

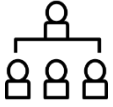
Water and Sewer Board

Regular Meeting

City Council Chambers – City Center South

1001 11th Ave September 17, 2025 at 2:00 p.m.

Regular meetings of the Water and Sewer Board are held **in person** on the 3rd Wednesday of each month in the City Council Chambers, 1001 11th Avenue, Greeley, Colorado.



Members of the public may attend and provide comment during public hearings.



Written comments may be submitted by US mail or dropped off at the Water and Sewer office located at 1001 11th Avenue, 2nd Floor,



Greeley, CO 80631 or emailed to wsadmin@greeleygov.com. All written comments must be received by 10:00 a.m. on the date of the meeting.



Meeting agendas and minutes are available on the City's meeting portal at <https://greeleyco.portal.civicclerk.com>

IMPORTANT – PLEASE NOTE

This meeting is scheduled as an **in-person session only**. If COVID, weather, or other conditions beyond the control of the City dictate, the meeting will be conducted virtually and notice will be posted on the City's CivicClerk meeting portal by 10:00 a.m. on the date of the meeting (<https://greeleyco.portal.civicclerk.com/>).

In the event it becomes necessary for a meeting to be held virtually, use the link below to join the meeting via Zoom. <https://greeleygov.zoom.us/j/81782466253>

For more information about this meeting or to request reasonable accommodations, contact the administrative team at 970-350-9801 or by email at wsadmin@greeleygov.com



**City of Greeley
Water and Sewer Board
Minutes of August 20, 2025
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:00 p.m. on Wednesday August 20, 2025.

1. Roll Call

The Clerk called the roll and those in attendance included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Fred Otis, Tony Miller, Joseph Murphy, Matt Anderson, Cheri Witt-Brown (arrived at 3:20 pm) Mayor John Gates, Director of Finance Tyra Litzau, Deputy Director 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, Deputy Director of Water and Wastewater Operations and Maintenance Rebecca Andrus, Executive Assistant Gigi Allen, Utility Finance Manager Virgil Pierce, Tracy Simon, Deputy Chief Engineer Cadee Oakleaf, Civil Engineer III David Cummings, Water Enterprise Financial Analyst Crystal Sanchez

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 Carolyn Burr

Guests:

Community member Cinque Mason, Dr. Michael Welsh from the University of Northern Colorado (arrived at 2:30 pm)

2. Approval of Minutes

Vice Chairman Todd made a motion, seconded by Mr. Murphy to approve the July 2025 Water and Sewer Board meeting minutes. The motion carried 6-0.

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. Utility Finance Second Quarter 2025 Update

Virgil Pierce reviewed the financial operations for Water and Sewer from January 1, 2025 to June 30, 2025 compared with the same period of 2024. Water rate revenue is 2% lower than in 2024 following a decrease in consumption of 3% in this time period. Sewer rate revenue is 8% higher than in 2024. PIF revenues are comparable with the same period year-to-year with comparable rates of development in the city though there has been an uptick in the redemption of Wingfoot Development Credits. Expenditures for both enterprises are comparable to the same period of 2024 and well within half of the annual budget (though internal transfers and payments have not been posted to date).

6. Approve and Recommend to City Manager Revised 2026 Budget

Virgil Pierce presented a new version of the 2026 operating budget to achieve a 5.5% rate increase for Water and ensure future rate increases for Sewer are kept manageable. The following changes have been made from the budget presented in July:

- W&S Facilities Program (the F Street Operations Building) is being postponed from 2027-2029 to 2029-2031.
- The planned Water Rights Purchase in 2026 is being scheduled for 2027.
- Additional operations savings were identified in both Water and Sewer reducing the ongoing budget.

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 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 \$3.20/month and residential sewer bills will increase approximately \$2.00/month for a total water and sewer bill increase of \$5.20/month. The water PIF for a 3/4" tap will increase by \$1,900 to \$16,900 and the sewer PIF will increase by \$400 to \$9,050.

7. Customer Information System (CIS) Update

Erik Dial updated the Water and Sewer Board on the progress of the Customer information System project and the preparations for the upcoming Go-Live date.

8. Legal Report

Carolyn Burr, outside counsel for the Greeley Water & Sewer Board provided the Legal report for August.

Based on review of the June 2025 Water Division 1 Resume, staff and water counsel recommended that the Water and Sewer Board authorize filing statements of opposition by the end of August, 2025 to the following water court applications.

Case No. 25CW3077: This case concerns an application by North Weld County Water District for reasonable diligence for existing conditional rights of exchange originally decreed in Case No. 03CW421 for a number of exchanges utilizing NWCWD's 7.75 Water Supply and Storage Company shares as the source of substitute supply. The exchanges occur on the Cache la Poudre mainstem as well as its tributaries and impact numerous structures owned by Greeley or which Greeley has an operational interest, including the Overland Trail system, Milton Seaman Reservoir, Chambers Lake and City of Greeley Pipeline as examples. Applicant is not seeking to make any portion of any of the exchanges absolute. It is recommended that Greeley file a statement of opposition in this case to be fully informed of the current status of NWCWD's planned operation of the exchanges, to protect Greeley's water rights and infrastructure, and to assess adequacy of applicant's accounting for its claimed exchanges.

Case No. 25CW3088 Application of Central GMS for a finding of reasonable diligence and to make a portion of Bernhardt Reservoir on the Big Thompson River absolute. Central has a 3,000 a.f. storage right in Bernhardt Reservoir. They made 367 a.f. of that right absolute in 18CW3103. They are seeking to make an additional 140 a.f. absolute in this case. We recommend that Greeley file a statement of opposition in this case to ensure that Central GMS' absolute claim is accurate and verifiable.

Mr. Miller moved that the Board authorize filing statements of opposition in Case No. 25CW3077 and 25CW3088 and for staff and legal counsel to seek resolution of issues raised by these cases consistent with Water and Sewer Board Resolution No. 3, 2015. Mr. Otis seconded the motion. Motion carried 6 to 0.

9. 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. Updates on items included:

1. Water Industry Education and Advocacy Events
2. Laramie River – Neff Lake Pipeline Acquisition Update

3. Annual Board – Council Water Education & Infrastructure Tour

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

No other business was brought before the Board.

11. Adjournment

The meeting ended at 3:29 p.m.

Harold Evans, Chairman

Raymond Lee, Board Secretary



Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Welcome New Employees and Promotions

Summary:

Promotions/transfers:

James Pascoe - WTRF Maintenance to Wastewater Collections Water Systems Technician II

Nicholas Costanzo - Boyd Water Treatment Plant Operator C to Plant Operator B

Logan Rastavan - Non-Pot to Transmission and Distribution Maintenance Technician I

New Hires:

Reese Clark - WTRF Water Quality Analyst

Fred Martinez - Wastewater Collections Maintenance Technician

Andrew Flores - Instrument and Control Technician

Recommended Action:

Informational only

Recommended Motion:

None

Attachments:

1. New Hires and Promotions

Promotions and New Employees

Welcome New Employees

August 20, 2025

Internal Promotions:

- James Pascoe – Transfer from WTRF Maintenance to Wastewater Collections Water Systems Technician II
- Nicholas Costanzo – Boyd Water Treatment Plant Operator C to Plant Operator B
- Logan Rastavan – Transfer from Non-Pot to Transmission and Distribution Maintenance Technician I

New Hires:

- Reese Clark - WTRF Water Quality Analyst
- Fred Martinez - Wastewater Collections Maintenance Technician
- Andrew Flores - Instrument and Control Technician





Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Cadee Oakleaf, Deputy Chief Engineer

Title:

Approve and Recommend to Council Authorization of Eminent Domain for West Greeley Sewer Infrastructure

Summary:

The West Greeley development is contingent on the installation of new sewer infrastructure that includes collection interceptors, lift station, and force main. The collection interceptors are planned to be routed to the Windsor Wastewater Treatment Plant (WWTP). During the 2021 Collections Master Plan, the City evaluated interceptor routing for the West Greeley Sewer Basin and planned to continue with sewer flows going to the WWTP per the Greeley and Windsor IGA. The West Greeley Sanitary Sewer project team completed an alternative analysis for interceptor sewer alignments, potential lift station locations, and sewer force main alignments to finalize the proposed locations of this critical infrastructure. The selected interceptor alignment allows for the collection of the entire West Greeley Sewer Basin, specifically the Catalyst project, with gravity sewer services. The alternative analysis took into account the ability to serve the West Greeley Sewer Basin, the challenging topography and future development flexibility. The lift station location allows for future connection into the WWTP and allows emergency overflow to the WWTP. The force main alignment allows for the connection into the existing Greeley collection system at the Poudre Trunk line, where there is sufficient capacity for these proposed flows. The force main alignment also accounts for constructability, natural areas crossing restrictions, cost, and impacts to property owners. This agenda item is to present the proposed infrastructure alignments and request authorization for acquiring property interests in the real property that will enable the construction of sewer infrastructure for the West Greeley Sewer Basin.

Recommended Action:

Approve Resolution to City Council to use Eminent Domain Authority to acquire real property interests for the development of the West Greeley Sewer Infrastructure.

Recommended Motion:

“I move that the Board adopt the enclosed Resolution Authorizing the Acquisition of Interests in Real Property, by purchase or through the power of eminent domain, for the West Greeley Interceptor, Lift Station, and Force Main and Associated Facilities, and recommend that City Council authorize the same.”

Attachments:

1. WG Sewer Eminent Domain Authority
2. Draft W&S Board Resolution (WG Sanitary Sewer)
3. Exhibit_A

West Greeley Interceptor & Lift Station: Easement Acquisitions and Authorization of Eminent Domain

Presented to Water & Sewer Board

September 17th, 2025

by Cadee Oakleaf, Deputy Chief Engineer



Agenda



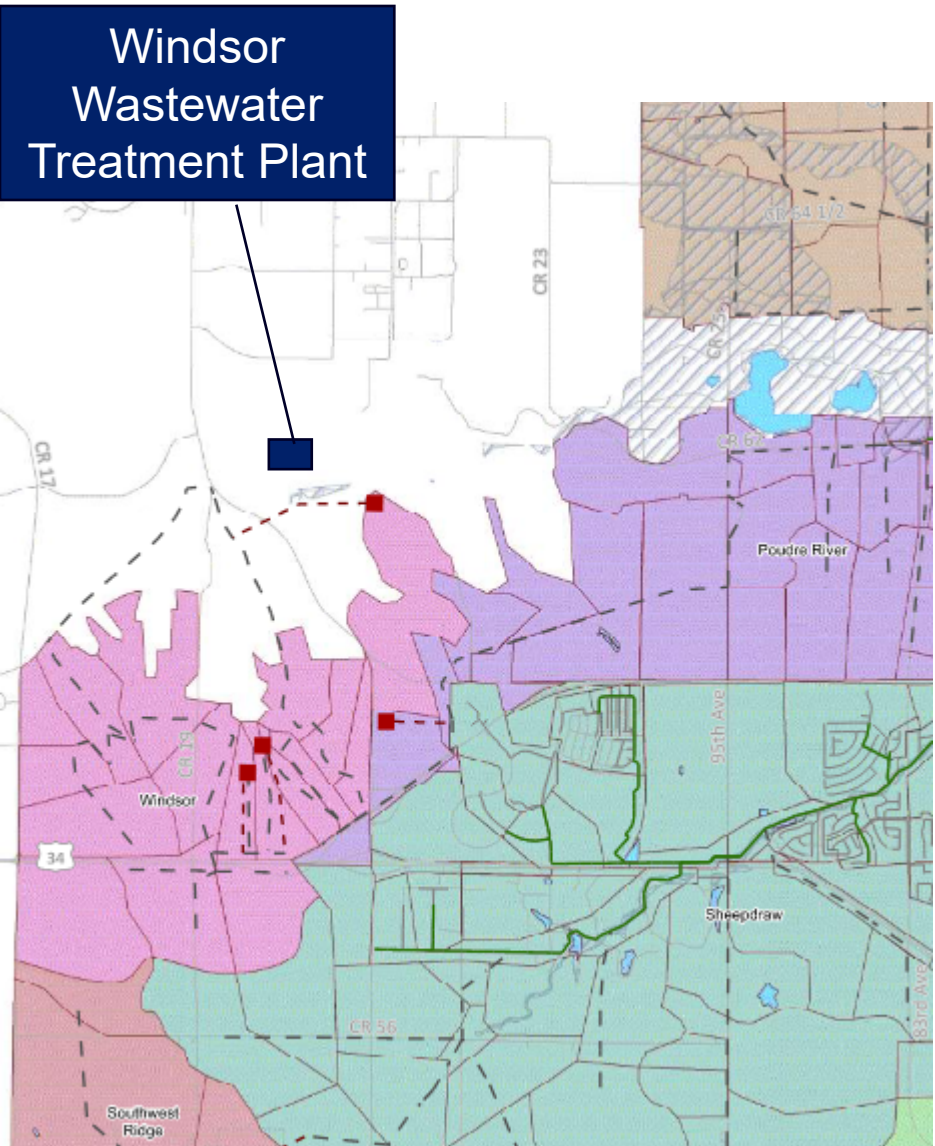
Presentation Agenda

- Describe the location of real property acquisition
- Provide background and reason for acquisition
- Recommend approval to acquire the property

Purpose: To obtain approval & recommendation to City Council for authorization to use eminent domain authority for the purchase of real property for the West Greeley interceptor sewer, lift station, & force main infrastructure.

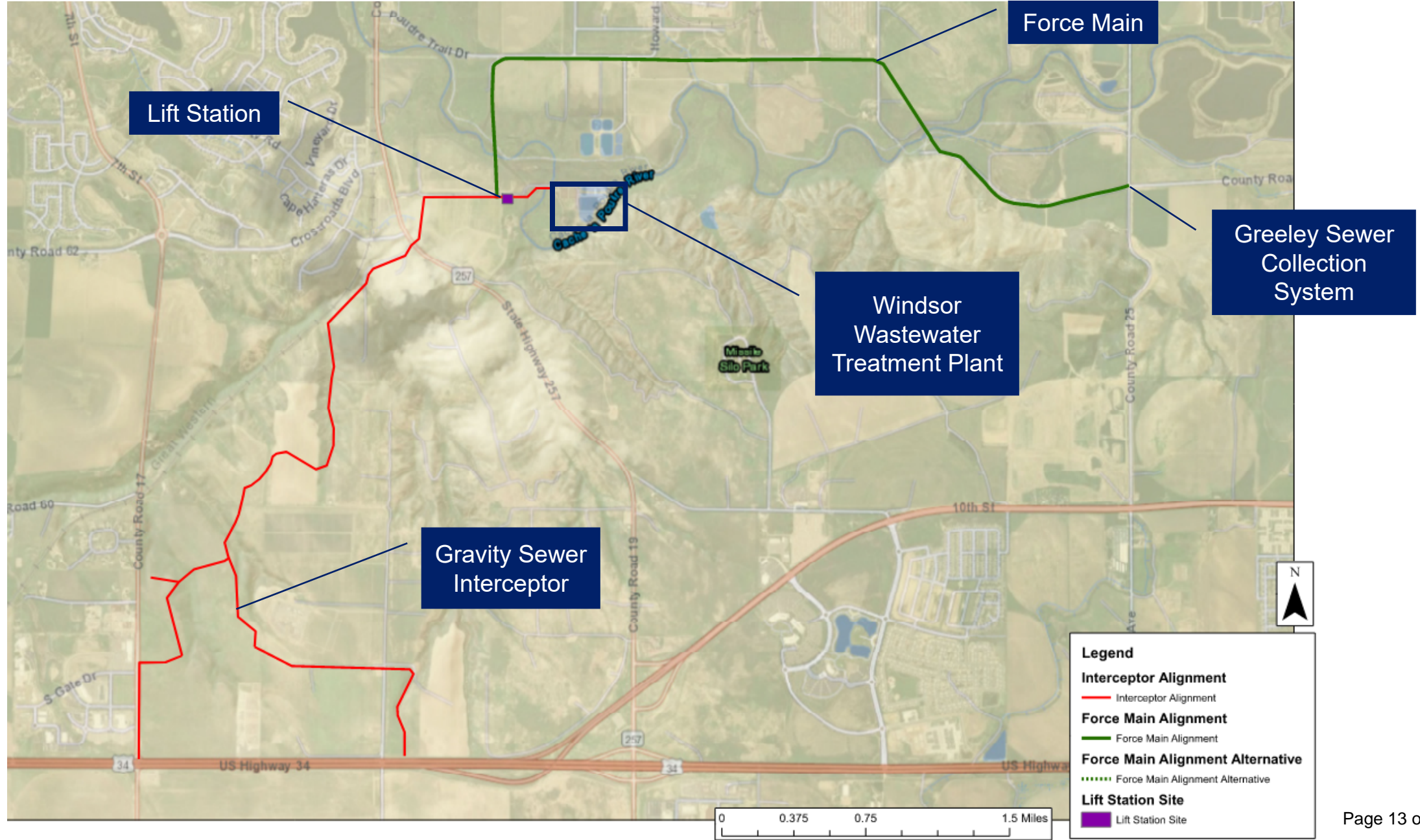


West Greeley Sewer Overview



- **West Greeley Sewer Infrastructure Plan**
 - 2021 Collections Master Plan planned for all sewer flows to the Windsor Wastewater Treatment Plant
 - City has an IGA with Windsor for treatment of wastewater flows
 - City will temporarily lift wastewater back to the WTRF until Windsor treatment plant is upgraded in 2029-2030
 - Interceptor sewer provides sewer backbone infrastructure for entire sewer basin (pink)

West Greeley Interceptor Sewer & Lift Station



Project Acquisition Needs

- **To construct the project the City needs to acquire additional property interests from property owners along the pipeline routes.**
 - Property interests may include fee simple tracts, permanent easements, and/or temporary easements as determined by final project plans.
 - The City uses a uniform acquisition process, in accordance with law, to negotiate in good faith with all affected owners.
- **Council authorization is the first step in this process.**

Standardized Landowner Engagement Process

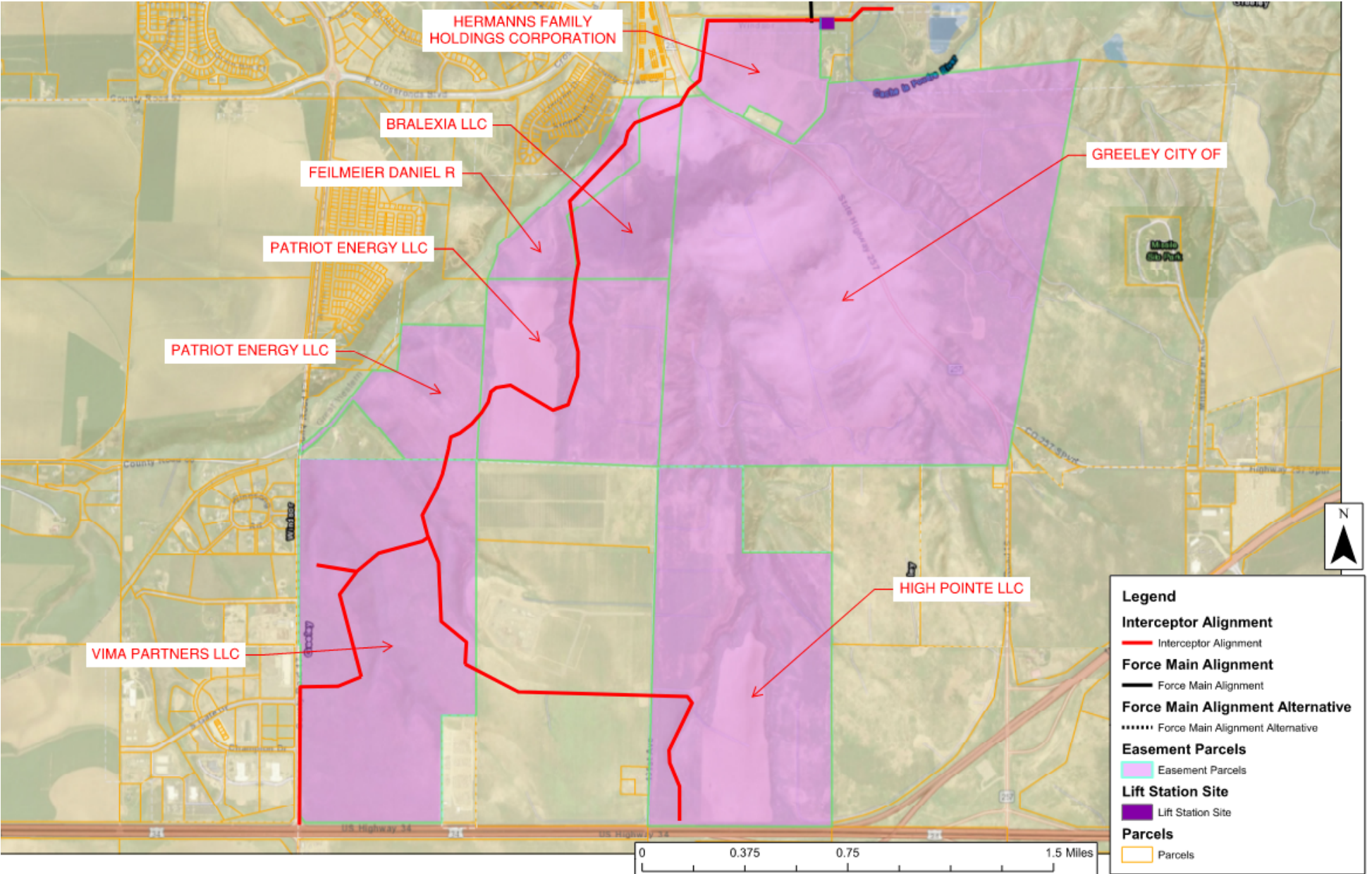
- City project staff engage with landowners along the route
- Meet with affected property owners to:
 - Provide an overview of the project, purpose, and schedule
 - Attend onsite meetings to understand concerns and any site constraints
 - Review the anticipated property interests needed for the project
 - Review the subsurface pipeline easement acquisition process
 - Use eminent domain only as a last resort

