municipal Code.

The Executive Session ended at 2:43 p.m. The Board then left the private, executive session and moved back into the open, regular session.

10. Approve and Recommend to City Council Water Rights Trade Agreement with Longs Peak Dairy

Mr. Jokerst made a presentation to explain that staff recommends the Water and Sewer Board approve the enclosed Water Rights Trade Agreement ("Agreement") with Longs Peak Dairy, LLC ("LPD"). The Agreement contemplates the City of Greeley trading six shares of stock in the Larimer and Weld Irrigation Company ("LWIC") and twelve shares of stock in the Windsor Reservoir and Canal Company ("WRCC") for two shares of stock in the Water Storage and Supply Company ("WSSC"). Staff recommended the trade, among other reasons, because: 1) the market value of the two WSSC shares is \$1.0 million or more higher than the market value of the LWIC and WRCC shares; 2) yields from WSSC water rights are firm and well established; 3) WSSC shares include an allocation of trans-basin water that can be reused; and 4) changing WSSC rights from agricultural to municipal use in Water Court is relatively streamlined given precedents set in numerous prior WSSC cases. Staff sought approval of the Agreement along with approval and recommendation to City Council to dispose of the LWIC and WRCC rights.

Vice Chairman Todd made a motion, seconded by Mr. Miller, to approve and Recommend to City Council Water Rights Trade Agreement with Longs Peak Dairy. The motion carried 6-0.

11. Adopt Resolution Approving the Water Court Application for Change of Use for the City's Water Supply and Storage Company Shares

Mr. Noble gave a presentation regarding staff's request to approve moving forward with a water court application to change Water Supply and Storage Company ("WSSC") shares for municipal use. In a previous case, Greeley obtained a decree changing 22.5 WSSC shares. Since that time, Greeley has acquired 21.917 WSSC shares, and is in negotiations to acquire another 2 shares. Mr. Noble explained that staff and counsel recommend proceeding with a new water court application to change the use of these WSSC shares, to allow their use for municipal purposes. In addition, the application will seek a plan for augmentation including water exchange project, an appropriation of return flows, and a conditional direct flow water right to replace return flows. The change of water rights will allow Greeley to continue to lease the WSSC shares for agricultural irrigation use, unless the shares are needed by the City to incorporate into its municipal system.

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Vice Chairman Todd made a motion, seconded by Mr. Murphy, to Adopt Resolution Approving the Water Court Application for Change of Use for the City's Water Supply and Storage Company Shares. The motion carried 6-0.

12. Director's Report

- Update on Windy Gap Chimney Hollow Reservoir Construction Tour
- Update to Water & Sewer Design Criteria, Standards and Construction Specifications

13. 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 3:16 p.m.



Harold Evans, Chairman

DocuSigned by:



Raymond Lee, Board Secretary

