



DOCUMENT ROUTING MEMORANDUM

The purpose of this memorandum is to provide information regarding the attached document routed to you for your signature.

TO: Harold Evans, W&S Board Chairman
{Select Recipients Below - See Signature Authority Requirements}
☐ Stacey Aurzada, Interim City Attorney: Legal_Services@greeleygov.com
☐ Tyra Litzau, Finance Director: Tyra.Litzau@greeleygov.com
☒ Raymond C. Lee III, City Manager: Corey.Vasquez@greeleygov.com
☐ John Gates, Mayor: via CityClerk@greeleygov.com
☐ Heidi Leatherwood, City Clerk (Attest): Heidi.L Leatherwood@greeleygov.com

FROM: Gigi Allen, W&S Office Manager

ON BEHALF OF (If applicable):

Initials of above: ____ *(Must be first in signing order)*

RE: February 2024 Water & Sewer Board meeting minutes

Executive Summary:

Please see W&S Board minutes approved by the Board and ready for signature.

Time Sensitivity? If yes, deadline date N/A and reason:

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Legal Review:

Is this a standard contract as defined by City Code Section 2-184(a)(2) ? ☐ Yes ☐ No ☐ N/A

If this is not a standard contract, and has not been reviewed by CAO, this document may not be routed for signatures.
 Please submit for Legal Review on COGI prior to routing.

If this is not a standard contract, which attorney reviewed the document?

Name: Daniel Biwer

Obtained Approvals, Reviews, or Recommendations (If applicable)

☐ City Council Ord./Res. #: _____ Date: _____	☐ Board or Commission (specify) <u>W&S Board</u> Date: <u>March 20, 2024</u>	☐ Other _____ Date: _____
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Contract Amount: N/A (if applicable)

Send all fully signed documents to City Clerk: CityClerks@greeleygov.com

**City of Greeley
Water and Sewer Board
Minutes of February 21, 2024
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:01 p.m. on Wednesday, February 21, 2024.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Fred Otis, Tony Miller, Joseph Murphy, Manuel Sisneros, Cheri Witt-Brown, Division Treasurer Robert Miller on behalf of Interim Director of Finance Debbie Reid

Water and Sewer Department staff:

Director Sean Chambers, Deputy Director of Utility Finance and Customer Service Erik Dial, Chief Engineer Adam Prior, Office Manager Gigi Allen, Water Enterprise Financial Analyst Crystal Sanchez, Administrative Assistant III Lisa Van Vorous, Water Resource Planning Manager Kelen Dowdy, Water Conservation Manager Dena Egenhoff, Utility Finance Manager Virgil Pierce, Water Resource Operations Manager Leah Hubbard, Plans Examiner Derek Hannon, Water Efficiency Resource Coordinator Margarita Padilla-Pizarro, W&S Intern I Adam Schoefield, Water Resource Administrator II Megan Kramer, W&S Engineer IV Ryan Duve, Water Conservation Coordinator Ruth Quade, Water Resource Administrator II Alex Tennant, Water Conservation Specialist II Rita Jokerst, Water Conservation Specialist II Ben Schaffer, Communication Specialist II Cory Channell,

Legal Counsel:

Senior Environmental and Water Resources Attorney Dan Biwer, Environmental and Water Resources Attorney I Arthur Sayre, Counsel to Water & Sewer Board Attorney James Noble

Guests:

Emeritus Bob Ruyle, James Sutherland from Wingfoot, Section Chief of Interstate, Federal, and Water Information Section Amy Ostdiek, City Clerk Administrative Assistant II Ashton Reinhardt

2. Approval of Minutes

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Mr. Miller made a motion, seconded by Mr. Otis to approve the January 2024 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

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

5. Colorado River Update

Amy Ostdiek provided the Board an update on the 1922 Colorado River Compact (1922 Compact) and discussed how current operation of the 1922 Compact affects the states in the Upper and Lower Basins. She also discussed how the current operations of the 1922 Compact affects the levels of Lake Mead and Lake Powell, and efforts currently underway to revise existing guidelines for operation of those reservoirs.

6. Recommend City Council Approve IGA Regarding Certain Aspects of the Halligan Water Supply Project

Kelen Dowdy discussed that the City of Fort Collins and the City of Greeley are engaging in discussions regarding the Halligan Water Supply Project, aimed at enlarging the Halligan Reservoir on the North Fork of the Poudre River. These discussions include efforts to address potential water quality impacts resulting from operational changes to the river and potential adjustments to operations and reservoir releases at Milton Seaman Reservoir. Greeley is concurrently undertaking a critical capital infrastructure project to replace the reservoir release gate at Milton Seaman, prompted by long-standing concerns and evolving state standards.

To address mutual concerns and objectives, the parties propose entering into an intergovernmental agreement to share the costs of engaging a consultant. The consultant will evaluate water quality mitigation options and gate design alternatives, based on an agreed-upon scope of work. The findings will inform the development of an implementation plan, including assessing future impacts, identifying appropriate mitigation measures, and evaluating preliminary gate designs.