7 West Greeley Interceptor Sewer & Lift Station

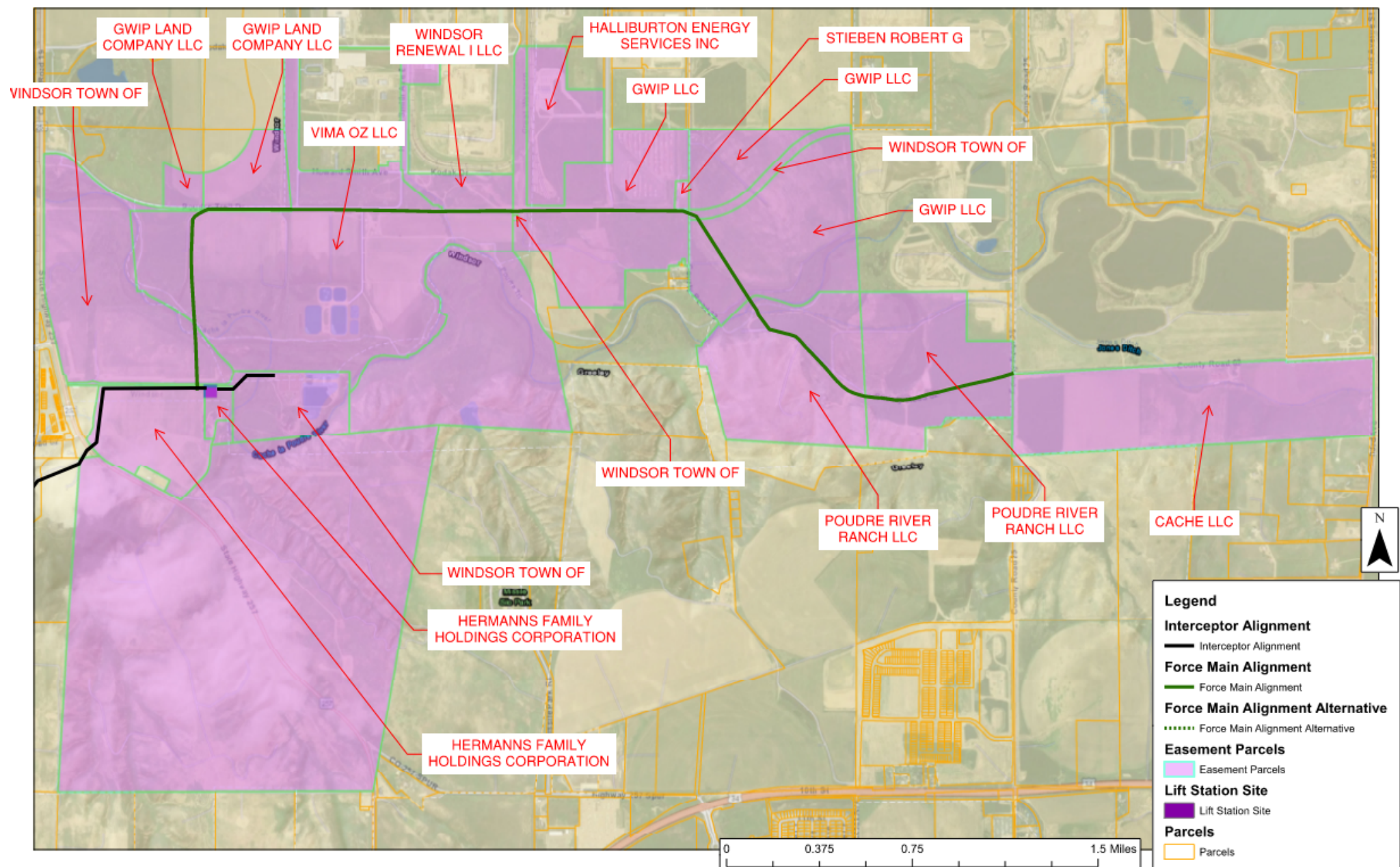
Easement Acquisitions Along Entire Route:

- **Interceptor Sewer**
 - 30' - 45' wide Permanent Easement (depends on depth and size of line)
 - 50' wide Temporary Construction Easement
- **Lift station site to meet all CDPHE requirements**
 - Access, Maintenance, and Repair of all infrastructure
- **Force main from lift station to 95th Ave & WCR 62 1/4**
 - 30' wide Permanent Easement
 - 50' wide Temporary Construction Easement

West Greeley Interceptor Sewer Alignment



West Greeley Force Main Alignment



Conclusions and Staff Recommendations:

City Staff Recommends the Approval and Recommendation to City Council to Use Eminent Domain Authority to Acquire Property and Easements for the West Greeley Interceptor Sewer & Lift Station Project, as needed.



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

RESOLUTION NO. ____, 2025

**A RESOLUTION AUTHORIZING THE ACQUISITION OF INTERESTS IN REAL
PROPERTY LOCATED IN WELD COUNTY, COLORADO, BY PURCHASE OR EXERCISE
OF THE POWER OF EMINENT DOMAIN, FOR THE CONSTRUCTION OF SANITARY
SEWER INFRASTRUCTURE, PURSUANT TO SECTION 7 OF ARTICLE XVI, SECTION 15
OF ARTICLE II, AND SECTIONS 1 AND 6 OF ARTICLE XX OF THE COLORADO
CONSTITUTION AND CRS §§ 31-15-101, *et seq.*; 38-1-101, *et seq.*
(WEST GREELEY SANITARY SEWER)**

WHEREAS, the City of Greeley (“City”) is a Colorado 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, including through exercise of the power of eminent domain; and

WHEREAS, Section 15 of Article II and Section 7 of Article XVI of the Colorado Constitution further authorize the City to acquire property to convey water for domestic, irrigation, drainage, and other purposes; and

WHEREAS, C.R.S. §§ 31-15-101, *et seq.*, and 38-1-101, *et seq.*, provide the statutory framework within which the City may exercise the power of eminent domain; and

WHEREAS, Section 17-4 of the City's Charter authorizes and requires the City Water and Sewer Board (“Board”) to acquire, develop, convey, lease, and protect water and sewer assets, supplies, and facilities; and

WHEREAS, Section 17-1 of the Greeley City Charter authorizes the Board to qualify the Water and Sewer functions and operations as an “enterprise” as that term is contained in Section 20 of Article X 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 Water and Sewer operations, the enterprises for which are established in Title 20, Chapter 2 of the Greeley Municipal Code; and

WHEREAS, the Board has determined that the acquisition of interests in real property for the development and construction of sanitary sewer infrastructure is needed for the public purpose of ensuring the safe and reliable conveyance and treatment of domestic water supplies utilized by the City’s citizens and thereby protecting their public health, safety, and general welfare; and

WHEREAS, the acquisition of interests in the real property located in Weld County and identified on Exhibit A, whether by purchase or through exercise of the City’s power of eminent domain, is accordingly necessary.

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

Section 1. The Board hereby determines that it is necessary for the City to acquire, either by purchase or through exercise of the power of eminent domain, interests in the real property identified on Exhibit A for the development and construction of sanitary sewer infrastructure, to ensure the safe and reliable conveyance and treatment of domestic water supplies utilized by the City’s citizens.

Section 2. The Board hereby determines that such acquisition of interests in the real property identified on Exhibit A for the development and construction of sanitary sewer infrastructure will serve the public purpose of ensuring the safe and reliable conveyance and treatment of domestic water supplies utilized by the City’s citizens and thereby protecting their health, safety, and general welfare.

Section 3. City staff, consultants, and legal counsel are hereby authorized and directed to continue with the acquisition of the above-described interests in real property, either by purchase or through exercise of the power of eminent domain. Nothing in this resolution is intended or shall be construed to preclude good faith efforts by City staff, consultants, and legal counsel to negotiate a voluntary purchase of the necessary interests in real property.

Section 4. The Board hereby ratifies any previous actions taken by City staff, consultants, and legal counsel to negotiate the acquisition of such interests in real property, and in providing notice of the City’s intent to acquire such interests, in accordance with C.R.S. § 38-1-101, *et seq.*

Section 5. The Board hereby recommends the Greeley City Council adopt an ordinance confirming the determinations set forth above and authorizing the acquisition of interests in real property as described in this resolution, either by purchase or through exercise of the power of eminent domain.

Section 6. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED, SIGNED AND APPROVED this ____ day of September 2025.

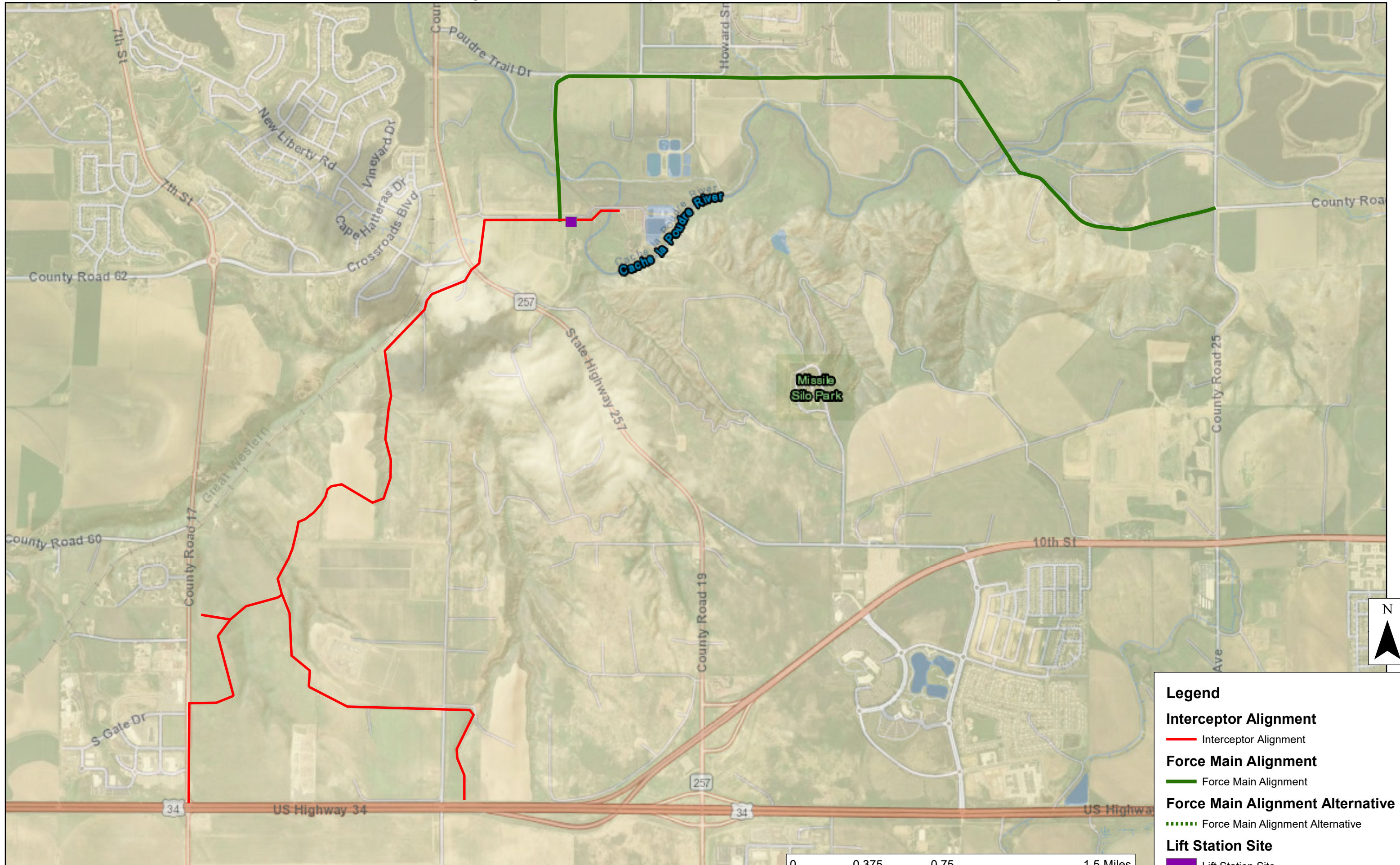
ATTEST:

THE CITY OF GREELEY, COLORADO

Secretary to the Board

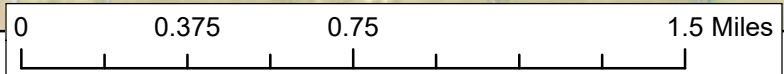
Harold Evans
Chairman, Water and Sewer Board

Cascadia Sanitary Sewer Interceptor, Lift Station, and Force Main Project

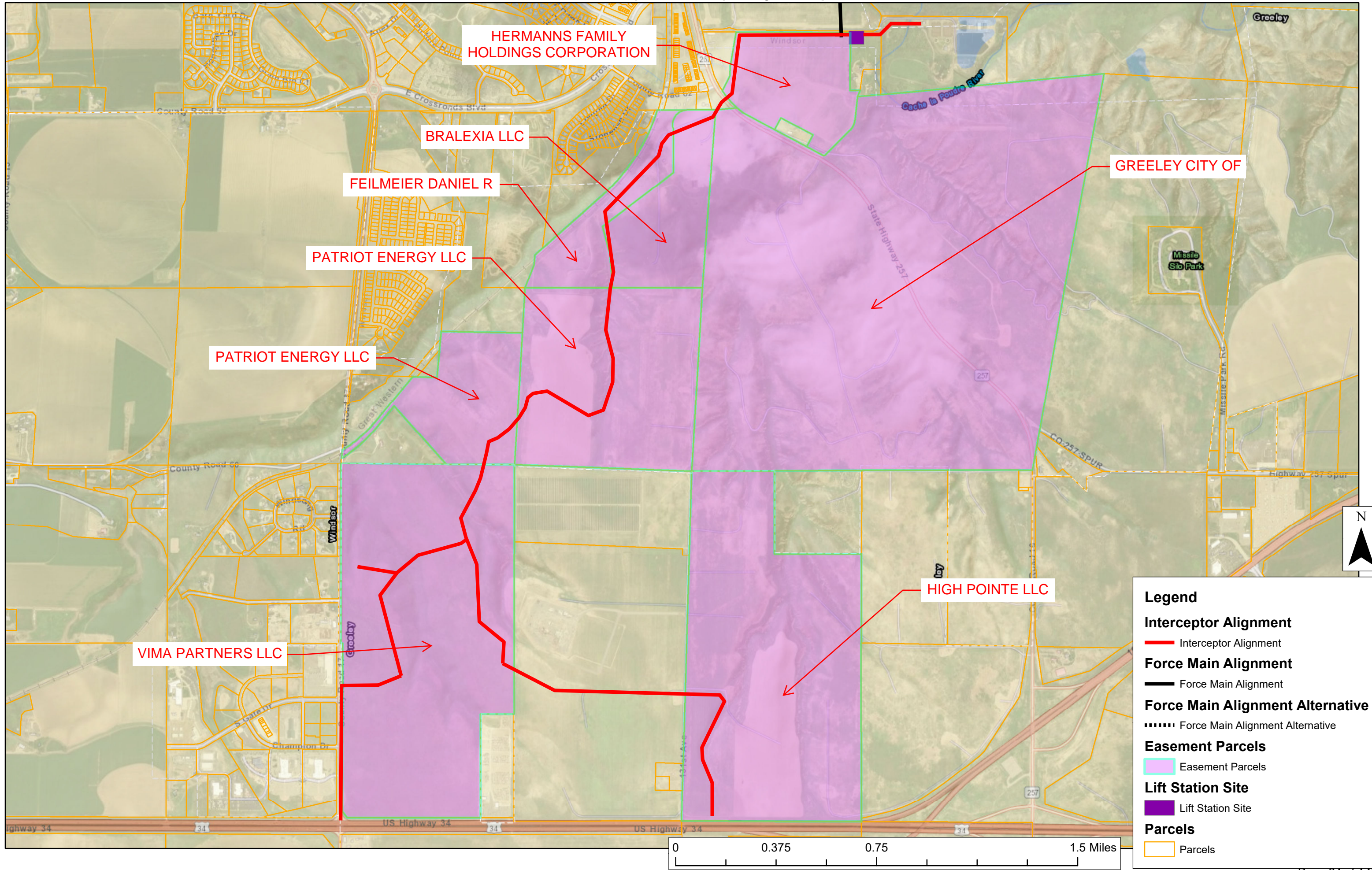


Legend

- Interceptor Alignment**
— Interceptor Alignment
- Force Main Alignment**
— Force Main Alignment
- Force Main Alignment Alternative**
- - - Force Main Alignment Alternative
- Lift Station Site**
■ Lift Station Site



Cascadia Interceptor Property Acquisition



HERMANN'S FAMILY HOLDINGS CORPORATION

BRALEXIA LLC

FEILMEIER DANIEL R

PATRIOT ENERGY LLC

PATRIOT ENERGY LLC

VIMA PARTNERS LLC

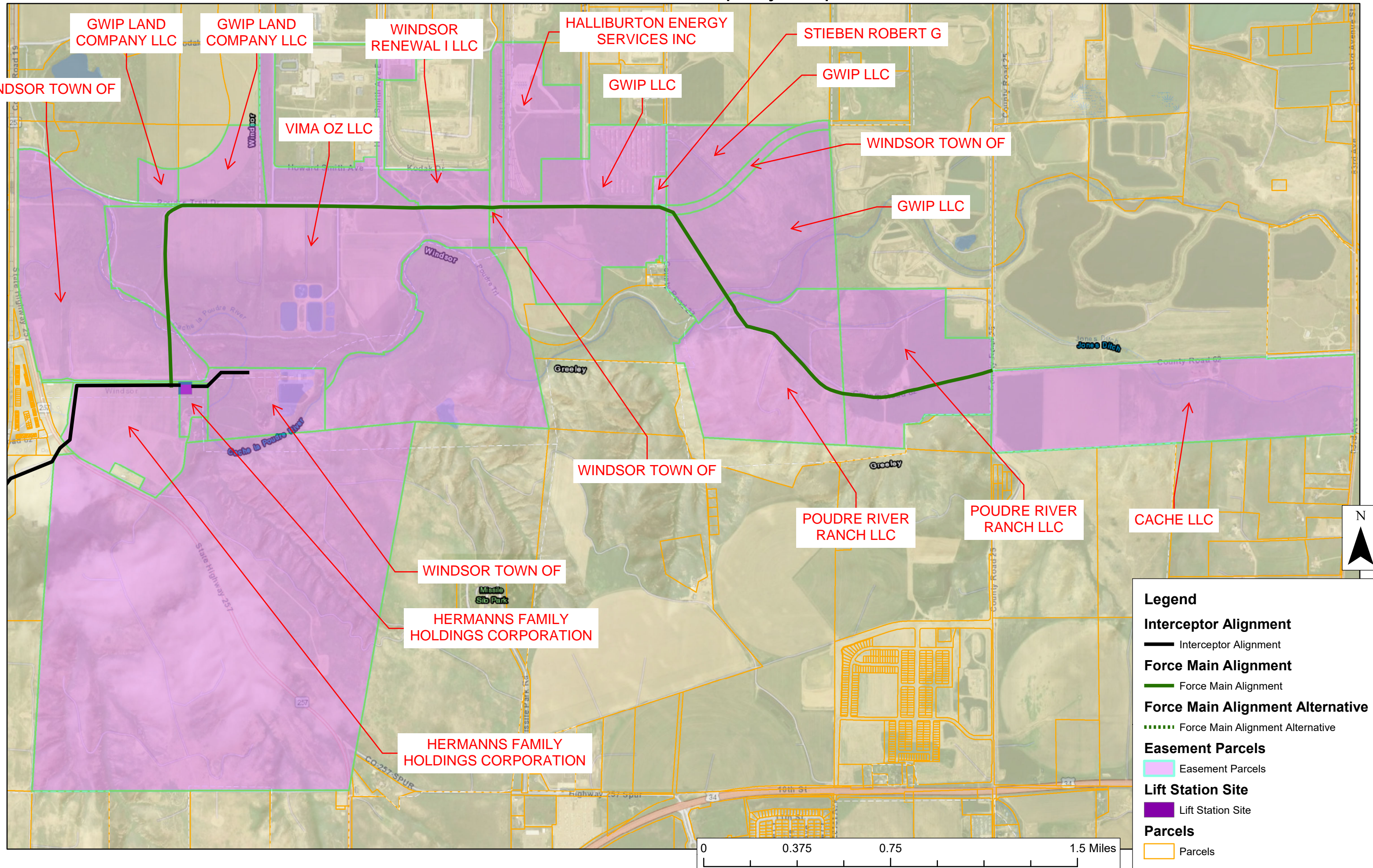
HIGH POINTE LLC

GREELEY CITY OF

Legend

- Interceptor Alignment**
— Interceptor Alignment
- Force Main Alignment**
— Force Main Alignment
- Force Main Alignment Alternative**
..... Force Main Alignment Alternative
- Easement Parcels**
[Light Purple Box] Easement Parcels
- Lift Station Site**
[Dark Purple Box] Lift Station Site
- Parcels**
[Orange Box] Parcels

