

**City of Greeley
Water and Sewer Board
Minutes of August 17, 2022
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:02 p.m. on Wednesday, August 17, 2022.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Cheri Witt-Brown, Fred Otis, Tony Miller, Manuel Sisneros, Joseph Murphy, Lindsey Kuntz on behalf of City Manager Raymond Lee, and Finance Director John Karner

Water and Sewer Department staff:

Director Sean Chambers, Utility Finance Manager Erik Dial, Chief Engineer Adam Prior, Deputy Director Water and Wastewater Operations Nina Cudahy, Water Resources Administrator II Alex Tennant, Senior Administrative Assistant Crystal Sanchez, Interim Office Manager Gigi Allen, Water Resource Administrator I Megan Kramer, Water Resource Operations Manager Leah Hubbard and Water Resource Planning Manager Kelen Dowdy

Legal Counsel:

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

Guests:

Emeritus Robert Ruyle, Neil Stewart with Stantec joined via Zoom

2. Approval of Minutes

Mr. Miller made a motion, seconded by Mr. Otis to approve the July 20, 2022 Water and Sewer Board meeting minutes. The motion carried 7-0.

3. Approval of Agenda

There were no changes to the agenda.

4. Welcome New Employees and Promotions

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

5. Bi-annual CIP Report

Adam Prior provided an update on the different CIP's completed and in progress.

6. Water Supply update

Alex Tennant presented the current water supply, weather forecast, drought forecast, and agricultural rental summary.

7. IWRP Update Hydrology

Neil Stewart with Stantec was let into the meeting via Zoom at 2:25 pm.

Kelen Dowdy and Neil Stewart from Stantec discussed that the current Greeley Water Supply Master Plan is more than 17 years old and since the creation of the last master plan in 2003, Greeley's strategies to continue to provide a robust, resilient water supply have evolved and the water market has transformed. Likewise, widely accepted strategies used to plan for water development have progressed. Consequently, the Water Resources team has been developing a new water master plan, through a process termed Integrated Water Resource Planning (IWRP). The IWRP process will evaluate Greeley's long-term water supply sustainability, develop a road map to buildout and identify near-term CIP components. As part of the process, the IWRP evaluates a suit of possible future conditions called "planning scenarios". These scenarios define key components of future conditions such as the state of Greeley's water supply system, demands, climate and other system risks. Consequently, the IWRP team has developed a new data set of climate-influenced hydrology to support robust and resilient water supply planning. In the past, planning centered around an 86-year hydrology data set containing a 1-in-50-year Critical Drought. The new climate-influenced hydrology captures wider variability in climate resulting in droughts of greater intensity, duration and frequency.

Neil Stewart left the meeting at 3:13 pm.

8. Review and Approve Water Lease & Trade Agreement with Platte River Power Authority (PRPA)

Sean Chambers discussed how the Water & Sewer Department has been a collaborator and partner with PRPA in regional water planning and projects such

City of Greeley
Water and Sewer Board

August 17, 2022
Board Minutes

as the Windy Gap Firming Project. To best manage its water demands at the Rawhide facility prior to the full utilization of the Chimney Hollow Reservoir project, PRPA needs to secure by multi-year lease of water that can be used to firm its supplies between now and the completion of the Windy Gap Firming project. Once the Chimney Hollow Reservoir project is complete and operational, Platte River will have a firm water supply and the value of its Poudre River rights would likely diminish over time from disuse. Greeley, however, has the ability to make ongoing beneficial use of the PRCA junior rights to meet various municipal demands.

To further the long-term goals of both Greeley and PRPA, the parties propose an agreement to trade leased C-BT water from Greeley to PRPA in exchange for the transfer of the Rawhide Pipeline Water Right from PRPA to Greeley, with a short-term lease back to PRPA.

The City's water resources staff have reviewed the proposed terms and find the following:

1. The proposed lease of 400 AF /yr. of Greeley C-BT units to PRPA is within the portfolio's available excess supply and such a rental would not have a material impact on the City's resources needed to meet customer demands.
2. The proposed water lease in exchange for Poudre River water rights is in the best interest of the water utility, and if not leased to PRPA, the C-BT water would most likely be leased for agricultural uses at a minimal rate.
3. The PRPA Rawhide Pipeline water right would create value for the city and its customers in future years as the city grows and its potable and non-potable demands grow.

Preliminary analysis of the PRPA Cache la Poudre Rawhide Pipeline Rights confirmed an annual historical average yield more than 800 AF / yr. Greeley expects PRPA will continue to utilize these rights during the lease back period, and thereafter the City will integrate them into the City's water portfolio.

Based upon yield, value, legal and engineering analysis, the Staff recommend approval of the agreement.

Vice Chairman Todd moved to approve Purchase and Sale Agreement, Agreement for Lease of Colorado-Big Thompson Water, and Water Rights Leaseback Agreement with Platte River Power Authority and to delegate authority to the Director of Water and Sewer to approve minor revisions to the agreements before their execution, provided that the material substance of the agreements remains unchanged. Mr. Miller seconded the motion. Motion carried 7 to 0.

9. Legal Report

Ms. Carolyn F. Burr, Esq. with Welborn Sullivan Meck & Tooley, P.C. provided the legal report this month which covers the following case:

Case Number: 22CW3084: Town of Windsor application for diligence and to make a portion of the Kyger Reservoir storage right absolute. Kyger Reservoir is decreed for 1,256.7 AF. 609.8 AF were decreed absolute 2014. Windsor is claiming an additional 513 AF as absolute. Staff and counsel recommended that Greeley file a statement of opposition to ensure that water was legally and physically available in the claimed amount of 513 AF.

Vice Chairman Todd moved that the Board authorize the filing of a statement of opposition in Case No. 22CW3084, and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3, 2015. Mr. Murphy seconded the motion. The motion carried 7 to 0.

10. Director's Report

Sean Chambers provided an overview of several items of Board interest:

1. Wrap-up on the Water Utilities July and August Water & Sewer Infrastructure tours
 - a. Board feedback
 - b. Planning for next year
2. Colorado River
 - Department of Interior announces actions to protect Colorado River System amid systemic droughts
 - Tier 2 declaration under '07 guidelines
 - 40M people supported; and need to cut 25% of use for 2023
3. Deputy Director of Water Resources position recruitment update
4. Colorado Water Plan 2023 Update draft released
 - a. Available at: <https://cwcb.colorado.gov/colorado-water-plan>
 - b. Draft version is out for a 90-day public comment period
 - c. Staff preparing comments for submittal prior to Sept. 30, 2022.

11. Such Other Business That May Be Brought Before the Board Added to This Agenda by Motion of the Board.

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

12. Adjournment

Chairman Evans adjourned the meeting at 3:50 p.m.

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DocuSigned by:
Harold Evans
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Harold Evans, Chairman

DocuSigned by:
Raymond C. Lee III
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Raymond Lee, Board Secretary