



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, City Attorney: Legal_Services@greeleygov.com
 - Tyra Litzau, Finance Director: Tyra.Litzau@greeleygov.com
 - Raymond Lee, City Manager: CMO.Admin@greeleygov.com
 - John Gates, Mayor: via CityClerk@greeleygov.com
 - Heidi Leatherwood, City Clerk (Attest): Heidi.Leatherwood@greeleygov.com

FROM: Gigi Allen, W&S Executive Assistant
ON BEHALF OF (If applicable):
 Initials of above: ____ (Must be first in signing order)

RE: July 2025 Board Meeting Minutes

Executive Summary:

Please see attached Board minutes approved by the Board and ready for signature.

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

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)

<input type="checkbox"/> City Council Ord./Res. #: _____ Date: _____	<input type="checkbox"/> Board or Commission (specify) <u>W&S Board</u> Date: <u>August 20 2025</u>	<input type="checkbox"/> 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 July 16, 2025
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:00 p.m. on Wednesday July 16, 2025.

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, Cheri Witt-Brown, Matt Anderson, Mayor John Gates, Director of Finance Tyra Litzau, Deputy City Manager Rachel Flynn on behalf of City Manager Raymond Lee

Water and Sewer Department Staff:

Director Sean Chambers, Deputy Director of Utility Finance and Customer Service Erik Dial, Chief Engineer Adam Prior, joined virtually at 2:12 p.m., Deputy Director of Water and Wastewater Operations and Maintenance Rebecca Andrus, Deputy Director of Water Resources Leah Hubbard, Executive Assistant Gigi Allen, Utility Finance Manager Virgil Pierce, Water Resource Operations Manager Brian Von Seggern, Administrative Assistant IV Tracy Simon, Water Resource Administrator II Morgan Effrein, Deputy Chief Engineer Cadee Oakleaf, Water Resource Administrator III Travis Gilbertson, Administrative Assistant III Lisa Van Vorous, Civil Engineer IV Jim Paulson, Engineering Intern III Zac White, Civil Engineer I Zeke Havard, Water Conservation Manager Dena Egenhoff, Plans Examiner Derek Hannon, Asset Manager Patrick Turn, Water Enterprise Financial Analyst Crystal Sanchez, Water Resource Engineer IV Ryan Duve

Legal Counsel:

Deputy City Attorney Jerrae Swanson, Senior Environmental and Water Resources Attorney Dan Biwer, Environmental and Water Resources Attorney I Jessie Raybon, Counsel to Water and Sewer Board Attorney James Noble

Guests:

James Sutherland from Wingfoot Water Resources, Dr. Michael Welsh from the University of Northern Colorado, Council member Deb DeBoutez, City Budget Analyst II Brandon McEldowney, Communication Specialist II Cory Channell

2. Approval of Minutes

Vice Chairman Todd made a motion, seconded by Mr. Miller to approve the June 2025 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. Approve First Amendment to Amended and Restated Master Purchase, Sale, and Credit Administration Agreement (Terry Ranch)

Sean Chambers provided information about The City of Greeley and Wingfoot Water Resources, LLC entering into an Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement (Terry Ranch) on February 22, 2021. Greeley negotiated for a seller funded cash contribution that would match against city contributions to facilitate the construction of significant infrastructure necessary to interconnect the Terry Ranch groundwater and aquifer recharge facilities with existing potable water system infrastructure. In exchange, Greeley provided consideration in the form of 12,121 raw water credits, each equating to 1 AF of raw water redeemable with the City of Greeley to meet its raw water requirements for development. Greeley agreed to various provisions in the agreement to protect Wingfoot's ability to market and sell the raw water credits. Among those provisions aimed at protecting the value of the credits, Greeley agreed to limit the potential addition of new types of water supplies that the city would accept for raw water dedication.

The First Amendment makes two core modifications; the first extending the timeframe prohibiting new supplies that could be accepted in dedication by 10 years to 2041, and second providing a pause on Greeley's call for the second half of the Wingfoot Cash Contribution deadline. The second provision would confirm Wingfoot's obligation to contribute \$37.5 M in 2025 and thereafter pauses the contribution schedule for ten years. The First amendment also provides a process for breaking future cash contribution into blocks that fit Greeley's capital construction planning for Terry Ranch infrastructure and thereby limit both Greeley and Wingfoot's obligation or risk of funding the escrow with financial resources that would not be put to reasonably immediate use. The First Amendment further adds clarity to Greeley's matching cash contributions to the construction escrow and clarifies remedies for failure to fund the cash contribution.

In consideration for and contemporaneously with this First Amendment, Greeley and Wingfoot will enter into the Raw Water Credit Purchase and Sale Agreement that provides the Greeley Water Enterprise with 250 Wingfoot Water Credits. It was discussed that the terms of the Amendment and consideration provide benefit to the Water Enterprise.