Cascadia Force Main Property Acquisition



GWIP LAND COMPANY LLC

GWIP LAND COMPANY LLC

WINDSOR RENEWAL I LLC

HALLIBURTON ENERGY SERVICES INC

STIEBEN ROBERT G

WINDSOR TOWN OF

VIMA OZ LLC

GWIP LLC

GWIP LLC

WINDSOR TOWN OF

GWIP LLC

WINDSOR TOWN OF

POUDRE RIVER RANCH LLC

POUDRE RIVER RANCH LLC

CACHE LLC

WINDSOR TOWN OF

HERMANN'S FAMILY HOLDINGS CORPORATION

HERMANN'S FAMILY HOLDINGS CORPORATION

Legend

Interceptor Alignment

— Interceptor Alignment

Force Main Alignment

— Force Main Alignment

Force Main Alignment Alternative

... Force Main Alignment Alternative

Easement Parcels

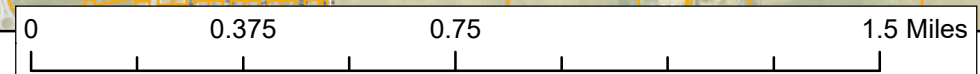
□ Easement Parcels

Lift Station Site

■ Lift Station Site

Parcels

□ Parcels



NAME	ADDRESS	CITY	STATE	PARCEL	ZIPCODE	LEGAL
CACHE LLC	1813 61ST AVE STE 200	GREELEY	CO	080531000059	80634-8059	17969 S2SW4/S2SE4 31-6-66 (4R4D14L)
HALLIBURTON ENERGY SERVICES INC	C/O PROPERTY TAX DEPT PO BOX 1431	DUNCAN	OK	080726404002	73534-1431	LOT 2 GREAT WESTERN INDUSTRIAL PARK 7TH FG
GWIP LAND COMPANY LLC	252 CLAYTON ST 4TH FLOOR	DENVER	CO	080734100010	80206-4800	PT NW4NE4 34 6 67 LYING SE OF A LINE COMM NW COR SEC 27 6 67 S56D26E 1255.82 S89D54E 1387.27 S89D54E 310.58 THENCE ALNG CURVE R (R=1100.88 CH=S34D21E 1345.67) S00D00E 56.33 S04D54W 116.22 THENCE ALNG CURVE R (R=254.39 CH=S10D53W 52.04) THENCE ALNG CURVE
				080734200011		PT NW4 34 6 67 LYING SE LINE DESC COMM NW COR SEC 27 6 67 S56D26E 1255.82 S89D54E 1387.27 S89D54E 310.58 THENCE ALNG CURVE R (R=1100.88 CH=S34D21E 1345.67) S00D00E 56.33 S04D54W 116.22 THENCE ALNG CURVE R (R=254.39 CH=S10D53W 52.04) THENCE ALNG CURVE L (
				080735104005		LOT 5 GREAT WESTERN INDUSTRIAL PARK 7TH FG
				080736200004		THAT PT NW4 36-6-67 LYING NLY PT COMM C4 COR SEC 35 TH N32D46W 1322.93 TH 351.62 ALG NON-TAN CUR L (R=2925.00 RAD PT=N00D43W DEL=06D5315) TH N82D22E 1531.08 TH 190.22 ALG TAN CUR R (R=1500.00 DEL=07D1557) TH N89D38E 798.14 TO E LN NE4 SEC 35 TH ALG E LN
				080735300006		WIN PT 35-6-67 (GREAT WESTERN 3RD ANNEX) BEG W4COR N89D32'E 1072.55' N46D20'W 99.09' N16D46'W 85.59' N04D13'E 266.14' N40D32'E 159.44' N54D26'E 199.22' N34D05'E 124.67' N61D24'E 48.97' N85D02'E 57.59' S79D35'E 50.85' S79D35'E 69.85' S65D08'E 141.98' S45D
080736200005	NW4 36-6-67 & THAT PT SW4 LYING NLY CACHE LA POUDDRE RIVER AND ELY CR 23 ROW EXC LYING NLY PT COMM C4 COR SEC 35 TH N32D46W 1322.93 TH 351.62 ALG NON-TAN CUR L (R=2925.00 RAD PT=N00D43W DEL=06D5315) TH N82D22E 1531.08 TH 190.22 ALG TAN CUR R (R=1500.00 DEL=07D1557) TH N89D38E 798.14 TO E LN NE4 SEC 35 TH ALG E LN					
VIMA OZ LLC	1625 PELICAN LAKES PT STE 201	WINDSOR	CO	080734100017	80550-6236	PT SW4 26 & SE4 27 & NE4 34 & W2 35-6-67 BEG NE4NE4 SEC 34 S89D44'W 1191.12' N0D24'W 636.11' TO POB S89D59'E 219.10' N0D44'W 69' N89D15'E 145' N0D44'W 73' S89D54'E 210' S0D05'W 143.50' S89D54'E 29.95' S0D33'E 91.35' CURVE TO R (R=115) CHORD=S25D59'E 98.
VIMA PARTNERS LLC	1625 PELICAN LAKES PT	WINDSOR	CO	095709000008	80550-6236	GR 22544 W2 9-5-67 (LUNDVALL WEST ANNEX) EXC BEG ON N LN HWY 34 50'N OF S4 COR SEC N1548.1' WLY 500' S1548.1' TO N LN HWY 34 ELY TO BEG (17.76A M/L) ALSO EXC WCR 17 EXC UPRR RES (7R)
HERMANN'S FAMILY HOLDINGS CORPORATION	3633 BAYSHORE BLVD NE	SAINT PETERSBURG	FL	080734300006	33703-5513	PT SW4 34-6-67 CORR SUB EXEMPT SE-1120
				080734300007		PT SW4 34 6 67 LOT A CORR AMD REC EXEMPT AMRE-4699
				080734300008		PT SW4 34 6 67 LOT B AMD REC EXEMPT AMRE-4700
STIEBEN ROBERT G	30801 COUNTY ROAD 23	GREELEY	CO	080735100030	80631-9328	PT N2NE4 35-6-67 LOT B REC EXEMPT RE-1244 (.33R)
WINDSOR RENEWAL I LLC	252 CLAYTON ST 4TH FL	DENVER	CO	080735200035	80206-4800	PT NW4 35-6-67 & PT SW4 26-6-67 LOT B REC EXEMPT RECX19-0079
POUDRE RIVER RANCH LLC	1813 61ST AVE STE 200	GREELEY	CO	080736000015	80634-8059	23589 PT SW4 36 6 67 S & E OF POUDDRE RIVER (5R4L)
				080736400040		SE4 36 6 67 EXC BEG SE COR N620' S89D59'W 899.56' THENCE S62DW 39.82' N86D42'W 126.09' S33D53'W 159.21' THENCE S85D57'W 239.47' S0D24'E 543.93' TO A PT ON S LN OF SEC N86D30'E 1387.01' TO BEG EXC COMM NE COR OF SE4 TH S00D12E 792 S89D57W 753.52 N00D02W 7
PATRIOT ENERGY LLC	1625 PELICAN LAKES PT STE 201	WINDSOR	CO	095704000006	80550-6236	22515 SE4 4 5 67
				095704000031		22516 S2SW4/S2NE4SW4 4 5 67 EXC COMM SW COR OF SEC N05D12'E 882.37' TO TRUE POB N05D12'E 450' S89D29'E 636' S58D12'W 84.49' S18D54'W 77.16' S61D12'W 253.31' S49D20'W 196.43' S75D05'W 143.84' S61D30'W 79.65' TO TRUE POB ALSO EXC BEG SW COR OF SEC THENCE S
BRALEXIA LLC	2200 MOUNTAIR LN	GREELEY	CO	095704100010	80634-7550	PT NE4 4 5 67 COMM NE4 COR S06D05W 2831.94 TO E4 COR N88D50W 1227 N02D08W 250 N04D07W 108 N05D53W 274 N15D56W 417 N52D27E 1340.66 N00D15W 638.36 TH ALNG CURVE R 360.29 (R=218.33 CH=N33D44E) N89D20E 427.32 TO POB
FEILMEIER DANIEL R	33801 COUNTY ROAD 19	WINDSOR	CO	095704100011	80550-3112	PT NE4 4-5-67 BEG NE COR S04D05'W 2693' N89D11'W 2569' N04D43'E 509' N49D02'E 131' N05D35'E 2066' E2418' TPOB BEG EXC BEG N4 COR N89D20'E 2512' N89D20'E 126' TPOB N89D20'E 1640' CURVE (R=2914') CHORD=S32D21'W 1609' S48D22'W 1449' N04D26'E 144' N48D22'E 1
HIGH POINTE LLC	142 N TIMBERLINE RD	FORT COLLINS	CO	095710000012	80524-1402	GR W2 10-5-67 (CENTENNIAL RIDGE III ANNEX) EXC NE4NW4 (3R8S)
TOWN OF WINDSOR	301 WALNUT ST	WINDSOR	CO	080736200003	80550-5141	PT SW4 25-6-67 / NW4 36-6-67 COMM C4 COR SEC 35 TH N32D46W 1322.93 TH 351.62 ALG NON-TAN CUR L (R=2925.00 RAD PT=N00D43W DEL=06D5315) TH N82D22E 1531.08 TH 190.22 ALG TAN CUR R (R=1500.00 DEL=07D1557) TH N89D38E 798.14 TO E LN NE4 SEC 35 TH ALG E LN S00D
	301 WALNUT ST	WINDSOR	CO	080734200013	80550-5141	PT W2 34 6 67 COMM NW COR S00D13E 410.38 N89D46E 40 TO POB N85D41E 165.37 THENCE ALNG CURVE R 103.14 (R=470 CH=S82D48E) S76D30E 33.76 THENCE ALNG CURVE R 174.39 (R=350 CH=S62D04E) S47D39E 387.50 THENCE ALNG CURVE L 1366.84 (R=1945 CH=S68D13E) S88D47E 142
	PO BOX 627	WINDSOR	CO	080735200009	80550-0627	PT NW4 35-6-67 BEG CENTER NORTH 1/16 COR OF SEC 35 BNG N10D46'W THN S80D20'W 388.47' TO POB S00D00'E 100.16' N88D23'W 81.50' N00D04'W 97.87' TO POINT ON SLY ROW N90D00'E 81.58' TO POB
	PO BOX 627	WINDSOR	CO	080734000009	80550-0627	WIN 23573A PT S2 34 6 67 BEG S4 COR SEC S84D16'W 438.07' N925' W2683.99' N13D20'W 35.38' N88D12'E 326.96' N75D09'E 90.32' S74D11'E 112.97' S89D47'E 890.75' S89D43'E 1157.23' N65D59'E 77.05' N18D50'E 157.99' N46' E1890.53' S990.49' S84D16'W 1461.93' TO B



Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Morgan Effrein, Water Resource Administrator II

Title:

Approve Lowell Property Hunting License

Summary:

The City of Greeley owns the Lowell Property consisting of approximately 135 acres spread across 5 parcels. The hunting license will utilize the eastern portion of parcel B which consists of approximately 55 acres. After Water & Sewer purchased the Lowell property in 2021, the lessee reached out to staff about hunting waterfowl on the property. W&S has determined that until the City of Greeley identifies a location and begins construction on city facilities within parcel B, hunting on this property can be permitted. The lessee has been hunting at the location outlined in the lease for over 15 years and has maintained a good relationship and operation since they began hunting on the property.

Recommended Action:

Staff recommends the Water and Sewer Board approve the Lowell Property Hunting Lease.

Recommended Motion:

“I move that the Board approve the Hunting License Agreement in the form enclosed and delegate authority to the Director of Water and Sewer or the Director’s designee to renew the agreement in the future, provided the material substance remains unchanged.”

Attachments:

1. Lowell Property Hunting License
2. 2025-2026 Lowell Hunting License Agreement



Lowell Property: Hunting License Agreement

Water & Sewer, September 17, 2025

Lowell Property

- Water & Sewer acquired the Lowell Property in November of 2021.
 - 13.4 shares of Greeley Irrigation Company
 - Five parcels, approximately 135 acres
- Location: north of Greeley along F Street between 35th and 59th Avenues
- Licensee's have been hunting on this property for many years before W&S acquired the property
 - Maintained a good relationship with farm lessee and city staff



Hunting Parcel

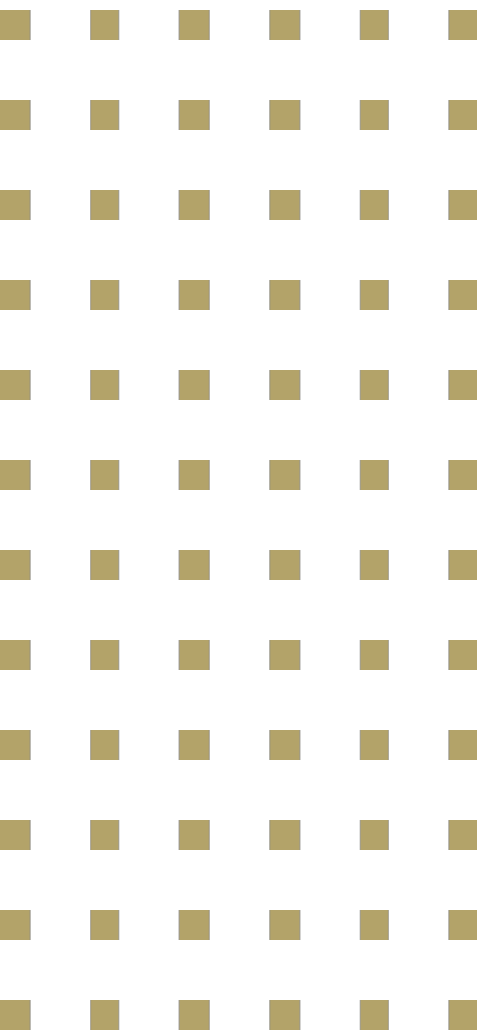


Hunting License Terms

- **Lessee:** Mike Huston is main point of contact; Tory Hanson, Greg Taylor, Mike Slaughter, and A.J. Johnson are included to allow access if Mike is not available
- **Property:** Approximately 55 acres
- **Term:** Single year agreement: October 1st – March 31st
 - Allows for Lessee's to install and remove blind before and after waterfowl hunting season without disrupting farm operations
- **License Fee:** \$150 to cover staff time and resources to administer the lease
- **Approval Process:** Water & Sewer approval (License), Lessee approval, Release and Waiver of Liability signatures form

Recommendation

W&S staff recommends approving Hunting License Agreement and delegate authority to the Director of W&S to renew the agreement in the future



Questions?

HUNTING LICENSE AGREEMENT

This HUNTING LICENSE AGREEMENT (“Agreement”) is entered into this ____ day of _____ 2025 by and between the CITY OF GREELEY, COLORADO, a Colorado home rule municipality acting by and through its Water Enterprise (“Greeley”) and MIKE HUSTON, TORY HANSON, GREG TAYLOR, MIKE SLAUGHTER, and MIKE HUSTON, JR. (collectively “Licensees”).

Recitals

WHEREAS, Greeley owns certain real property consisting of approximately 68 acres located in Weld County, Colorado, which real property is more particularly described on Exhibits A-1 and A-2, attached hereto and incorporated herein (collectively “Property”); and

WHEREAS, the Licensees desire to use the Property the purposes of hunting waterfowl, and Greeley is willing to allow the Licensees to use the Property for such purposes under the terms of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Greeley and the Licensees agree as follows.

Agreement

1. LICENSE AND TERM. Greeley hereby issues to the Licensees a revocable license to the Property for the purposes of hunting waterfowl. The term of this Agreement begins on the date set forth above and expires on March 31, 2026.

2. CONSIDERATION. Licensees shall pay to Greeley a License Amount of one hundred and fifty dollars (\$150.00) for their use of the Property. Licensees shall remit payment of the License Amount to Greeley no later than October 1, 2025.

3. IMPROVEMENTS. With the exception of any existing fencing, there are no structures or improvements on the Property to which the Licensees are entitled use by this Agreement.

4. CONDITION OF PROPERTY. Licensees have inspected the Property and acknowledge that the Property is being licensed “as-is.” No representations, statements, or warranties, express or implied, have been made by or on behalf of Greeley as to the condition of the Property or its suitability for the Licensees’ anticipated uses. In no event shall Greeley be liable for any defect in the Property or for any limitation on its anticipated uses.

5. AUTHORIZED USE AND MANAGEMENT OF PROPERTY. Licensees shall occupy and use the Property solely for hunting waterfowl. Licensees shall not introduce any animals or livestock to the Property other than hunting dogs without advance written consent from Greeley. Such consent may be given or withheld in the sole discretion of Greeley.

a. Licensees shall occupy and use the Property in a manner that is consistent with sound agricultural and conservation practices and supports Greeley’s land management efforts.

b. Licensees shall access the Property only via F Street at the northeastern corner of the Property and park motorized vehicles only in the dirt lot located at such northeastern corner. Licensees shall not operate motorized vehicles anywhere else within the Property or on the Larson Trail.

c. Licensees shall furnish at their sole expense all materials needed for use of the Property.

d. Licensees shall not mow the Property nor trim nor cut down any trees on the Property.

e. Licensees acknowledge that Greeley will manage noxious weeds on the Property that Greeley determines, in its sole discretion, are not sufficiently managed by grazing and other appropriate non-chemical means. Licensees shall cooperate with Greeley in all such efforts and facilitate access to the Property by Greeley staff at all reasonable times for the purposes of weed eradication and associated activities. Licensees shall not apply chemicals to the Property.

6. COVENANTS OF THE LICENSEES.

a. Licensees acknowledge that the Property and this Agreement are also subject to that certain Grazing and Farm Lease executed by and between Greeley and A & A Farming, LLC and dated March 4, 2025 (“Grazing Lease”). Licensees shall not interfere in any manner with the operations of the lessee under the Grazing Lease and shall be solely responsible for any damages incurred by the lessee under the Grazing Lease that result from the Licensees’ activities pursuant to this Agreement.

b. Licensees shall each execute and return to Greeley a Release and Waiver of Liability in the form attached hereto and incorporated herein as Exhibit B in advance of occupying and using the Property as contemplated by this Agreement.

c. Licensees acknowledge that there are domestic residences and the Larson Trail in near proximity to the Property. Licensees shall not commit any act or omission to act while occupying and using the Property that could cause damage or injury to any other persons or property. Without limiting the foregoing, Licensees shall not discharge firearms in the direction of domestic residences or the Larson Trail, shall not operate motor vehicles on the Larson Trail, and shall conduct all activities pursuant to this Agreement at a minimum distance of 300 feet from the Property boundaries.

d. Beyond the hunting of waterfowl contemplated by this Agreement, the Licensees shall not intentionally harass, injure, or kill any wildlife species on the Property, including, without limitation, non-domesticated amphibians, reptiles, fish, birds, or mammals native to the Greeley area. Licensees shall promptly contact Greeley and Colorado Parks and Wildlife to address any wildlife management concerns on the Property.

e. Licensees shall occupy and use the Property, and perform their obligations under this Agreement, in strict compliance with all local, state, and federal laws, rules, charters, ordinances and regulations, as applicable now or later enacted or amended, including, without limitation, Colorado Parks and Wildlife rules and regulations concerning the hunting of waterfowl.

f. Licensees shall not assign this Agreement, sublet the Property or any part thereof, nor allow any third parties to hunt on the Property without advance written consent from Greeley. Such consent may be given or withheld in the sole discretion of Greeley. Licensees shall not pledge nor mortgage their interests in this License without the advance written consent of Greeley, which consent may be given or withheld in the sole discretion of Greeley. Licensees shall not directly nor indirectly create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or claim on or with respect to the Property.

g. Licensees shall not construct, nor permit construction of any structure, building or other improvement, temporary or otherwise, on the Property without the advance written consent of Greeley, which consent may be given or withheld in the sole discretion of Greeley. Licensees shall not erect, paint, or maintain any signs on the Property without the advance written consent of Greeley, which consent may be given or withheld in the sole discretion of Greeley. Licensees shall promptly remove any such signs or improvements to which Greeley consents upon expiration or termination of this Agreement.

h. Licensees shall not allow any noise, odors, fumes, or vibrations on the Property other than those caused by normal hunting practices that may disrupt normal activities on adjacent properties.

i. Licensees shall undertake reasonable measures to avoid the introduction of noxious weeds to the Property, including, without limitation, by cleaning equipment and vehicles before entering onto the Property.

j. Licensees shall maintain the Property in as good repair and condition as it exists at the commencement of this Agreement. Licensees shall not damage the Property in any manner whatsoever and shall promptly notify Greeley of any such damage caused and immediately restore the Property to its previous condition at their sole expense.

k. Licensees shall peaceably surrender possession of the Property to Greeley upon the expiration or termination of this Agreement.