Vice Chairman Todd moved that the Board recommend to City Council approve the Intergovernmental Agreement between the City of Greeley and the City of Fort Collins Regarding Certain Aspects of the Halligan Water Supply Project, in the form enclosed, and delegate authority to the Director of Water and Sewer to make minor revisions to the agreement before execution, provided the material substance remains unchanged. Ms. Witt-Brown seconded the motion. Motion carried 7-0.

Jim Paulson joined the meeting at 2:30 pm.
Amy Ostdiek left the meeting at 2:46 pm.

7. Approve Grazing Lease (A&A)

Alex Tennant presented to the Board the Lowell Property Grazing and Farm Lease that will continue through December 31, 2024. The Lowell property, acquired in November 2021, consists of approximately 136 acres spanning five parcels of land north of Greeley. The parcels are all adjacent to F Street between 35th and 59th Avenues. In addition to the land, the acquisition included 13.4 shares of the Greeley Irrigation Company (GIC) and a two-year obligation after closing to purchase one (1) additional share of GIC. In March of 2022, Greeley entered a grazing and farm lease agreement with Mr. Adams of A&A Farming LLC for 86 acres on 4 of the 5 total parcels including the 14.4 shares of GIC.

Mr. Miller moved that the Board approve the Grazing and Farm Lease Agreement with A&A Farming in the form enclosed, and delegate authority to the Director of Water and Sewer to make minor revisions to the agreement before execution, provided the material substance remains unchanged. Vice Chairman Todd seconded the motion. Motion carried 7-0.

8. Adopt Amendment to 2024 Rates and Fees Resolution

Virgil Pierce recommended the adoption of an amendment to the 2024 Water and Sewer Rates and Fees Resolution passed in the December 20, 2023 meeting. The amendment creates graduated Plant Investment Fees for Water Service. The proposal is that fees for residential development be dependent on water meter size, lot size, and source of irrigation water.

The amendment also corrects the non-potable monthly service charge to be a flat rate regardless of meter size.

Vice Chairman Todd moved that the Board adopt the proposed resolution to amend Resolution 2, 2023 concerning residential plant investment fees and non-potable service charges. Mr. Murphy seconded the motion. Motion carried 7-0.

9. Recommend to City Council Establishment of Westgate Non-Potable LID

Ryan Duve discussed that the Water and Sewer Department (W&S) is proposing the creation of a Local Improvement District (LID) for the construction of a non-potable water irrigation pump station.

The pump station can also serve existing developments by providing them with an option to convert from potable to non-potable irrigation.

W&S will cover all the up-front cost of the pump station construction and with approval of the LID will recover a portion of the cost of the improvements at the time of future property development. W&S will be responsible for the portion of the cost of the pump station associated with developed properties and all consulting fees.

Vice Chairman Todd moved that the Board recommend to City Council adoption of an ordinance in the form enclosed to establish a local improvement district for the construction of the Westgate non-potable pump station. Mr. Miller seconded the motion. Motion carried 7-0.

10. Approve Second Amendment to Water Agreement (Carestream Health)

Water Resources staff with support from the City Attorney's Office have negotiated the Second Amendment to the Water Agreement with Carestream for the mutual benefit of the parties. The Second Amendment would provide Greeley with more raw water than the Carestream site will require annually, for a limited and defined duration. The rates and operating costs for providing this limited term treated water service, intended not to exceed 300 AF annually, will continue to be paid for under the terms of the Kodak agreements. Appropriate protections are in place to ensure that Carestream should not exceed the 300 AF of raw water and agreement limitations, and to ensure that the City is adequately compensated in the event it does. Lastly, the Second Amendment clarifies the notice provisions for transfer or assignment of the limited-term service and clearly states the requirements for termination of service and infrastructure that accompany the termination of contractual obligations between City of Greeley and Carestream.

Vice Chairman Todd moved that the Board approve the Second Amendment to Water Agreement with Carestream Health in the form enclosed, and delegate authority to the Director of Water and Sewer to make minor revisions to the agreement before execution, provided the material substance remains unchanged. Mr. Sisneros seconded the motion. Motion carried 7-0.

Sean Chambers left the meeting at 3:35 pm

11. Annual Water Conservation Report

The Conservation team presented the 2022 Water Efficiency Plan. The 2022 Water Efficiency Plan (WEP) introduced a comprehensive strategy incorporating a triple bottom line approach, prioritizing water efficiency for a sustainable future. It emphasized three key pillars: community welfare, economic prosperity, and effective water conservation management. Staff will outline the outcomes of the 2023 Water Conservation initiatives, detailing the projected water savings for that year. Furthermore, to ensure ongoing monitoring and transparency, annual scorecards for 2024 have been developed to track progress and maintain accountability. Staff will provide a summary of the achievements and future water conservation insights.

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Ashton Reinhardt left the meeting at 3:18 pm.

Margarita Padilla-Pizarro, Adam Schoefield, Ryan Duve, Ruth Quade, Rita Jokerst left the meeting at 3:46 pm.

12. 2023 Financial Report

Virgil Pierce reported on the 2023 Revenue and Expenditures for the Water and Sewer Department.

Ben Schaffer left the meeting at 4:08 pm.