Vice Chairman Todd moved that the Board approve the First Amendment to Amended and Restated Master Purchase Sale and Raw Water Administration Agreement and authorize the Director to make minor modifications so long as substance remains unchanged. Ms. Witt-Brown seconded the motion. The motion carried 7 – 0.

6. Approve Purchase and Sale Agreement for Raw Water Credits

Sean Chambers discussed that The City of Greeley and Wingfoot Water Resources, LLC entered into the Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement (Terry Ranch) on February 22, 2021. Subsequently, the City's Water Enterprise and Wingfoot have negotiated mutually agreeable terms of a First Amendment to the afore-mentioned Master Agreement.

In consideration for the modifications contained in the First Amendment, Wingfoot will convey to Greeley 250 Raw Water Credits by and through the Purchase and Sale Agreement for Raw Water Credits. The 250 Raw Water Credits will have some restrictions on use. Restrictions include the City's use of best efforts to have the raw water credits applied toward the satisfaction of raw water for the West Greeley Catalyst Project that is intended to accelerate and diversify economic growth in the West Greeley area. The Purchased Credits shall not be applied to housing in West Greeley or elsewhere as they are intended to catalyze economic development. In the event that the Purchased credits are not applied to the Catalyst Project, they may be used in other City of Greeley commercial or industrial economic development initiatives that encourage job creation, foster economic growth and or attract business.

Mr. Otis moved that the Board approve the Purchase and Sale Agreement for Raw Water Credits and authorize the Director to make minor modifications so long as the substance remains unchanged, for the following reasons:

- 1) The acquisition of 250 raw water credits provides a benefit to the Greeley water utility when it is used for satisfaction of the West Greeley Catalyst Project. This use of the credits is anticipated to foster economic growth in the West Greeley area, which will benefit the water utility through increased revenues from ancillary development.
- 2) If the credits cannot be used for the West Greeley Catalyst Project, then it is appropriate to use them for other commercial or industrial economic development projects that will spur additional water customers to the benefit of the water utility.
- 3) Further, this agreement is part of the larger package that includes the amendment to the PSA with Wingfoot, which benefits the water utility by modifying infrastructure construction timelines to more closely match with the expected rate of growth

It was seconded by Mr. Murphy. The motion carried 7-0

7. Approve and Recommend to the City Manager the Water and Sewer 2026 Operating and Capital Budget

Erik Dial, Virgil Pierce and Crystal Sanchez presented the 2026 operating budget and the ten-year capital program for review to the Water and Sewer Board. The operating and capital budgets were prepared with an eye to the future, incorporating capital improvements from master plans, building the operational teams to meet the needs of a growing City, and meeting the high level of service expected when providing water and sanitary sewer services. The enclosed capital budgets meet the regulatory, rehabilitation, and long-range growth needs of the City's water and sewer services while being mindful of the rates that Greeley's citizens pay.

On average, residential water bills will increase approximately \$5.11/month and residential sewer bills will increase approximately \$1.78/month for a total water and sewer bill increase of \$6.89/month. The water PIF for a 3/4" tap will increase by \$3,250 to \$17,000 and the sewer PIF will increase by \$400 to \$9,050.

During the presentation it was discussed how the City can help low-income households with rising water, sewer, and stormwater costs as federal support programs decline. The City has launched a utility bill assistance program called Lift Up, funded by Water, Sewer, and Stormwater, offering a one-time payment of \$150 to assist with utility bills. Eligibility criteria are the same as the Food Tax Rebate.

Vice Chairman Todd moved that the Water and Sewer Board approve and recommend to the City Manager the Water and Sewer 2026 Operating and Capital Budget. Mr. Murphy seconded the motion. The motion carried 7-0.

Dena Egenhoff left the meeting at 2:56 pm.

8. Recommend to City Council Establishment of Local Improvement District (Lake Bluff Non-Potable Irrigation Pump Station)

Ryan Duve discussed that the Water and Sewer Department (W&S) is proposing the creation of a Local Improvement District (LID) associated with the construction of a non-potable water irrigation pump station. The 1,620 gallons per minute (gpm) pump station has been designed and constructed pursuant to a development agreement with Greeley-Rothe LLC, the Lake Bluffs developer. The pump station is operational and is available to serve Lake Bluffs, Poudre Heights, The Cache, and other unnamed future developments. The pump station is located on the north side of 7th Street west of 95th Avenue within the new Lake Bluff Subdivision.

W&S agreed to reimburse Greeley-Rothe LLC for 75% of the total construction costs, which are approximately $\$2,400,000 \times 75\% = \$1,800,000$, to facilitate oversizing the pump station to

serve additional properties beyond the Lake Bluffs development. With approval of this LID, W&S will recover up to the entire reimbursement cost associated with oversizing the pump station when Poudre Heights, The Cache, and other properties will be serviced by the pump station develop.

The Lake Bluff Service Area is 813.734 acres (bulk area). The LID boundaries and location of the pump station are depicted in Exhibit A of the Ordinance.