7. INDEMNIFICATION.

a. Licensees assume the risk of loss to themselves and any personal property located on the Property during the term of this Agreement, whether from windstorm, fire, earthquake, snow, water run-off, soil conditions, or any other causes whatsoever.

b. Without limiting the Release and Waiver of Liability attached hereto as Exhibit B, the Licensees and their agents, heirs, and successors agree to jointly and severally indemnify, defend and hold harmless Greeley, and its agents, officers, and employees from and against all damages, claims, actions, causes of action, demands, judgments, costs, expenses of every kind and nature, predicated upon injury to or death of any person or loss of or damage to any property, arising, in any manner, from the operations and activities of the Licensees under this Agreement.

c. Nothing in this Agreement is intended 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.

8. HAZARDOUS MATERIAL.

a. Licensees shall not cause nor permit any Hazardous Material to be brought upon, kept, or used in or about the Property without the advance written consent of Greeley, which consent may be given or withheld in the sole discretion of Greeley.

b. If Licensees breach the obligations stated herein, or if the presence of Hazardous Material on the Property caused or permitted by the Licensees results in contamination of the Property, or if contamination of the Property by Hazardous Material otherwise occurs for which the Licensees are liable to Greeley for damage resulting therefrom, then the Licensees and their agents, heirs, and successors shall jointly and severally indemnify, defend, and hold Greeley harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses which arise during or after the lease term as a result of such contamination. This indemnification of Greeley includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present in the soil or groundwater on or under the Property.

c. Without limiting the foregoing, if the presence of any Hazardous Material on the Property caused or permitted by the Licensees results in any contamination of the Property, the Licensees shall promptly take all actions at their sole expense as are necessary to return the Property to the condition existing prior to the introduction of any such Hazardous Material to the Property; provided that Greeley's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse effect on the Property.

d. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of Colorado, or the

United States Government. The term “Hazardous Material” includes, without limitation, any material or substance that is (i) defined as a “hazardous substance” under appropriate state law provisions; (ii) petroleum; (iii) asbestos; (iv) designated as a “hazardous substance” pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1321; (v) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6903; (vi) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601; or (vii) defined as a “regulated substance” pursuant to the Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. § 6991.

9. RESERVATIONS. Greeley reserves the right under this Agreement to have its officers, employees, and representatives enter onto the Property at any time for any purpose, including, without limitation, for inspections, site assessments, surveys, groundwater monitoring, weed management, and other associated activities. Without limiting the foregoing, Licensees specifically acknowledge that the Property and this Agreement will also be subject to periodic activities undertaken by Greeley contractors for due diligence associated with Greeley’s anticipated future uses of the Property. Greeley will provide the Licensees with reasonable notice of such activities, which may be undertaken by Greeley and its contractors at any time and at its sole discretion for the purposes of, without limitation, surveying, geophysical investigations, climate data collection, site tours, drone photography, and other site-specific activities. Licensees shall not interfere in any manner with Greeley’s activities pursuant to the reservation of rights in this section.

10. TERMINATION FOR CAUSE.

a. If the Licensees fail to observe or perform any term or condition of this Agreement, then Greeley may in its sole discretion revoke the license granted by this Agreement, terminate this Agreement with immediate effect, and re-enter and repossess the Property, with or without legal proceedings, using such force as may be necessary, and remove any property belonging to the Licensees without prejudice to any claim for rent or for the breach of covenants hereof. The Licensees and their agents, heirs, and successors agree to jointly and severally indemnify and hold Greeley harmless from and against any costs for the removal and storage of property incurred by Greeley under the provisions of this section.

b. If Greeley determines in its sole discretion that the Licensees have created a public safety hazard, then Greeley may immediately take action to secure the safe operation of the Property, including without limitation, revoking the license granted by this Agreement, terminating this Agreement with immediate effect, and/or removing the Licensees and any property belonging to the Licensees from the Property.

c. Without limiting the foregoing, the occupation or use of the Property by any individual who has not executed a Release and Waiver of Liability in the form attached hereto and incorporated herein as Exhibit B shall be grounds for Greeley to terminate this Agreement with immediate effect as described in this section.

11. STATUS OF LICENSEES. Licensees shall conduct themselves at all times under this Agreement as independent and not as employees, agents, or joint ventures of Greeley. Licensees will not be supervised by any employee or official of Greeley, nor will the Licensees exercise supervision over any employee or official of Greeley.

12. MISCELLANEOUS PROVISIONS.

a. This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado.

b. No waiver or default by Greeley of any of the terms, covenants, warranties, or conditions hereof to be performed, kept, or observed by the Licensees shall be construed or operate as a waiver by Greeley of any of the terms, covenants, warranties, or conditions herein contained, to be performed, kept, or observed by the Licensees.

c. Licensees agree that Greeley is under no obligation to maintain the Property in a particular condition or for a particular use, and the Licensees waive all claims for damages of any kind or nature, whatsoever, resulting from the condition or suitability of the Property for its anticipated uses.

d. Article and section headings shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

e. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based upon any attribution to such party of the language in question.

f. No term, condition, or covenant in this Agreement shall give or allow any claim, benefit, or right of action by any third person not a party hereto. Any person or entity other than Greeley or the Licensees receiving services or benefits under this Agreement shall be considered an incidental beneficiary.

g. This Agreement is an integration of the entire understanding of the parties with respect to the matters set forth herein. No representations, warranties, or certifications, expressed or implied, shall exist as between the parties, except as specifically set forth in this Agreement. The parties shall only amend this Agreement in writing with the proper official signatures attached thereto.

h. Invalidation of any specific provisions of this Agreement shall not affect the validity of any other provision of this Agreement.

i. The Licensees shall not record this Agreement in the real property records of any jurisdiction. This Agreement is not intended to create any benefit or burden that runs with real property.

j. This Agreement shall extend to and be binding upon the heirs and successors in interest of the parties.

k. 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 electronic signatures.

13. NOTICE. Any notice required by this Agreement shall be deemed sufficient when provided by U.S. mail, hand delivery, or by electronic mail if receipt is acknowledged or no notice of delivery failure is received within twenty-four (24) hours, using the information set forth below. Greeley and the Licensees shall promptly update the other party if the appropriate contact information changes.

If to Greeley: City of Greeley Water and Sewer
Attn: Water Resources Division
1001 11th Avenue, 2nd Floor
Greeley, Colorado 80631
Email: morgan.effrein@greeleygov.com

If to the Licensees:	Mike Huston 1784 44 th Avenue Court Greeley, Colorado 80634 Email: mhuston44@yahoo.com	Tory Hanson 2156 74 th Avenue Court Greeley, Colorado 80634 Email: thanson@yahoo.com
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Greg Taylor 1942 27 th Avenue Greeley, Colorado 80634 Email: gtaylor7050@gmail.com	Mike Slaughter 1674 37 th Avenue Place Greeley, Colorado 80634 Email: mslaugh856@gmail.com
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Mike Huston, Jr.
1784 44th Avenue Court
Greeley, Colorado 80634
Email: _____

IN WITNESS WHEREOF, the City of Greeley and the Licensees have executed this Hunting License Agreement as of the date stated in the preamble.

CITY OF GREELEY, COLORADO
a Colorado home rule municipality
acting by and through its Water Enterprise

By: _____
Director of Water and Sewer

MIKE HUSTON

Print: _____

TORY HANSON

Print: _____

GREG TAYLOR

Print: _____

MIKE SLAUGHTER

Print: _____

MIKE HUSTON, JR.

Print: _____

EXHIBIT A-1
HUNTING LICENSE AGREEMENT

Legal Description of the Property

Parcel A1: A part of the NE ¼ of the NW ¼ of Section 2, Township 5 North, Range 66 West of the 6th P.M., County of Weld, State of Colorado, more particularly described as follows:

Beginning at a point on the North line of Section 2, Township 5 North, Range 66 West of the 6th P.M., said point being 677 feet West of the North quarter corner of said Section 2; thence South 236 feet to the center line of the Union Colony No. 3 Ditch; thence Northwesterly along said center line a distance of 541 feet to the intersection of said center line and the North line of said Section 2; thence East along said North line 460 feet to the point of beginning.

Parcel A2: All that part of the NW ¼ of Section 2, Township 5 North, Range 66 West of the 6th P.M., County of Weld, State of Colorado, described as follows: beginning at the Northeast corner of the NW ¼ of said Section 2, thence West along the North line thereof 677 feet; thence South 156.5 feet, more or less, to the right of way of the Greeley Irrigation Company Canal (No. 3); thence Southeasterly along the right of way of said Canal to the East line of said NW ¼; thence North along the East line of said Northwest Quarter (NW) to the point of beginning.

Parcels A1 and A2 being more particularly described as follows: A parcel of land being comprised of portions of Parcel No. 1 and Parcel No. 2 as previously described in a deed recorded June 13, 2003 as Reception No. 3072645 of the Records of Weld County and being situate in the Northeast Quarter of the Northwest Quarter (NE1/4NW1/4) of Section Two (2), Township Five North (T.5N.), Range Sixty-six West (R.66W.) of the Sixth Principal Meridian (6th P.M.), County of Weld, State of Colorado, more particularly described as follows:

COMMENCING at the North Quarter Corner of said Section 2, as monumented by a 2.5" Aluminum Pipe with a 3.25" Aluminum Cap stamped LS22098 and 1992, and assuming the North line of the Northwest Quarter of said Section 2 as bearing South 89°26'09" West a distance of 2721.10 feet, with all other bearings contained herein relative thereto: THENCE South 89°26'09" West along the North line of the Northwest Quarter of said Section 2 a distance of 121.34 feet to the Westerly line of that parcel described in a Warranty Deed recorded May 26, 2004 as Reception No. 3183518 of the Records of Weld County and to the POINT OF BEGINNING;

The next Four (4) courses are along the Westerly and Northerly lines of said parcel described in a Warranty Deed recorded May 26, 2004 as Reception No. 3183518 of the Records of Weld County: THENCE South 00°24'57" West a distance of 86.76 feet; THENCE South 59°51'03" West a distance of 174.56 feet; THENCE North 72°35'49" West a distance of 338.32 feet; THENCE South 74°26'36" West a distance of 280.71 feet to the Northerly Right of Way line of the Greeley #3 Ditch as called for in said Warranty Deed recorded May 26, 2004 as Reception No. 3183518 of the Records of Weld County; THENCE South 73°14'56" East along the Northerly Right of Way line of the Greeley #3 Ditch a distance of 211.00 feet; THENCE South 02°36'47" East a distance of 31.80 feet to the center line of the Union Colony No. 3 Ditch;

The following Four (4) courses are along the center line of the Union Colony No. 3 Ditch: THENCE North 73°14'56" West a distance of 221.54 feet; THENCE North 66°27'32" West a distance of 206.66 feet to a Point of Curvature; THENCE along the arc of a curve concave to the Northeast a distance of 82.09 feet, said curve has a Radius of 110.00 feet, a Delta of 42°45'28" and is subtended by a Chord bearing North 45°04'48" West a distance of 80.20 feet to a Point of Tangency; THENCE North 23°42'04" West a distance of 30.71 feet to the North line of the Northwest Quarter of said Section 2; THENCE North 89°26'09" East along the North line of the Northwest Quarter of said Section 2 a distance of 1012.12 feet to the POINT OF BEGINNING.

Parcel B: That portion of the following property lying north and east of the Greeley No. 3 Canal – the South Half of the Southwest Quarter (S1/2SW1/4) of Section Thirty-Five (35), Township Six North (T.6N.), Range Sixty-six West (R.66W.) of the Sixth Principal Meridian (6th P.M.), County of Weld, State of Colorado.

Excepting Therefrom that parcel of land conveyed to The City of Greeley in a Warranty Deed recorded May 26, 2004 as Reception No. 3183518 and also Excepting Therefrom that parcel of land conveyed to William A. Putnam and Mary A Putnam in a Quit Claim Deed recorded March 14, 1985 as Reception No. 2001839, said parcel of land conveyed in the Quit Claim Deed subsequently becoming the most westerly portion of the Stoneybrook Subdivision Filing No. 1.

EXHIBIT A-2
HUNTING LICENSE AGREEMENT

Map of the Property

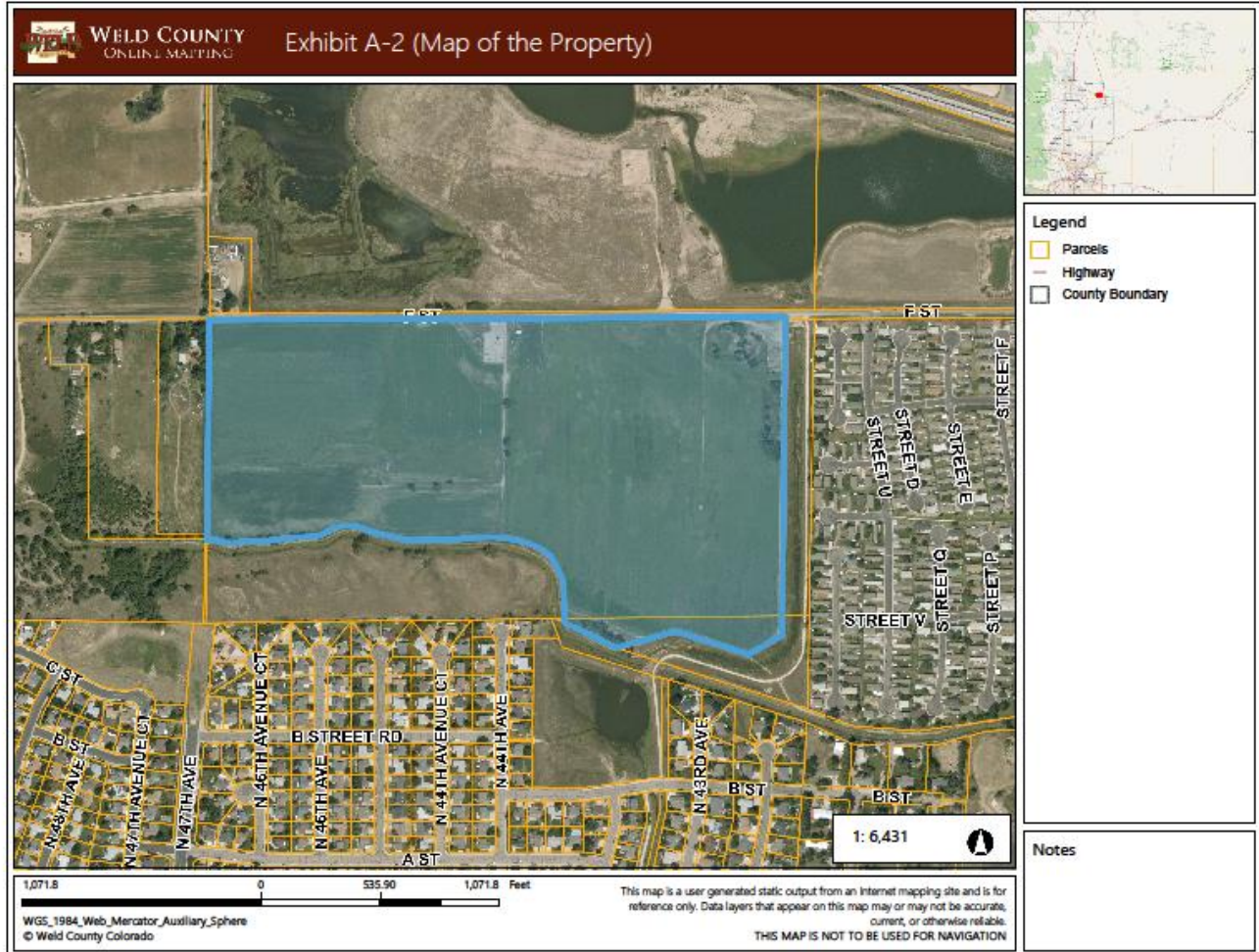


EXHIBIT B
HUNTING LICENSE AGREEMENT



RELEASE AND WAIVER OF LIABILITY

NOTICE. This is a legally binding agreement. By signing this release and waiver of liability, you are giving up all rights to recover compensation or any other remedy for damages and injuries of any kind, including death, to yourself or your property that may arise out of your activities pursuant to or associated with the Hunting License Agreement granted by the City of Greeley and dated _____, 2025 (“Hunting License”), whether the damages or injuries are realized while engaged in such activities or at any time in the future.

ACKNOWLEDGEMENT AND ASSUMPTION OF RISK

I, the undersigned, hereby acknowledge and agree that my participation in activities pursuant to or associated with the Hunting License has inherent and dangerous risks, including, without limitation, the following:

1. All manner of damages or injury to person or property that may result from traveling to and from the City-owned property described in the Hunting License.
2. All manner of damages or injury to person or property that may result from engaging in the activities contemplated by the Hunting License, including, without limitation, hunting waterfowl or other wildlife, discharging firearms, being in the vicinity of firearms that may be discharged, and navigating potentially rugged and uneven terrain.

I, the undersigned, further acknowledge and agree that the above list is not inclusive of all possible risks associated with my participation in activities pursuant to or associated with the Hunting License and that the above list in no way limits the scope of this release. I certify that I have full knowledge of the nature and extent of the risks inherent to my participation in activities pursuant to or associated with the Hunting License and that I am voluntarily assuming all such risks. I understand that I will be solely responsible for any damages or injuries, including death, that I incur while participating in activities pursuant to or associated with the Hunting License and that by signing this release, I am relieving the City of Greeley of any and all liability whatsoever for such damages or injuries.

I, the undersigned, further certify that I am in good health and that I have no physical limitations that would preclude my safe participation in activities pursuant to or associated with the Hunting License. I further certify that I am of lawful age (18 years or older) and legally competent to sign this release. I understand that the terms of this release are legally binding and that I am signing this release, after having carefully read it, of my own free will.

RELEASE OF LIABILITY AND INDEMNIFICATION

In consideration of my participation in activities pursuant to or associated with the Hunting License, I, the undersigned, agree on behalf of myself, my heirs, representatives, executors, administrators and assigns, to hereby release the City of Greeley, its employees, officers, agents, contractors, and sponsors from all liability, causes of action, and claims or demands of any nature whatsoever associated with my participation in activities pursuant to or associated with the Hunting License, however such liability, causes of action, claims or demands may arise, including, without limitation, from claims of negligence by the City of Greeley, its officers, agents, and employees

that I, my heirs, representatives, executors, administrators or assigns may assert related to my participation in activities pursuant to or associated with the Hunting License.

In further consideration of my participation in activities pursuant to or associated with the Hunting License, I, the undersigned, agree to indemnify and hold harmless the City of Greeley, its employees, officers, agents, contractors, and sponsors from all liability, causes of action, and claims or demands of any nature whatsoever associated with my participation in activities pursuant to or associated with the Hunting License.

AGREEMENT TO FOLLOW RULES, REGULATIONS, POLICIES, AND APPLICABLE LAW

I, the undersigned, agree to accept full responsibility for my own safety during my participation in activities pursuant to or associated with the Hunting License, and agree to strictly abide by the terms and conditions of the Hunting License, the rules, regulations, and policies of the City of Greeley, and the requirements of any other applicable legal authority during my participation in activities pursuant to or associated with the Hunting License, including, without limitation, the following:

Participants shall comply with all applicable local, state, and federal legal authority related to the regulation of hunting, hunting seasons, and the possession and discharge of firearms or other weapons, including without limitation, all educational and licensure requirements related to the foregoing activities.

The City of Greeley reserves the right to revoke the Hunting License and the access granted to the City-owned property described therein for any reason or no reason, including, without limitation, not abiding by the terms and conditions of the Hunting License, not abiding by any rule, regulation, or policy of the City of Greeley, not abiding by any other applicable legal authority, or for any conduct whatsoever that is deemed by City staff or representatives to be inappropriate, unsafe, or dangerous to the citizens of the City of Greeley.