13. Bi-Annual CIP Report

Adam Prior provided an update on some CIP projects that are in progress or completed since the last Bi-Annual CIP Report. The CIP projects discussed included:

- Lead service line inventory and replacement project
- Non-potable expansion project with discussion Westgate non-potable pump station
- Terry Ranch Water pipeline construction project
- Stormwater Department 12th Street outfall project and infrastructure installed for Water & Sewer system
- 47th Ave Highlands Hill sewer capacity improvements project

14. Legal Report

James Noble, outside counsel for the Greeley Water & Sewer Board discussed the below updates and recommended filing statements of opposition in three different cases.

- A. **Update on Division 1 Case No. 20CW3011:** Mr. Noble provided a brief overview of this case, which is an application by the Town of Johnstown to change water rights on the Big Thompson River. Mr. Noble explained that Greeley is working toward a potential settlement, but this case is set for trial to begin March 18, 2024.
- B. **Update on Varra Well Settlement Agreement:** Mr. Noble provided an overview of a settlement agreement between Greeley and Varra Companies, Inc., which was executed on January 19, 2024.
- C. **Proposed Statements of Opposition:** Based on counsel and staff's review of the December, 2023 Water Division 1 Resume, Mr. Noble recommended that the Water and Sewer Board file statements of opposition to the following water court applications that would be due at the end of February, 2024:

1. **Case No. 23CW3169:** Applicants, GWIP, LLC, GWIP Land Company, LLC, Great

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Western Railway of CO, LLC, Windsor Renewal I, LLC, and Great Western Metropolitan District, are developing lands near Windsor. They are seeking a finding of reasonable diligence and to make water rights absolute several wells, surface diversions, and gravel pits near the Cache la Poudre River. Mr. Noble recommended participating in this case to ensure that the claimed absolute amounts are properly quantified and to protect Greeley's water rights from injury.

2. **Case No. 23CW3171:** Applicants, the Colorado Division of Parks and Wildlife and Parks and Wildlife Commission, seek a decree for absolute water rights on George Creek, a tributary to the North Fork of the Cache la Poudre River, upstream of Halligan Reservoir for the Cherokee State Wildlife Area. The water rights will be used for irrigation, in combination with a separate water right that was previously decreed. Mr. Noble recommended participating in this case to ensure that appropriate terms and conditions are included and to protect Greeley's water rights from injury.
3. **Case No. 23CW3181:** Applicants, the Central Colorado Water Conservancy District, and its Groundwater Management Subdistrict and Well Augmentation Subdistrict, seek a decree for new conditional storage water rights for three reservoirs, totaling 8,000 acre feet of storage plus refill rights. The reservoirs would be filled from the Farmers Independent Ditch, the Platte Valley Irrigation Company Ditch, and from a new diversion on the South Platte River. Mr. Noble recommended participating in this case to ensure that appropriate terms and conditions are included and to protect Greeley's water rights from injury.

Mr. Miller moved that the Board authorize filing statements of opposition in Case Nos. 23CW3169, 23CW3171, and 23CW3181, and for staff and legal counsel to seek resolution of issues raised by these cases consistent with Water and Sewer Board Resolution No. 3-15. Mr. Murphy seconded the motion. The motion carried 7-0.

15. Director's Report

Director Sean Chambers provided the Water & Sewer Board and staff with a brief update on the following items of water utilities policy interest;

City of Greeley and Colorado Water Industry Education and Advocacy Events Calendar

Subsurface Water Storage Symposium by CSU Water Center – Feb. 22nd and 23rd, 2024 at CSU Spur Campus Confluence Theater, Denver

<https://watercenter.colostate.edu/ssws/>

Presentation on Terry Ranch Aquifer Storage & Recovery (ASR)

Interbasin Compact Committee (IBCC) quarterly meeting w/ Colorado River Commissioner Mitchell leading as the new IBCC chair

<https://cwcb.colorado.gov/about-us/interbasin-compact-committee> February 27th 9 am – 4 pm Golden, CO

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Colorado Water Wise Webinar: Key Findings from CWCB's *Urban Landscape Conservation Taskforce Report* – Feb. 27th

<https://coloradowaterwise.org/event-5603205/Registration>

Poudre River Forum – March 1st at Aims Welcome Center

<https://poudreheritage.org/poudre-river-forum/>

Colorado River Negotiations Update Webinar - Tuesday, March 19, 2024 from 11:30am to 12:30 pm

<https://cwcb.colorado.gov/events>

CSU Water Center Water Workforce Summit – April 1st and 2nd at Auraria Campus / CSU Spur

<https://watercenter.colostate.edu/event/colorado-water-center-water-workforce-summit/>

Colorado Water Conservation Board Annual all basins summit (C-9 Summit) – Oct. 1-2, 2024, in Crested Butte

<https://cwcb.colorado.gov/events/c9-summit>

Private Water System Notices required under Revised Lead & Copper Rule
Key accounts support, follow up and data collection from private systems

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

17. Adjournment

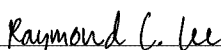
The meeting ended at 4:25 p.m.

DocuSigned by:



9A5B721D423065 Harold Evans, Chairman

DocuSigned by:



Raymond Lee, Board Secretary