The property assessments will be based on dividing the reimbursement cost of the pump station by the 813.734 acres benefitted by the oversizing the non-potable irrigation system. Currently, the oversizing cost for the pump station, storage pump, and splitter box is estimated to be \$1,800,000. Therefore, the LID assessment rate is currently estimated at \$2,214.75/bulk acre and will be finalized after mutually agreed upon reimbursement costs are finalized. The maximum amount that can be recovered by the City is \$1,800,000 and the remainder of the construction costs will be covered by W&S. The LID may not exceed the amount ultimately reimbursed to Greeley-Rothe LLC by the City pursuant to the development agreement.

Vice Chairman Todd moved that the Water & Sewer Board recommend to City Council adoption of an ordinance to establish a local improvement district for the construction and oversizing of the Lake Bluff non-potable pump irrigation system, in the form of the draft ordinance enclosed. Mr. Murphy seconded the motion. The motion carried 7-0.

9. Resolution of Support for the Northern Colorado Water Alliance Regional Principles

Leah Hubbard discussed that the Northern Colorado Water Alliance was formed with the mission of “Collaborating and educating for the protection of water resources and systems to ensure a resilient future for the Northern Colorado Front Range”. This regional group is dues based and consists of 18 member organizations, including local municipalities, water districts, counties and other special districts.

Water is connected to the region’s quality of life and economy. Entities outside of the region have purchased water rights for their own use, putting Northern Colorado water supplies and users at risk. Development and growth within the region’s communities has created tension between residential/commercial and agricultural interests. Different water providers share different insights and opportunities and through this regional group varying stakeholder interests can be discussed in an open forum.

The principles are focused on retaining water for local beneficial use within Northern Colorado. The two major goals are to discourage further transfer outside of the region, while not infringing on individual communities to fulfill their organizational missions. A second goal is to allow entities to offset the impacts that of transfers that do occur by seeking appropriate mitigation. This will look different for each community based on their needs.

Due to much of the water that can be transacted upon belonging to agricultural users, Greeley

Water Resources reached out to the Greeley-Loveland Irrigation Company (GLIC), Greeley Irrigation Company (GIC), Cache la Poudre Irrigation Company (New Cache), and Water Supply and Storage Company (WSSC) to discuss the proposed principles.

Vice Chairman Todd moved that the Board adopt a resolution in support of the Northern Colorado Water Alliance Water Principles, in the form enclosed. Ms. Witt-Brown seconded the motion. The motion carried 7-0.

Ryan Duve left the meeting at 4:25 pm.

10. Legal Report

James Noble, outside counsel for the Greeley Water & Sewer Board, provided the Legal report for July.

Based on review of the May 2025 Water Division 1 Resume, staff and water counsel did not identify any new matters to recommend that the Water and Sewer Board file a statement of opposition by the end of July 2025.

11. Director's Report

Director, Sean Chambers provided the Water & Sewer Board with a summary of water resource policy events, and an update on notable water utility activities. Update Items include the following:

- Water Industry Education and Advocacy Events
- Consumer Confidence Report
- Gold Hill Pipeline Funding Update
- Colorado River Interim Guidelines re-negotiation and UCRC media release
- Drought conditions and Supplemental Quota

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

The Public Session portion of the meeting ended at 4:35 pm.

13. Executive Session

Chairman Evans moved that the Board adjourn the public portion of this July 16, 2025 Water & Sewer Board Meeting and hold an executive session to address the following matters as provided by C.R.S. § 24-6-402(4)(b) and (e) and Greeley Municipal Code § 2-151(a)(2) and (5):

1. For the purposes of obtaining legal advice, determining positions relative to matters

City of Greeley
Water and Sewer Board

July 16, 2025
Board Minutes

that may be subject to litigation or negotiations, developing strategy for litigation or negotiations, and instructing negotiators on matters related to Division 1 Water Court Case No. 19CW3253.

Mr. Murphy seconded the motion. The motion passed.

Roll call was taken and those present were:

Chairman Evans, Vice Chairman Todd, Fred Otis, Joseph Murphy, Cheri Witt-Brown, Tony Miller, Matt Anderson, Ms. Rachel Flynn on behalf of Mr. Lee, Ms. Litzau

Others present during Executive Session:

Director Sean Chambers, Deputy Director of Utility Finance and Customer Service Erik Dial

Legal Counsel present during Executive Session:

Environmental and Water Resources Attorney Jerrae Swanson, Environmental and Water Resources Attorney Daniel Biwer, Environmental and Water Resources Attorney Jessie Raybon, Counsel to Water & Sewer Board Attorney James Noble

14. Adjournment

The Executive Session Portion of the meeting ended at 5:00 pm.

DocuSigned by:
Harold Evans
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Harold Evans, Chairman

DocuSigned by:
Raymond Lee
880FD074B1543E
Raymond Lee, Board Secretary