PARTICIPANT SIGNATURE

Participant Signature

Date: _____

Name: _____

IF PARTICIPANT IS UNDER 18 YEARS OF AGE:

I, as a parent or guardian of the minor participant identified above, who is under 18 years of age, hereby agree individually and collectively on behalf of the participant, that this release is binding upon on myself and upon the minor participant identified above.

Parent or Guardian Signature
if Participant is under 18 years of age

Date: _____

Name: _____



Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Leah Hubbard, Deputy Director of Water Resources

Title:

Water Rights Administration Overview

Summary:

The City of Greeley manages a diverse water resources portfolio and must track water rights to meet historical return flows to the river. This overview describes the basics of water rights accounting and administration.

Recommended Action:

Informational only

Recommended Motion:

None

Attachments:

1. Water Rights Administration Overview



Water Rights Administration

Leah Hubbard

September 17, 2025

Water Administration 101

1. Colorado Water Law
2. Water Law Basics
3. Water Rights in Practice in the City of Greeley



Colorado Water Law



Prior Appropriation

- Governs water allocation and use.
- Water users with earlier rights (senior rights) can fulfill their needs before more junior rights.
- Water rights granted in water court, set priority date and terms and conditions of use.

Water Rights

Direct Flow Right

- Water is diverted directly from a river and is used immediately.

Storage Right

- Water is stored in a reservoir or underground for later use.

Instream Flow Right

- Water is not diverted.
- Keeps water in the river for aquatic habitat.

Water Decree

Court issued legal document that confirms and defines a water right.

Purpose

- Provides terms and conditions to ***prevent injury*** to other water users that must be followed.
- Water Court process provides the decrees, and the River Commissioner manages river and all users' decrees.

Determines

1. When
2. Where
3. Amount
4. What (beneficial use)
 - Domestic, municipal, agricultural and industrial

Decrees

Augmentation Decree

- Allows junior users to divert water even while senior users have priority.
- Must have a plan to replace the water depletions.

Exchange Decree

- Upstream users divert water and then return that same amount of water diverted downstream.

Change Decree

- Allows change in the type and place of water use.
- Retains priority date.
- Limited to ***historical consumptive use***.
- E.g. Ag to municipal

Historical Consumptive Use:

The amount of water that has been put to a beneficial use over time.

Historical Consumptive Use (HCU)

The amount of water that has been put to a beneficial use over time.

Diversion

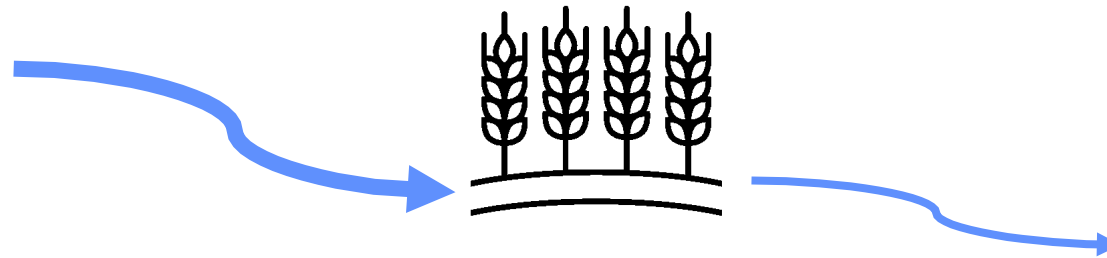
- Farmer diverts 10 cfs
- 2 cfs is absorbed by the ditch

Irrigation (HCU)

- **6 cfs** used by crops and lost to evaporation

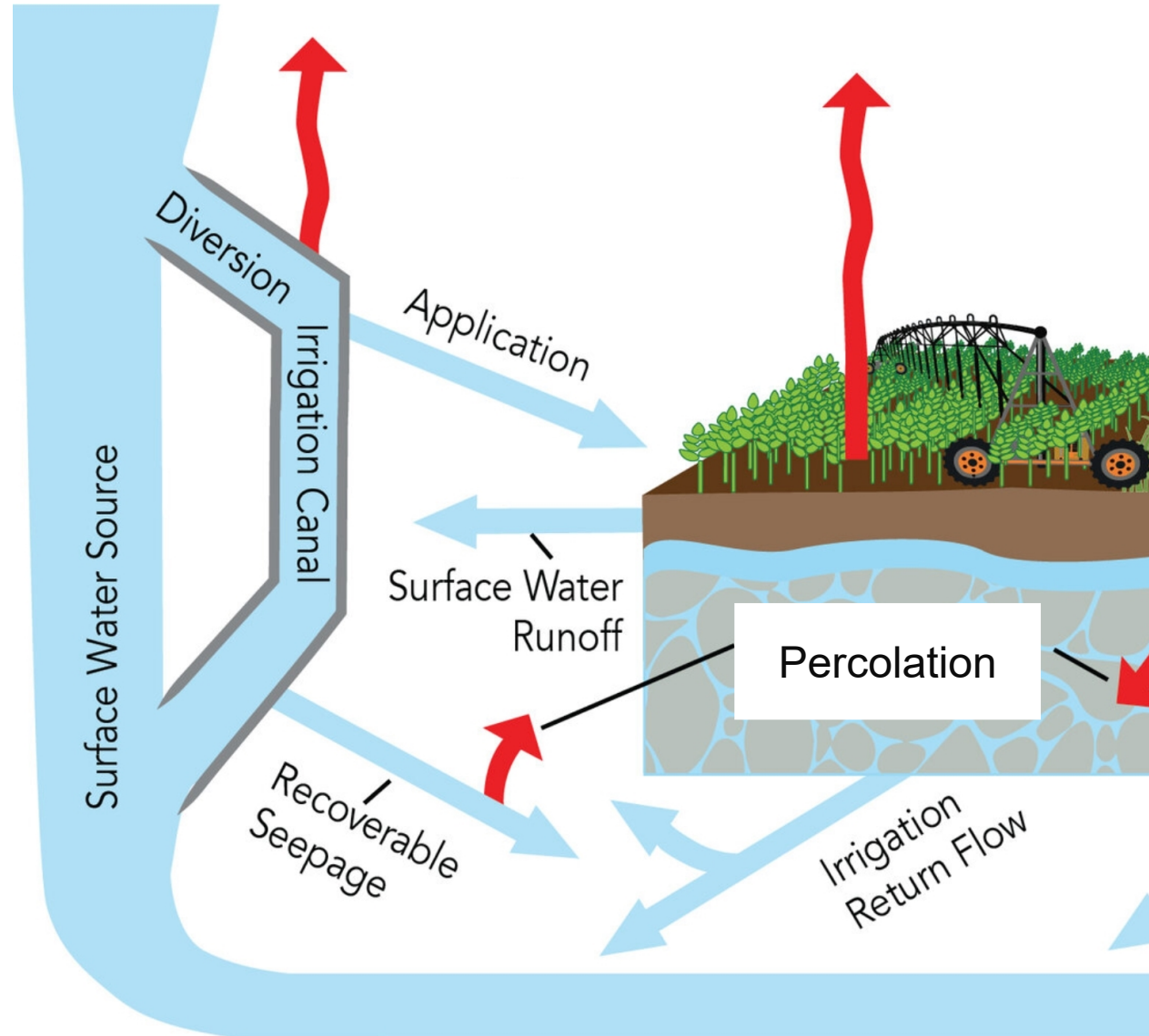
Return Flow to River

- 2 cfs drains back to the river



If this water right is changed, then the amount of water used cannot increase and the amount that flows back to the river must stay the same.

Example



Return Flow Obligations

Excess water that must be returned to the river after water is put to beneficial use.

Returns to River

- Surface runoff
- Seepage into groundwater



Legally protected

- Maintains historical returns to the river
- Protects downstream users

River Calls

Why call?

- Senior water user is not receiving their full amount of water.
- A priority date is set.
- Only water rights senior to this date may divert water.

Enforcement

- Junior users must reduce or stop their diversions until senior right is satisfied.
- Augmentation decrees can allow junior users to continue diverting under strict terms and conditions.

What triggers a call?

- Low streamflow.
- Over-diversion by junior users.
- Reservoir filling

Well Augmentation



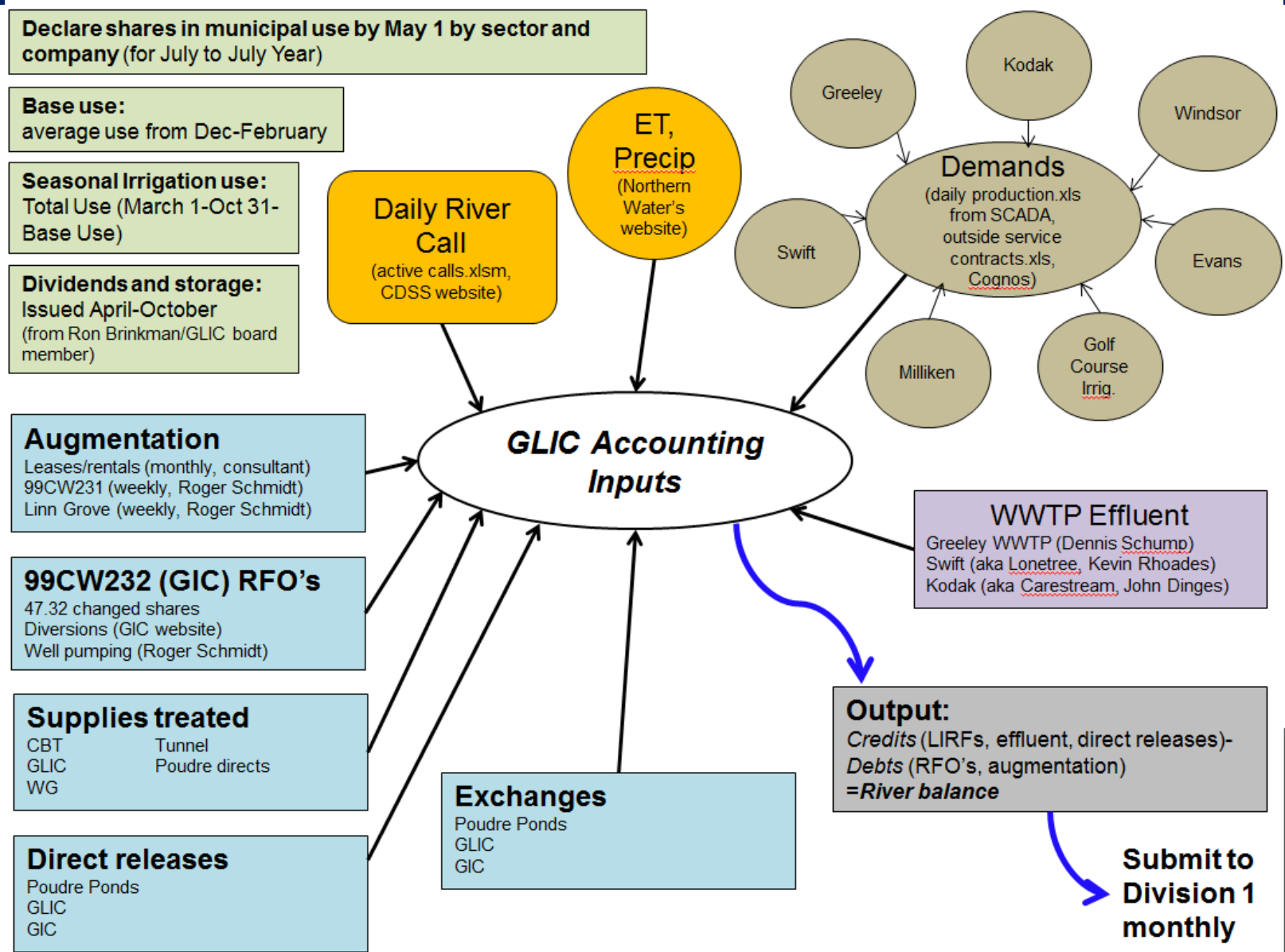
What is it?

- Greeley still pumps wells through the city to keep turf areas green in the summer, even when the call is on

How we track it

- Accounting packages measure how much water we owe to the more senior water rights holders downstream and we make releases to cover the wells operating

Water Accounting



Poudre Ponds



Return Flow Obligations

- Releases from the ponds can help satisfy return flows required by Greeley's changed water rights.

Rentals

- Income generation by renting water released from ponds



Questions?





Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Brian Von Seggern, Water Resource Operations Manager, Travis Gilbertson, Water Resource Administrator III, Morgan Effrein, Water Resource Administrator II, Eric Clark, Water Resource Administrator I

Title:

Agricultural and Augmentation Rental Policy Review

Summary:

The City of Greeley annually evaluates its water supply and rents excess CBT, ditch shares, and wholly consumable effluent water through two primary programs: agricultural and non-agricultural (i.e., augmentation, industrial, and municipal) rentals.

Overall, these programs aim to utilize Greeley’s water supply portfolio efficiently, support agriculture, ensure equitable access to non-agricultural users, and generate revenue from excess water supplies while maintaining consistent administration and operational oversight.

This informational item is to update the Water and Sewer Board on past rental program practices and present new rental program updates.

Recommended Action:

Informational Only

Recommended Motion:

None

Attachments:

1. AG-Non-AG Rental Program Revision
2. Memo - Water Rental Program Update
3. City of Greeley Rental Policy Technical Report



Agricultural and Non-Agricultural Water Rental Program Revision

Water Resources Team

Agenda and Purpose



- Water Sources
- Background / Current State of Programs
- WestWater Research Report
- Ag / Non-Ag Program Revision Overview
- Logistics / Client Experience
- Timeline
- Non-Ag Market Demand
- Questions

Inform Board of rental program and seek feedback



Water Sources

Colorado Big Thompson (CBT) Project Water

- Rent to Ag and Non-Ag

Ditch Company Shares

- Rent to Ag

Wholly Consumable and Wholly Consumable Effluent

- Rent to Non-Ag
- Comes from our wastewater treatment plant and Leprino
- Highest price and most flexible source



Water Rental Background

Agricultural Water Rental

- First come, first serve
- Costs farmers assessment fee + small admin fee
- Handled by one staff member
- Renting ~10,000 AF

Non-Ag Water Rental

- Deal by deal basis
- Not advertised
- Agreements vary widely in structure and cost
- Renting ~4,000 AF

New Program Goals

- Standardize both programs
- Increase responsiveness to market demand
- Increase program efficiency, resource allocation, and operational controls

WestWater Report: Key Findings



Greeley's Programs

Agriculture Rental

- First-come, first-serve
- Pricing = ditch assessment + admin fee (10%, max \$500)

Non-Ag Rental

- Varies
- Not competitive

Market and Peer Analysis (2024)

Agriculture Willingness to Pay

- \$70 - \$150/AF (crop budget)

Peer Agriculture Rental Range

- \$8 - \$95/AF

Non-Ag Rental Range

- up to \$1,500/AF
- Price varies by source
 - CBT \$500-800/AF
 - wholly consumable >\$500/AF

M&I Rental Range

- \$110 - \$500/AF

Administration

Agriculture Rental

- Online form enhancements
- Centralize Data

Non-Ag Rental

- Online request
- Bid process
- Centralize data

Current State of Agricultural Rental

Policy Overview

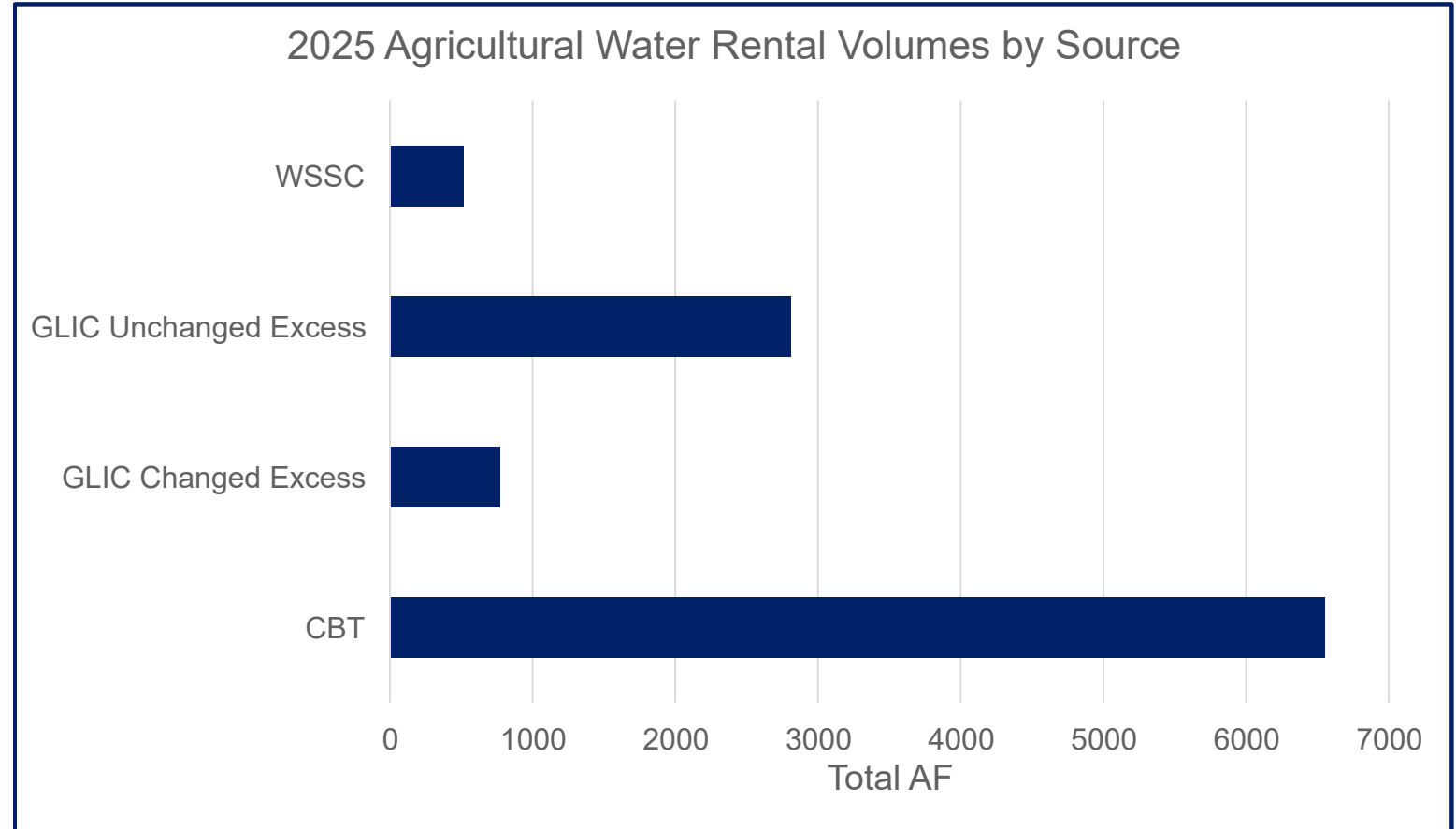
Agriculture users only

Submit requests **Jan. 1st at 8 am**

- Online submission form

Price Structure

- Cover costs
- Plus, administrative fee: 10% of total assessment cost, up to \$500
- CBT price excludes Rule 11 fee charged by Northern Colorado



Future of Agricultural Rentals

Maintain Program Structure

First-Come, first-served with basin priority

Continue pricing structure

Online submissions

Fulfilled in April of each year following adequate water year

New Changes

- Add a minimum of \$35/AF
- Remove cap on admin fee of \$500
- Move back request date to Jan. 15th

Further cultivate efficiency of program



Questions

Current State of Non-Ag Water Rentals

Deal by deal and unstandardized

1. Water lessee reaches out
2. Provide delivery schedule
3. Run projections for water availability
4. Accept, reject or counter-offer
5. Adjust Accounting
6. Release water

Historical Pricing:

- Wholly consumable \$800 per acre-foot
- CBT \$500 per acre-foot

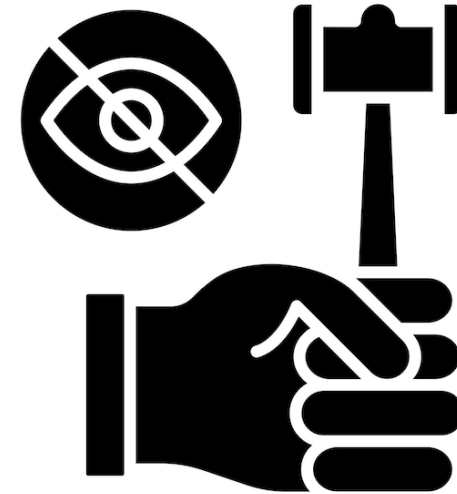
- Short term rentals to bi-annual leases
- Trades to gain water storage or ditch shares



Future of Non-Ag Water Rentals

Blind Auction System

- Encourage open market competitive pricing
- Increase equitability
- Utilize a scoring criteria to drive Greeley's priorities
- Improve scheduling capabilities
- Maximize efficiency and water availability



Wholly Consumable

- Minimum starting bid at \$800 per acre-foot

CBT

- Minimum starting bid at \$500 per acre-foot

Logistics / Client Experience

Agriculture Water

Submit rental form



Water requests sent to central email address managed by water resource staff
rentals@greeleygov.com
Confirmation email back to client

Submissions will be processed

- Reduces error
- Easy for client
- Reserves right to deny
- Easy for staff to manage

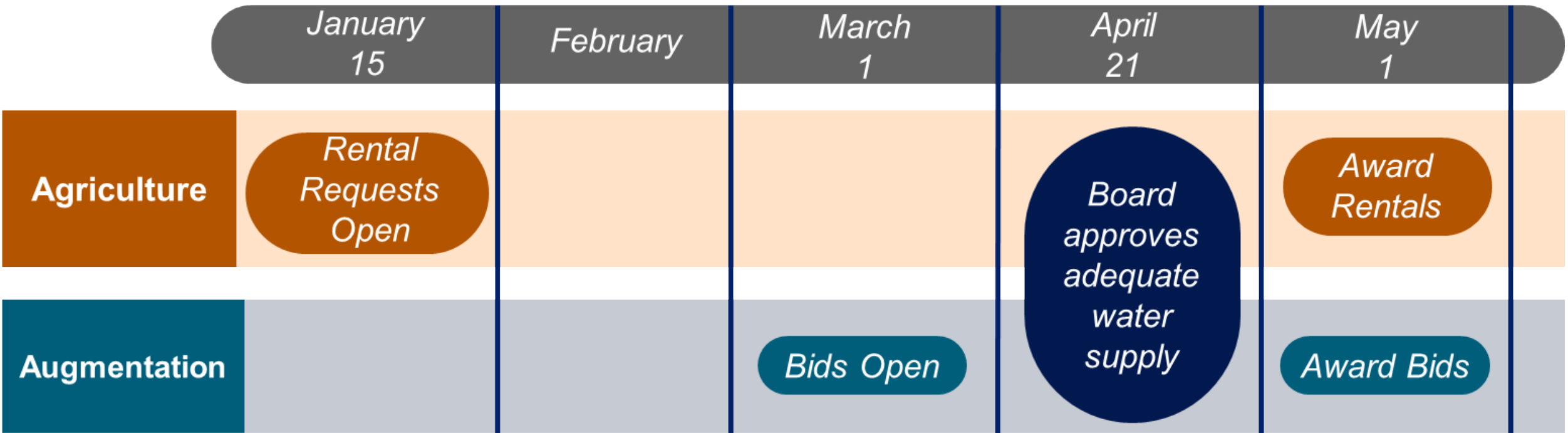
Non-Ag Water

Submit blind bid form



Water requests sent to central email address managed by water resource staff
rentals@greeleygov.com
Confirmation email back to client

Key Dates



Non-Ag Market Demand

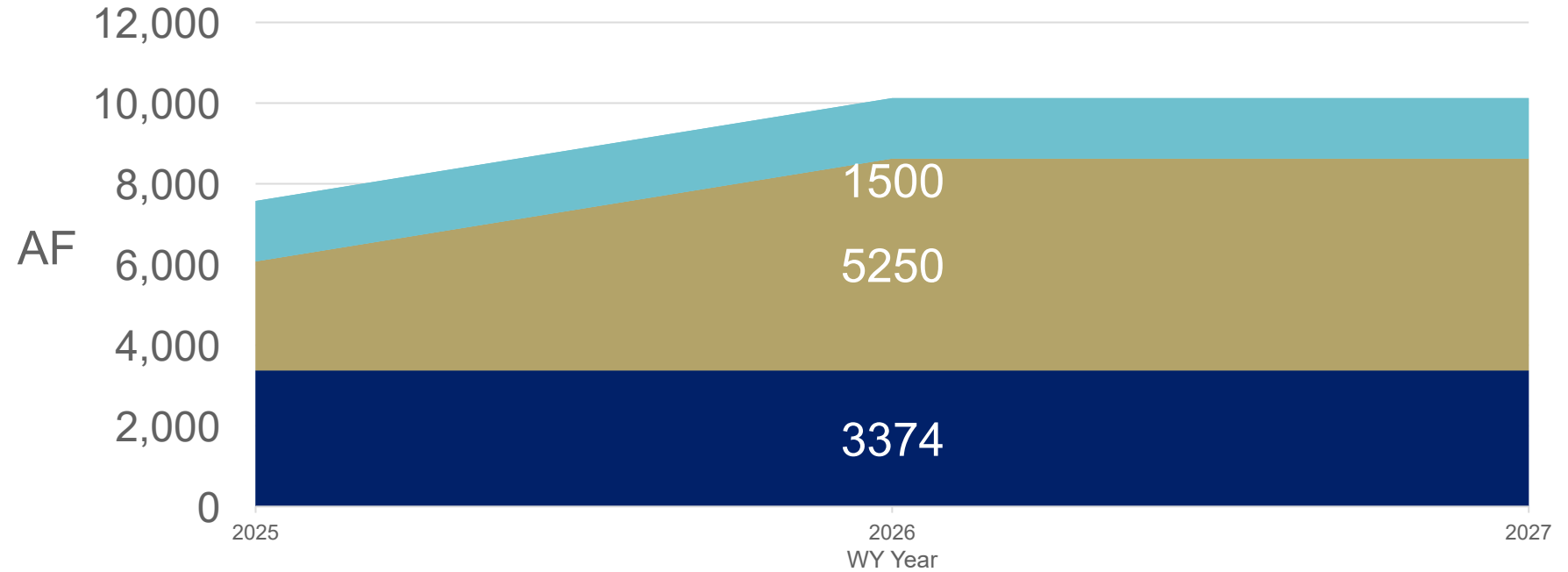
- Non-Ag Rentals

- Recharge
- Gravel Pit
- Water Districts
- Well Plans
- SWSP's
- Oil and Gas
- Municipal
- Construction

- Market Demand 2026

- 10,124 AF

Greeley Non-Ag Demand



■ 2025 Augmentation ■ Additional Demand ■ Reserved Water

Potential Income

CBT Agriculture vs CBT Non-Ag

- Recommend 30% of CBT for Non-Ag Rentals
- Northern CBT Regional Pool Program Sealed bid process

Wholly Consumable

- Market indicates rental rates of **\$800 - \$1,500 per AF**
- Maximize production of wholly consumable effluent
- Utilize & execute junior storage decrees

Greeley's business is water

- Capitalize on foresight of 35+ years of junior decrees
- Annual water assessments amount to \$6 million



Conclusion



Summary: Changing policy for water rentals:

- Start a **blind auction** for Non-Ag
- Make **minor changes** to the Ag Rental program
- Board approval of program revisions will be sought next month



Water Rental Program Update Memo

The City of Greeley conducts an annual evaluation of its water supply and rents excess Colorado-Big Thompson (CBT), ditch shares, wholly consumable sources, and wholly consumable effluent water through two rental programs: agricultural and non-agricultural rentals. These programs are a key part of managing the City's water supply portfolio, supporting agricultural users, and generating revenue. The Water Resource Operations team has sought input from WestWater Research, LLC on the cost effectiveness of our programs and with their recommendations to the programs, minor changes to the rental programs are being recommended.

For **agricultural rentals**, policy currently serves agricultural users on a first-come, first-serve basis for in-basin and Weld County users. Requests are submitted online, with a maximum allotment of 500 acre-feet per submission. Pricing is tied to each supply's average assessment cost plus an administrative fee of 10% up to \$500. CBT rentals do not charge any applicable Rule 11 fees (fee is administrated by Northern Water and becomes the renter's responsibility). If a ditch company does not have assessments in any given year a minimum of \$150 is charged to cover administrative costs.

The Water Resource Operations Team is recommending three changes:

- Establishing a minimum cost of **\$35 per acre-foot**.
- Removing the current **\$500 cap on administrative fees**.
- Moving the deadline from **January 1 at 8:00 a.m.** to **January 15 at 8:00 a.m.**

For **non-agriculture rentals**, Greeley has historically handled agreements on a case-by-case basis, resulting in a large variety of agreement structures, pricing schemes, and timelines. To improve fairness and efficiency, the Water Resource Operations Team proposes shifting to a **blind auction system**. This change is intended to encourage competitive pricing, improve scheduling, and maximize water availability. Key elements of the proposal include:

- Minimum bids set at **\$800/AF for wholly consumable water** and **\$500/AF for CBT**.
- A **30% allocation of CBT** dedicated to industrial rentals.
- Annual determination of beneficial wholly consumable volumes to rent by the Water Resource Operations Team.
- Historical pricing for wholly consumable water has ranged from **\$800–\$1,500/AF**, consistent with market conditions and Greeley's long-term strategy.
 - This will allow for rental prices to be market driven versus fixed rate.

Overall, these revisions will help Greeley efficiently utilize its water resources while balancing the needs of agricultural and non-agricultural users. The changes are also designed to increase transparency, improve administration, and strengthen the City's ability to generate revenue from excess supplies.

City of Greeley Rental Program Technical Report

Prepared for
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By

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May 7, 2024

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1 Executive Summary

The City of Greeley's raw water lease policies operate through three existing lease programs: an Agricultural Rental Program, a Non-Agricultural Rental Program, and an Agricultural Lease Program. Generally, the rental programs transfer water on an annual basis while the lease program serves as a platform for multi-year leases, including leasebacks of purchased water. These programs currently are structured on a first-come, first-served basis with fixed pricing that varies with the water source leased. The City of Greeley requested that WestWater, LLC provide recommendations to revise the City's lease policies based on local market economics and a review of peer utilities' raw water lease policies.

WestWater's key findings include:

- Based on an Agricultural Income Analysis for Weld County, the willingness to pay for agricultural rental water ranges by crop type from \$69/AF to \$149/AF.
- Other municipalities rent water to agricultural users at rates from \$8/AF to \$94/AF. Most municipalities have a formal lease program for agricultural rentals, with both first-come, first-served and other structures in use, depending on the water source.
- Fewer municipalities lease non-agricultural or augmentation water, and many do so informally. Market data shows a willingness to pay exceeding \$400/AF for rentals and leases to municipal and industrial (M&I) users.
- There is wide variation in how municipalities price rentals and leases, with pricing variable mostly by source. Ditch shares tend to be leased at assessment costs while other sources are leased at per-AF rates that vary from \$40-\$75/AF for CBT to over \$500/AF for wholly consumable sources.
- About half of municipalities interviewed cover administrative time and expense within their lease rates, and about half include an extra administrative fee on top of their lease rates.

WestWater's policy recommendations include:

- Create a comprehensive water lease policy covering five lease programs: agricultural leaseback and rentals/leases for agricultural, M&I, augmentation, and storage water rights.
- Maintain the current agricultural leaseback policy and practices priced to cover costs. The leaseback structure incents water purchases and builds historic use on purchased ditch shares.
- Maintain the agricultural rental program structure as first-come, first-served and price rentals at the minimum of ditch assessments plus administrative fee or \$35/AF.
- Structure the non-agricultural rental program as a bid process with a minimum bid set annually by the City and currently recommended at \$500/AF. Evaluate non-agricultural bids before setting the volume annually allotted to lower-priced agricultural rentals. The bid process does not need to focus solely on offer price; Greeley can elect to rent water in a way that drives economic priorities.
- Structure the augmentation rental program as a bid process separate from other non-agricultural rentals with a minimum bid set annually by the City and currently recommended at \$800/AF. Conduct system modeling to determine the volume of available augmentation supply in advance of the bid process.

- Allow multi-year leases for both the agricultural and non-agricultural lease programs. Apply a price premium of 20% to 32% for multi-year leases. Unchanged High Mountain Reservoir water supplies are recommended for multi-year leases, with prices set at a minimum to cover operational and administrative costs.
- Create a storage rental program structured as a case-by-case review with storage in gravel pits priced at \$150/AF.
- Implement lease/rental programs on an annual basis, with requests and bids received through an online form. Leases and rentals are awarded by the Water & Sewer Board in April of each year following annual determination of available water for rental.



2 Background

The City of Greeley (“Greeley” or “City”) operates a robust raw water lease program through which the City’s annually available surplus raw water supplies are made available. Raw water rentals (one-time water transfers) are provided primarily to agricultural water users. Additionally, Greeley makes various longer-term raw water leases (multi-year transfers) available to agricultural, municipal, and industrial entities.¹ The benefits of water leases include generating revenue for the City, supporting regional agriculture, promoting economic development, and encouraging water rights acquisitions.

The City has adopted several policies governing its water lease programs. Those policies have established fixed lease rates and volume targets. Fluctuations in the regional water lease market have prompted the City to reevaluate its policies, considering updated market demands, market participants, pricing dynamics, and revenue potential. City staff have indicated a desire to craft policies specific to Greeley’s various raw water sources that reflect market rates and City priorities.

This technical memorandum describes Greeley’s current raw water lease policies and provides recommendations for updating those policies. WestWater has analyzed the City’s current policies, surveyed policies and pricing of peer water utilities’ programs in the Northern Front Range, evaluated the economic and market conditions for water leases, and developed potential alternative structures for the City’s lease program.

3 Existing Water Lease Programs

Greeley has three existing water lease or rental programs, namely: 1) “City of Greeley Agriculture Water Rental Program Policies and Procedures”², 2) “City of Greeley Non-Agriculture Water Rental Program Policy”³, and 3) “City of Greeley Agricultural Lease Program Policies”⁴. The existing policies include an annual agricultural rental program, a non-agricultural rental program, and a multi-year agricultural lease program. These programs are further described in the following sections.

3.1 Rental Programs

Greeley offers two annual rental programs for excess raw water supply, one exclusively for agriculture users (“Ag Rental Program”) and one for non-agriculture water users (“Non-Ag Rental Program”). Excess raw water available is determined in April, when the Water and Sewer Board, upon staff analysis of hydrologic conditions, declares an ‘Adequate Water Year’ for the City. Both programs rent water for up to a year at a time.

The water used in each program varies by source. Colorado-Big Thompson (CBT) units and Greeley-Loveland Irrigation Company (GLIC) supplies are used in both programs. GLIC water is further categorized as unchanged, changed, and changed excess. GLIC unchanged water is sourced from shares owned by Greeley but has not yet changed for municipal use. GLIC changed water and GLIC changed excess water are sourced from shares Greeley owns and that have been changed through multiple past water court decrees for municipal use. Changed excess shares have been changed through the water

¹ Water rentals and raw water leases are referred to collectively as “water leases” in this memorandum unless otherwise stated.

² <https://greeleygov.com/docs/default-source/default-document-library/ag-water-rental-program-policies-and-procedures.pdf>

³ [Non- Agricultural Water Rental Policy.pdf](#)

⁴ [Agricultural Lease Policy 2020.pdf](#)

court but not yet converted to municipal use; that is, the shares remain used for irrigation. **Table 1** below provides a summary comparison of the two rental programs' supplies and pricing.

3.1.1 Ag Rental Program

The Ag Rental Program is structured on a first-come, first-served basis with priority for in-basin water users (water users in the Cache La Poudre (Poudre) basin, Big Thompson basin downstream of Handy Ditch, and on South Platte ditches). Water users outside these areas but within the Northern Colorado Water Conservancy District boundary receive second priority. Requests are made through an online form starting at 8 am on January 1st each year, with a maximum requestable volume of 500 acre-feet (AF). Water users can specify their requested source between CBT, GLIC (unchanged and changed excess), and Water Supply and Storage Company (WSSC) water. GLIC and WSSC supplies for this program consist of shares that have not yet been changed for municipal use. Once notified of approval by the City, renters have 48 hours to confirm their rental.

Rental costs consist of each water source's annual assessment rate plus an administrative fee equal to 10% of the total price, up to \$500. CBT rentals may also incur a Rule 11 charge assessed to the renter.

3.1.2 Non-Ag Rental Program

The Non-Ag Rental Program rents water for augmentation, industrial water needs, homeowner association (HOA) irrigation, and other non-agriculture water uses. Supplies available to this program consist of up to 15% of the City's total annual excess rental supply and are sourced from CBT and the City's wholly consumable supplies. Wholly consumable supplies primarily consist of wholly consumable effluent and changed and converted GLIC shares. Wholly consumable effluent is generated from treatment of wholly consumable sources including Windy Gap, Laramie-Poudre Tunnel (LPT), and changed and converted GLIC shares. Additional wholly consumable supplies can be delivered from Greeley's sources decreed for augmentation including changed Greeley Irrigation Company (GIC) shares (excluding the City-owned 3/8th portion of GIC rights), wholly consumable storage decrees in gravel pits, first-use of Windy Gap units, Poudre Ponds' junior decree, and free river.

Rental requests are considered on a revolving, case-by-case basis. There is no start date for the program for the year; requests are considered as they received and are approved by the Water and Sewer Director or the Water and Sewer Board for economic partners and priorities in the South Platte Basin. Rental requests are confirmed or denied at least ten days after submittal to the Water Resources Operations Manager by email or phone. Once notified of approval by the City, renters have 48 hours to confirm their rental.

Non-ag rental rates are fixed by use type and evaluated annually. Each rental incurs an administrative fee of up to 10% of the total rental cost, up to \$500. 2023 rates were as follows: \$800/AF for industrial and general augmentation use, \$200/AF for augmentation of depletions caused by agriculture irrigation, and \$500/AF for CBT use.

Table 1. Current Rental Programs Water Sources & Pricing

Source	Use	2023 Assessment (\$/share) ^a	2023 Assessment (\$/AF) ^b
Agriculture Rental Program			
CBT	Agriculture	\$53.50	\$76.42
GLIC (unchanged, changed excess)	Agriculture	\$285	\$8.50 ^c
WSSC	Agriculture	\$3,250	\$49.16
Non-agriculture Rental Program			
CBT	All except augmentation	Fixed	\$500
Wholly Consumable Sources – reusable effluent, GLIC changed, GLIC converted, changed GIC, Windy Gap, wholly consumable gravel pit storage rights.	Augmentation for agricultural use	Fixed	\$200
	All non-agriculture uses	Fixed	\$800

^a 2023 assessment (\$/share) is based on ditch assessments recorded under “Ag leases” data provided by Greeley. The fixed assessment is stated in the City of Greeley Non-Agriculture Water Rental Program Policy”.

^b 2023 assessment (\$/AF) was calculated using a conversion factor based on Greeley’s 2023 transferrable volume for each water source. 2018-2023 transferable volumes were provided via email by Greeley’s Water Resource Administrator II, Alex Tennant.

^c GLIC company shares issue share dividends, which are subject to change annually. For the purpose of this table, GLIC \$/AF was calculated using the 2023 dividend of 33.5 AF/share.

3.2 Agricultural Lease Program

In addition to the two rental programs, the City also operates an agriculture lease program for multi-year leases. Many such multi-year agricultural leases are ‘leasebacks’ of water and land that Greeley has acquired from agriculture. Leasebacks are negotiated upon acquisition of water rights and are used both to support regional agriculture and maintain beneficial use of the water for a future change case. Supplies in this program consist of the shares of ditch companies listed in **Table 2** that are not yet changed for municipal use and changed ditch shares not yet converted to municipal use. Leases are awarded a specific volume of shares agreed upon between Greeley and the lessee. Pricing varies by source and lease type, as discussed below and summarized in **Table 2**.

Historically, agricultural leases had varying terms and conditions. The City of Greeley Agricultural Lease Program Policies approved in 2020 created standard terms that are applied to future leases and lease renewals, with the exception of leasebacks negotiated as part of a water acquisition. Historic leases in effect before 2020 continue to have variable terms.

Water leases have a maximum term of ten years⁵ and may be terminated by either party prior to the irrigation season, on or before November 1st of the preceding year. Annual payments for a water lease consist of the ditch assessment of the relevant supply plus an administrative fee equal to 10% of the total assessment cost, up to \$500. Water and farm leases have a maximum initial term of five years and can be renewed for an additional five years upon mutual agreement. Greeley may terminate leases due to improper use of land or water, or either party may terminate before irrigation season (on or before November 1st of the preceding year). Water and farm lease payments are made bi-annually at market rate. Annual ditch assessments and administrative fees are included in this rate.

⁵ WSSC shares are an exception in practice, with certain leases termed up to 20 years.

Table 2. Agriculture Lease Water Source & Price Rate

Source	Use	2023 Assessment (\$/Share) ^a	2023 Assessment (\$/AF) ^b
GLIC	Agriculture	\$285	\$8.51 ^c
Seven Lake (7-L)	Agriculture	\$10	\$0.25 ^d
Lake Loveland (L-L)	Agriculture	\$425	\$18.47
Windsor Reservoir & Canal Company (WRCC)	Agriculture	\$400 or \$550 depending on delivery ditch	\$39.56
Larimer & Weld Irrigation Company (LWIC)	Agriculture	\$350	\$42.42
Larimer & Weld Reservoir Company (LWRC)	Agriculture	\$50	\$7.14
Water Supply & Storage Company (WSSC)	Agriculture	\$3,250	\$49.16
New Cache la Poudre Irrigation Company (NCLPIC)	Agriculture	\$0	-
Cache la Poudre Reservoir Company (CLPRC)	Agriculture	\$0	-

^a 2023 assessment (\$/share) are based on ditch assessments recorded under “Ag leases” folder provided by Greeley. NCLPIC and CLPRC ditch assessments were confirmed by New Cache Irrigation Company secretary, Paul.

^b 2023 assessment (\$/AF) was calculated using a conversion factor based on Greeley’s 2023 transferrable volume for each water source. 2018-2023 transferable volumes were provided via email by Greeley’s Water Resource Administrator II, Alex Tennant.

^c 2023 GLIC share dividend was 33.5 AF/share.

^d 2023 7-L & L-L share dividend was 23 AF/share.

3.2.1 High Mountain Reservoirs

Greeley owns and operates a system of “high mountain reservoirs” (HMRs) in the upper Poudre Basin: Comanche, Hourglass, Twin, Barnes, Peterson, and Milton Seaman Reservoirs. Milton Seaman Reservoir is used to manage carryover and variously stores CBT, Windy Gap, LPT, and decreed storage water. Barnes and Peterson Reservoirs have decrees that allow multiple uses and are used to facilitate management of the Joint Operations Plan (JOP) for winter releases in the Upper Poudre Canyon.⁶ Storage decrees for Comanche, Hourglass, and Twin Reservoirs are not municipally decreed, and water from these reservoirs is annually rented to agricultural users. According to Greeley staff, for the last two decades Greeley has rented HMR water to the LWIC to provide supplemental supply. The lease benefits LWIC, which is often short of late-season supply, and Greeley by allowing exercise of decree and draw down the reservoirs before the winter season. HMR leases are typically made through high-rate releases in the late summer.

HMR leases are not managed under Greeley’s current leasing policies though it is recommended. Currently, the rates for HMR water supply are determined annually with a 10% admin fee up to \$500 max. In 2022, the City charged \$60/AF. In 2023, the rate was bumped to \$70/AF. In 2024 the rate is anticipated to increase to \$80/AF. During the 2022 and 2023 water years, Greeley rented 775 AF and 4,300 AF to LWIC, respectively.

3.3 Water Lease Program Evaluation

The City provided a master sheet of lease and rental data⁷ that tracks leases and rentals individually and a separate sheet tracking augmentation leases. Data are tracked or separated into the different programs outlined in Greeley’s policies in several locations, but the master sheet did not specify the program for each lease. To examine the existing programs, WestWater consolidated rental data into the programs discussed above using available information, such as source and lessee (as a proxy for use

⁶ JOP operations are coordinated through Chambers Lake, owned by WSSC but operated in the winter for the JOP by Greeley.

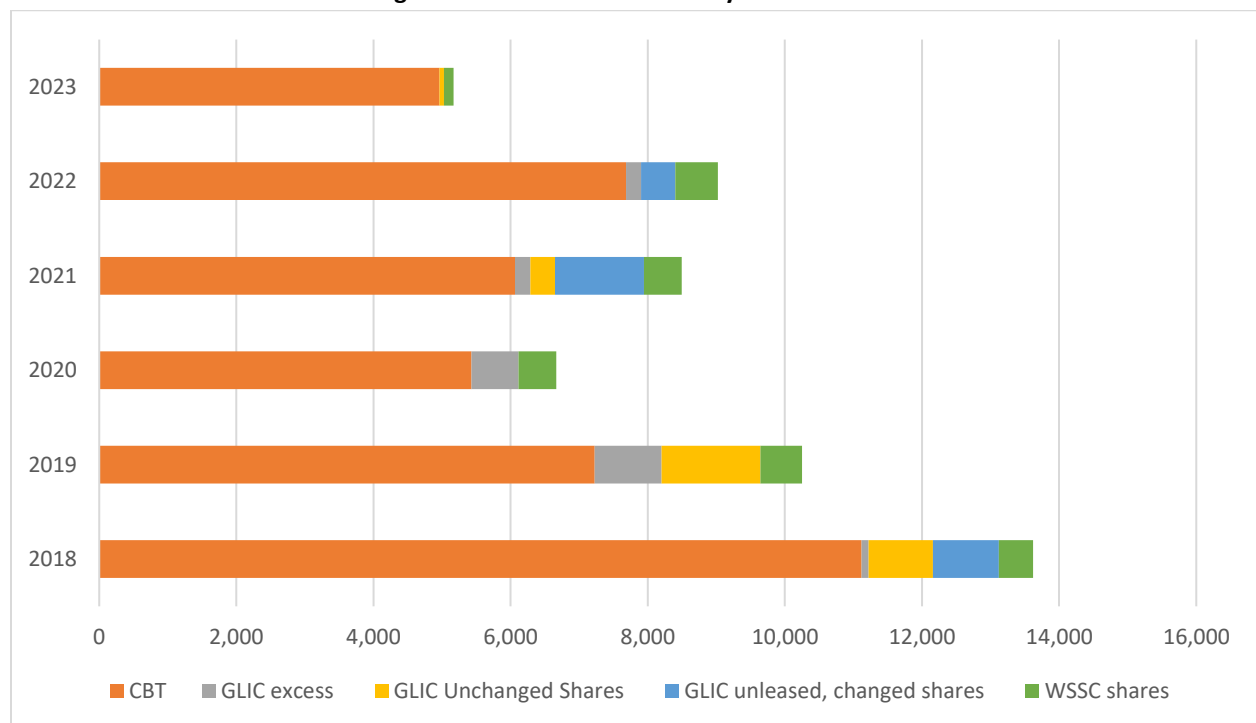
⁷ Data provided by Greeley on November 15, 2023, therefore is assumed to be current through October of 2023.

type), and professional judgement to determine which program a given lease fell under. Further data consolidation and evaluation followed conversations with Greeley Water Resources staff. Transaction data were separated into categories: non-agriculture rentals, augmentation, agricultural rentals, and agriculture leases. While augmentation leases are currently described under the non-Ag Rental Program, augmentation lease data are tracked separately by the City and, therefore, were analyzed separately.

3.3.1 Ag Rentals and Non-Ag Rentals

Water supplies used for non-agriculture include CBT (excluding augmentation), wholly consumable supplies, GLIC converted shares, and GLIC changed shares. Water supplies for Ag rentals are CBT, GLIC excess, unchanged, and WSSC shares are offered for agriculture rentals. **Figure 1** shows the total volume of CBT, GLIC, and WSSC shares over the last five years for both the Ag rental and non-Ag rental programs. The City’s tracking data does not clearly specify the program (ag rental or non-ag rental) through which GLIC or CBT water is rented, so lease volumes were analyzed by water source. Augmentation leases, however, are tracked separately by the City and are discussed in the next section.

Figure 1: Total Rental Volume by Water Source



Overall, the total volume rented through the Ag and Non-Ag programs over the past five years appears to have been decreasing. CBT makes up most of the volume rented each year. In 2023, GLIC rentals were far reduced from the volume rented in previous years. It is unknown what caused the change, but the wet year is a potential factor, as is an increase in volume leased to augmentation, shown below.

3.3.2 Augmentation

Augmentation lease data were directly pulled from a separate spreadsheet provided by the City that tracks augmentation leases and rentals back to 2006. Data were summarized by known annual volume leased (**Figure 2**) and rented (**Figure 3**). Annual leased volume has always been larger than rented

volume. Augmentation lease volume data includes both active and inactive/expired leases⁸ and represents both wholly consumable supplies and excess GLIC supplies. All augmentation activity was recorded in the Poudre and South Platte River basins.

Figure 2. Augmentation Lease Volume

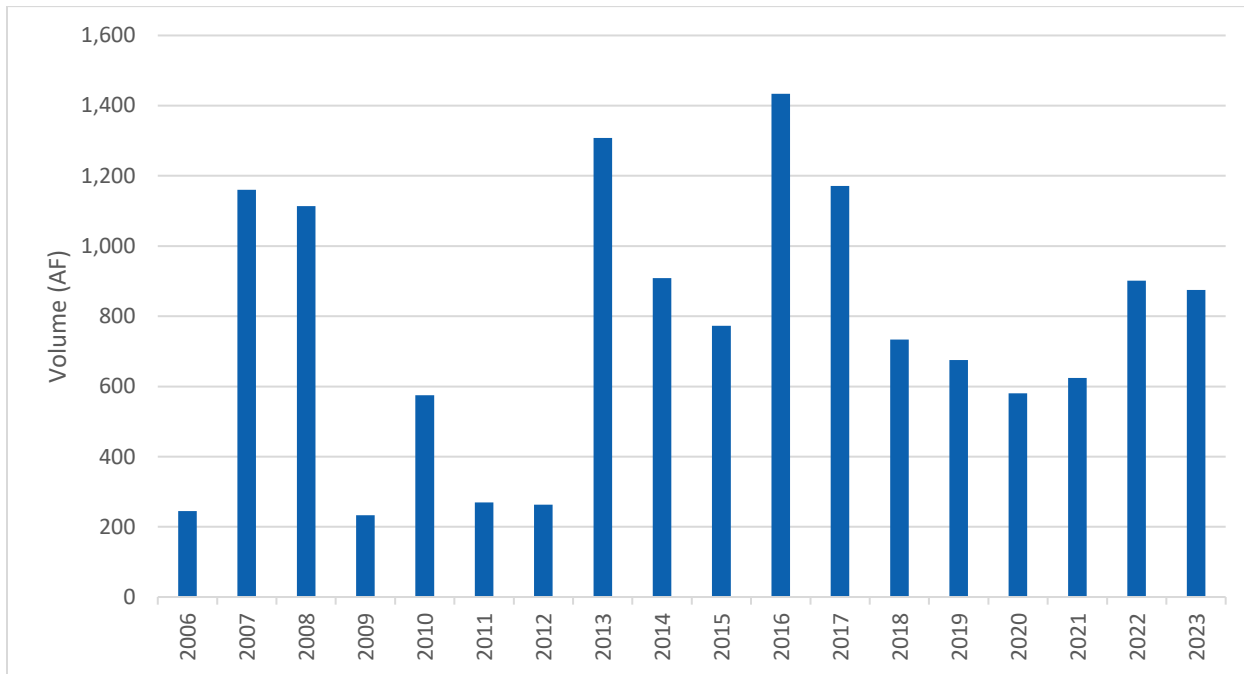
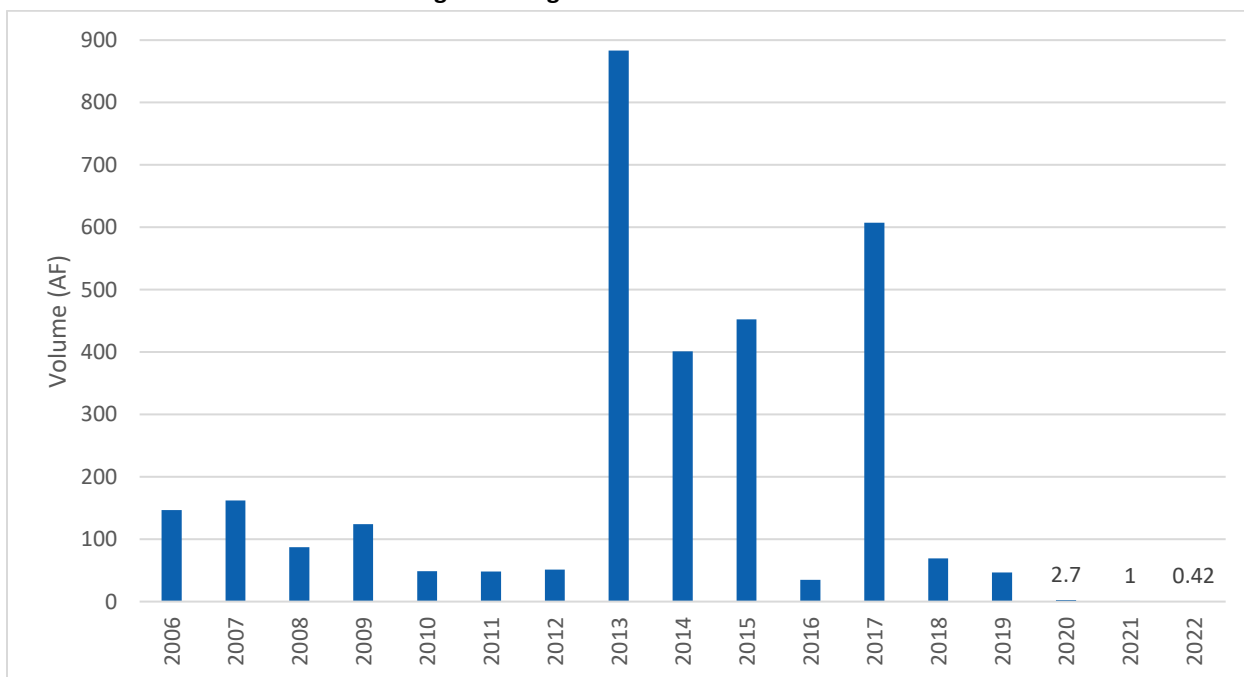


Figure 3. Augmentation Rental Volume

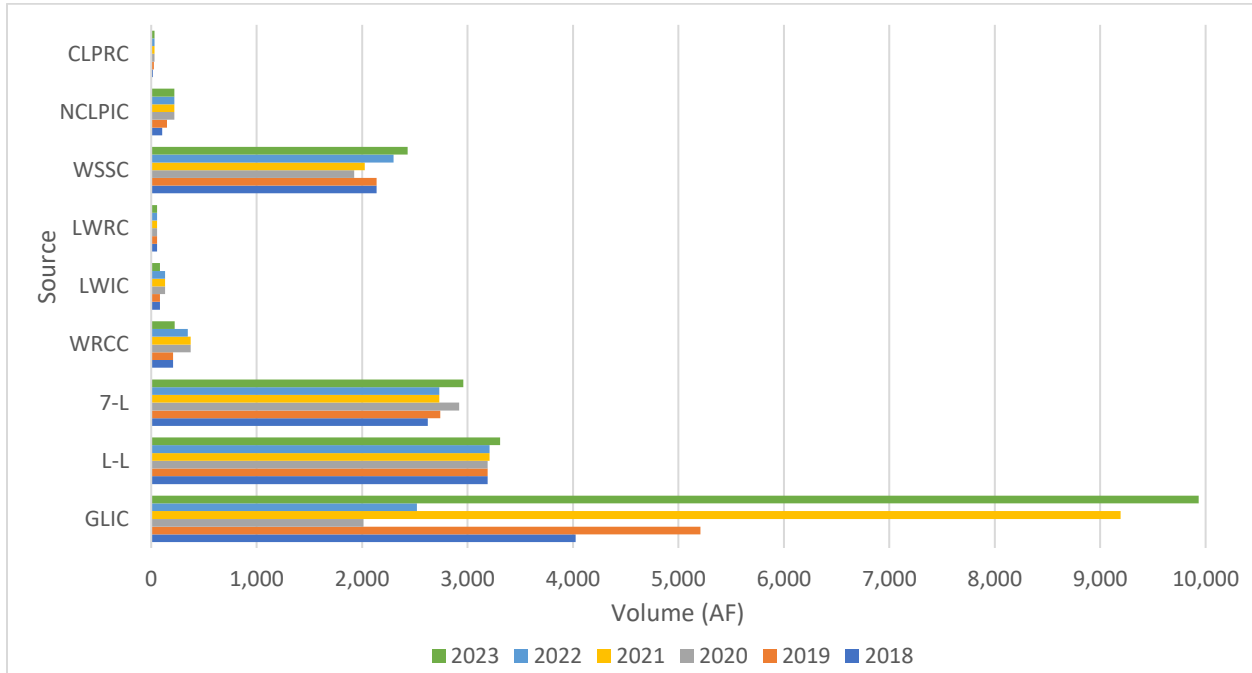


⁸ 'Active' and 'Inactive/Expired' are lease categories in Greeley's data.

3.3.3 Ag Leases

Greeley’s agricultural leases represent both water leases and water and farm leases. Leased volume was provided for the last five years and is summarized in **Figure 4**. Lease volumes for each source have varied very little for most sources over the past five years. GLIC is the one exception to this trend, varying significantly from 2018 to 2023. The change is due largely to hydrology and the rollover of old leases.

Figure 4. Agriculture Lease Volume

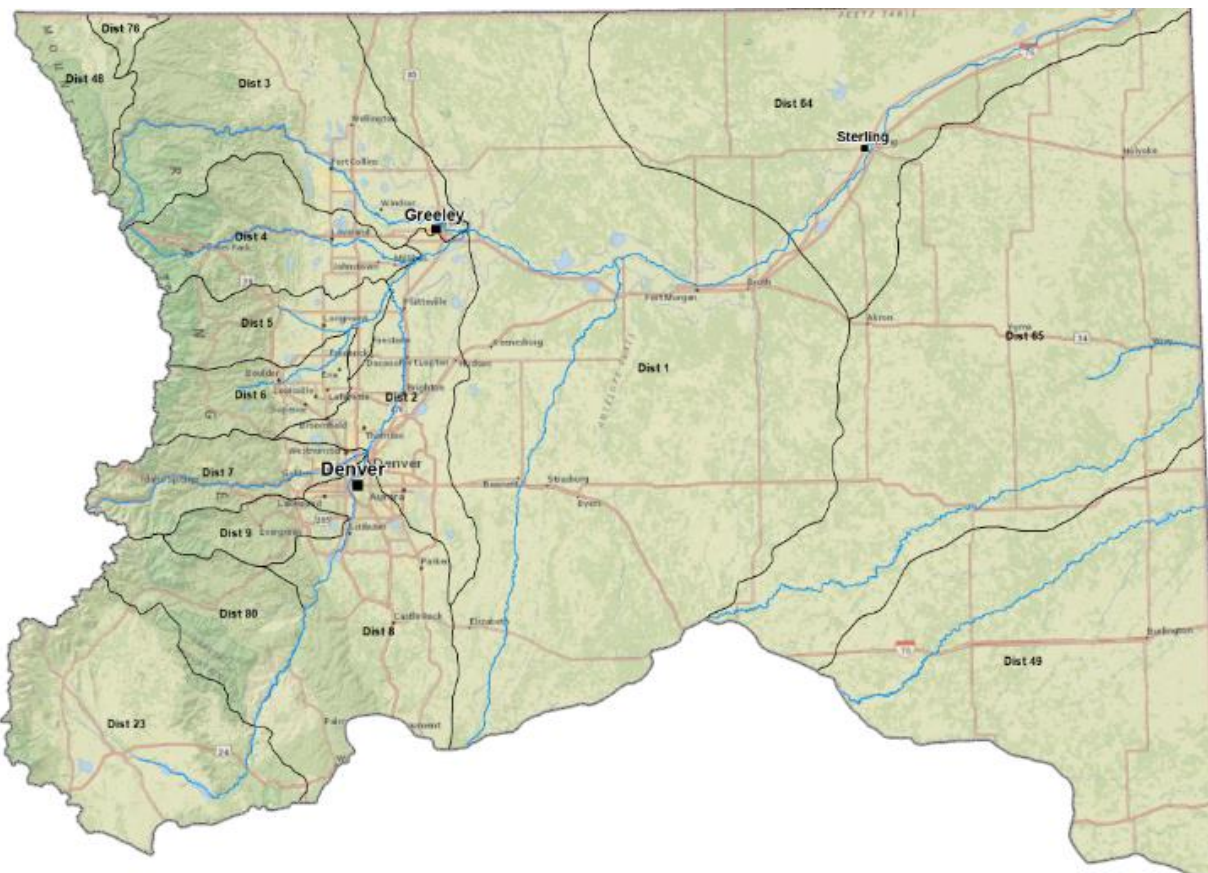


4 Regional Water Lease Market Assessment

4.1 Market Area

Greeley is located near the confluence of the Poudre and South Platte Rivers in northeastern Colorado, within the vicinity of several active water markets in Water Division 1 (**Figure 5**). Within Water Division 1, Water Districts 1, 2, 3, 4, 5, and 6 are all relevant to the market for Greeley's supplies. These water districts encompass most of the northern Front Range from Denver and Aurora to Fort Collins and include the watersheds of St. Vrain Creek, Boulder Creek, the Big Thompson River, the Cache la Poudre River as well as a large stretch of the South Platte River from Denver to past Fort Morgan. WestWater examined the water lease market in this market area to provide context on the current values of Greeley's water supplies for leasing purposes.

Figure 5: Water Division 1 (South Platte River Basin)⁹



The following sections provide an overview of market pricing and trading activity within the market area. To facilitate comparison, all prices and transfer volumes are reported in dollars per acre-foot of consumptive use (AF CU). WestWater determines the AF CU for each transaction. However, transactions often occur without full knowledge of the transferrable volume. In such cases, the AF CU is estimated from past change cases and standard factors for volume per share.

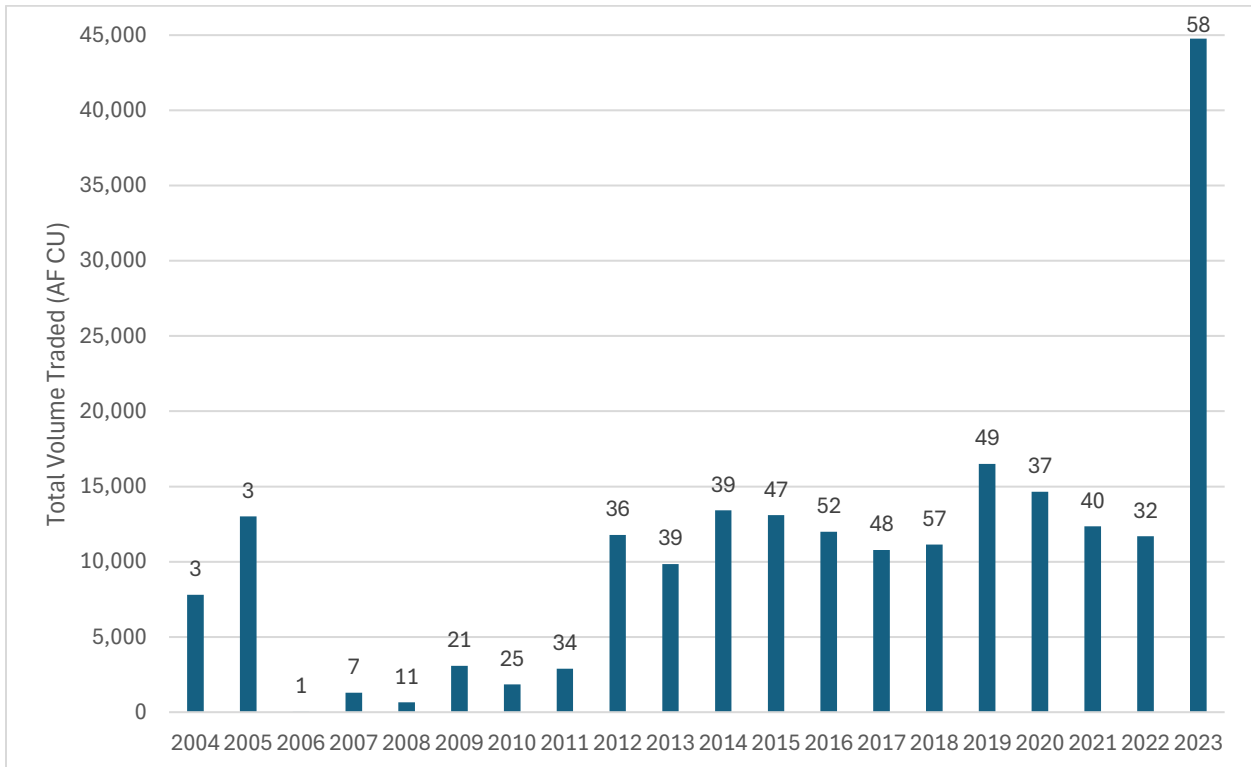
⁹ Colorado Department of Water Resources (DWR)

Data presented below is only for transactions with known pricing. There exists additional leasing activity for which WestWater lacks pricing data and the data should be viewed as incomplete. Unless otherwise stated, all prices are indexed to 2023 dollars (2023\$) using the consumer price index (CPI) for comparison of value without the influence of inflation. Further, leasing data captured has historically focused on multi-year and unique leases. Volumes and values of leases through municipalities' agricultural rental and lease programs have not historically been captured and thus not accurately represented in the following sections.

4.2 Market Size

WestWater has identified a total of 639 water leases in Districts 1-6 since 2004, with 216 leases in the last five years (2019-2023). WestWater's leasing data is incomplete and the rise in transactions in the most recent years is due to better tracking and record of known lease transactions. Leasing activity has always been consistent within Colorado and will continue to be active as water demand increases for further expansion in industrial and municipal use. **Figure 6**, below, displays the annual volume leased and number of transactions observed in Districts 1-6 over the past twenty years.

Figure 6: Total Volume Leased in Districts 1-6, 2004-2023¹⁰



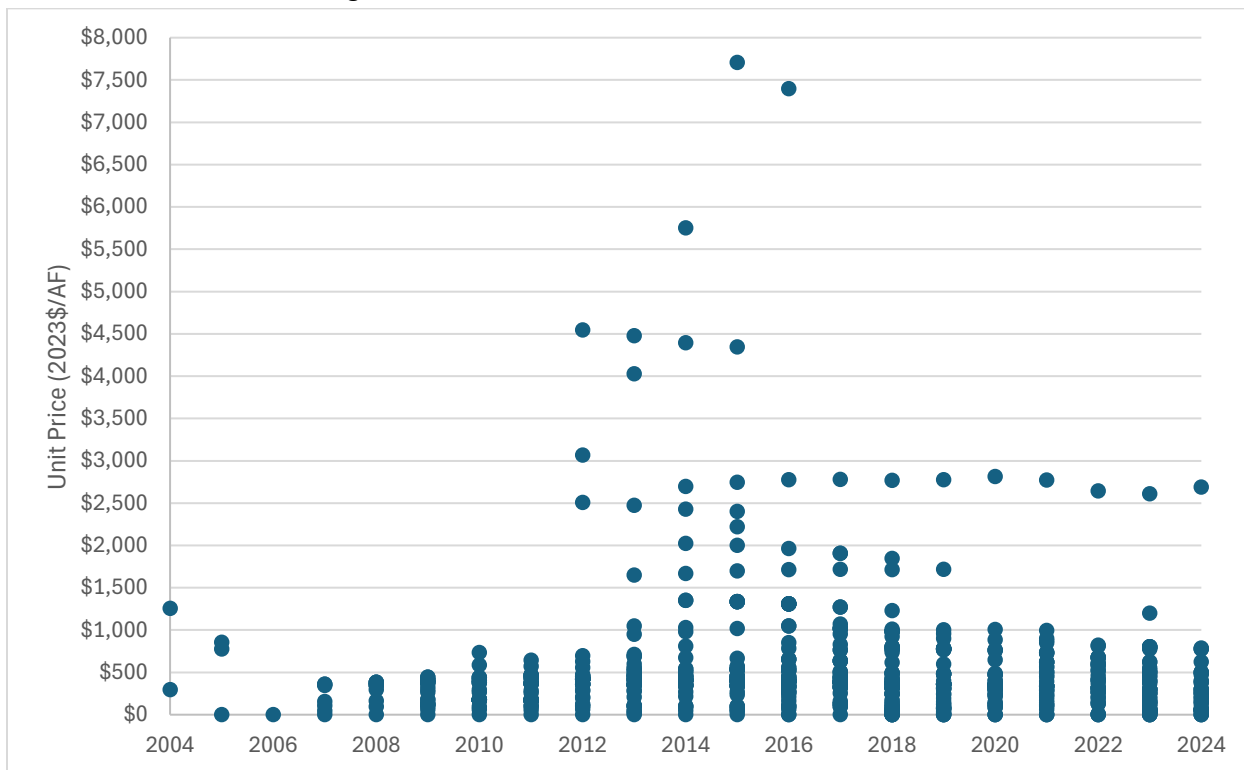
*Note: The increase in transaction volume recorded in 2023 is primarily due to inclusion of lease data from municipal agricultural rental programs. Data does not represent a significant increase in leasing activity.

Water lease prices for transactions with known pricing have appreciated over time within Districts 1-6. Adjusting for inflation, lease prices have risen from an average (all leases) of \$270/AF from 2007-2011 to

¹⁰ Volume from transactions with known pricing

an average (all leases) of \$440/AF from 2019-2023. The real¹¹ compound annual growth rate (CAGR) of average lease prices from 2007-2023 is 3.5%, representing the increase in value above inflation over that time frame. **Figure 7**, below, shows unit pricing for all recorded lease transactions from 2004-2024. As can be seen in the figure, prices have stayed in a relatively narrow range for the entire period, with the vast majority of transactions under \$1000/AF. Those transactions with recorded values above \$1,000/AF are mostly transactions for industrial use and some municipal augmentation leases, as explained below.

Figure 7: Lease Prices in Water Districts 1-6, 2004-2024

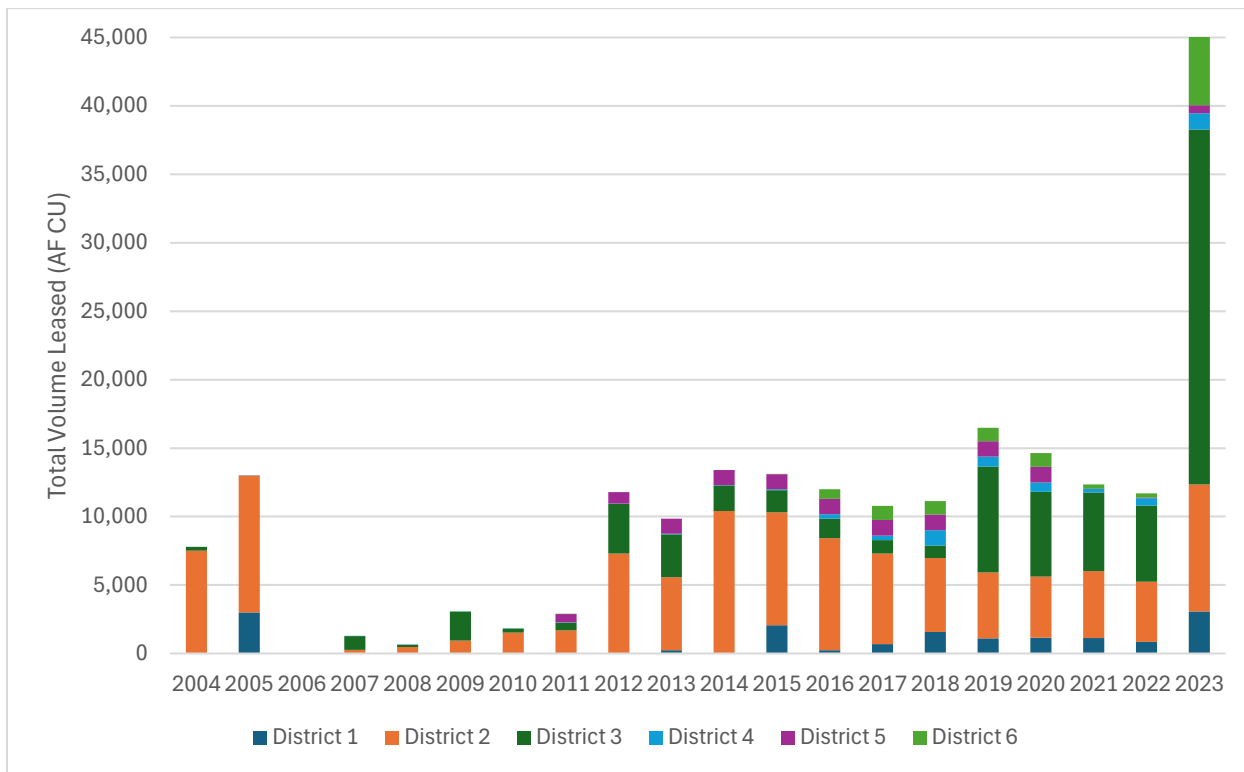


4.3 Impact of Location on Volume and Value

Location has a strong influence on the lease market, with certain areas of supply experiencing more market activity and stronger demand than others. Often supplies nearer to growing municipalities, especially the Denver metro area, trade at higher volumes than supplies that are farther from development. **Figure 8**, below, displays lease volumes for transactions with known pricing by water district from 2004-2023 and highlights this trend. Districts 2 and 3, which encompass part of the Denver metro area, Fort Collins, and Greeley, have seen much higher volumes traded than other districts, especially over the last decade. Based on the data available, annual volume traded in District 2 has historically been roughly double the volume traded in all other districts. 2023 is the first year that agricultural rentals and leases through municipal programs were accurately captured, indicating that lease volume is potentially much higher than indicated in all districts, especially those with municipalities that have active agricultural rental/lease programs.

¹¹ Real and nominal are terms that identify whether the influence of inflation is accounted for or not. Real indicates an adjustment to account for the effects of inflation, while nominal values are unadjusted.

Figure 8: Volume Leased by Water District, 2004-2023¹²

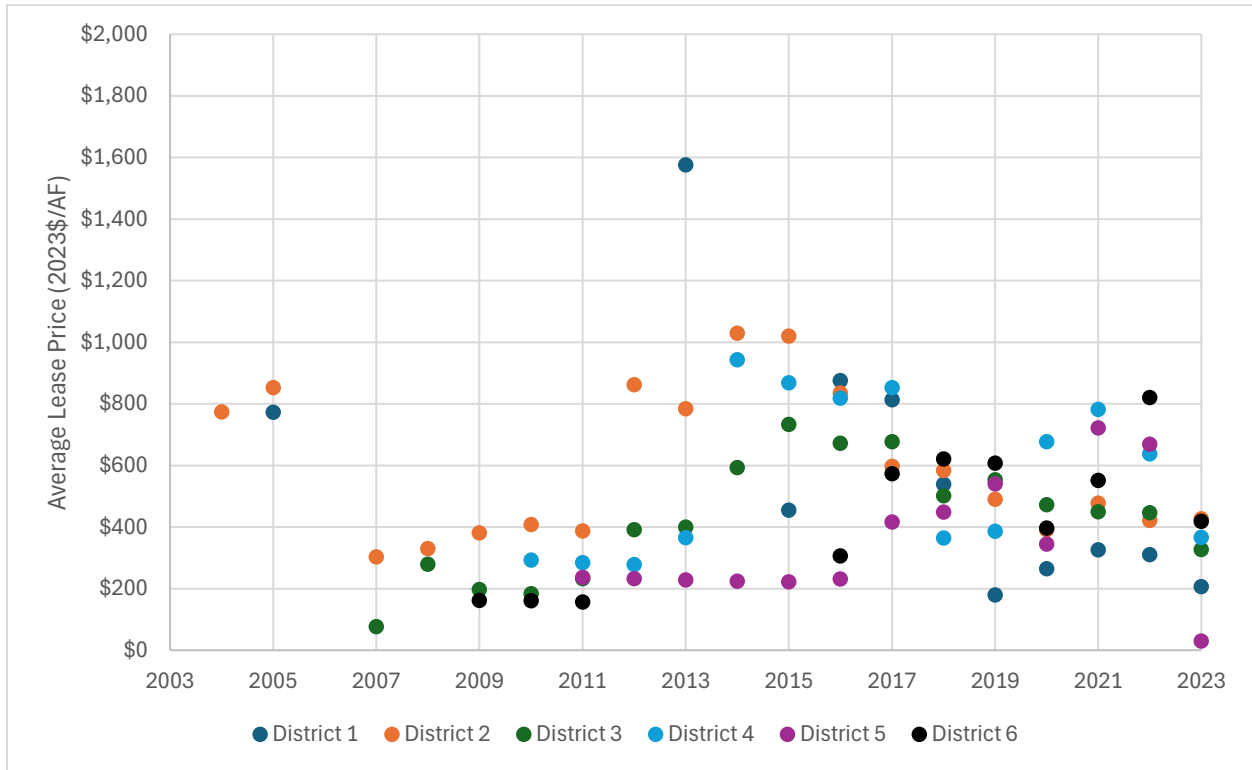


*Note: 2023 increase in District 3 lease volume is primarily due to inclusion of lease data from municipal agricultural rental programs. Data does not represent a significant increase in leasing activity.

While trading volume may be heavily influenced by location, pricing is not as strongly influenced. **Figure 9**, below, displays the annual average lease pricing for transactions with known pricing by water district for the period from 2004-2023. There is no obviously discernible trend of higher prices in districts closer to large municipalities and developing areas. There is a general slight increasing trend in value over time, but this trend does not hold for all districts. For example, the annual average value has been decreasing in Water Districts 1 & 2 since 2014, while annual average value has been increasing in districts 4, 5, & 6 over the same period. In the last five years, lease prices have been condensing, with average values in all districts between \$300/AF and \$900/AF. 2023 bucked that trend slightly, but the wet year may have caused lease pricing to be more variable.

¹² Volume of transactions with known pricing

Figure 9: Average Lease Pricing by District, 2004-2023

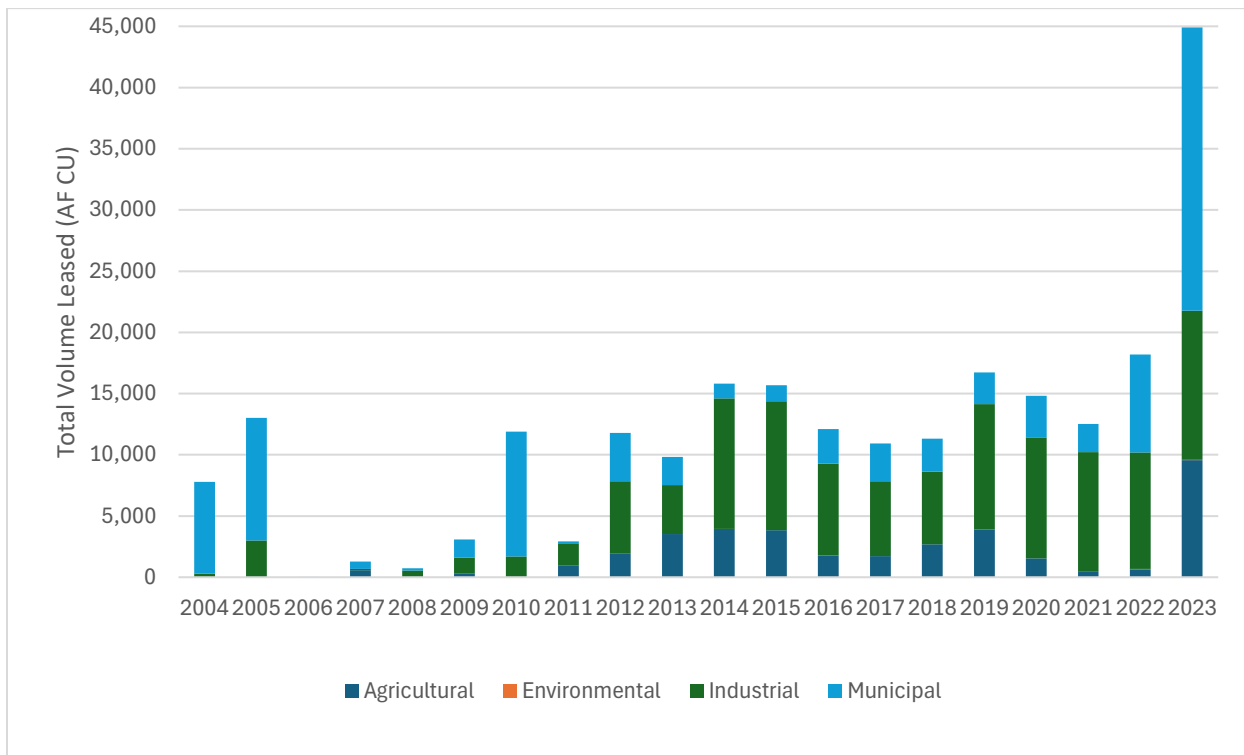


4.4 Impact of End Use on Volume and Value

While WestWater has collected significant data on lease transactions, agricultural lease transactions are notably under-represented. As mentioned previously, Westwater’s dataset consists of more high-value and one-time transactions and historically has not captured annual rental programs like those operated by Greeley and other municipalities. Since these programs are not represented, our lease data are biased when it comes to representing agricultural lease values and volume. Agricultural lease pricing presented here is likely higher than is applicable for rental programs and agricultural lease volumes presented here are underestimates. Ag rental programs are only beginning to be represented, with 2023 being the first year in which data have been collected comprehensively for these programs. Municipal and industrial lease transactions are better represented throughout the data than agricultural lease transactions.

Figure 10, below, displays annual volume leased in Districts 1-6 for transactions with known pricing by end use from 2004 to 2023. Based on available data, leases to municipal and industrial water users and uses represent the majority of volume leased over the past twenty years. Between 2012 and 2021, industrial leases made up the largest share of leased volume but recorded municipal lease volume has been increasing the last two years. In many of these transactions, the end use type may be slightly misleading, as many leases by industrial and municipal users are for augmentation purposes, and this transaction type is not represented separately in this breakdown. There were a handful of environmental leases as well, although these are not common, are small volumes, and only have happened in recent years.

Figure 10: Total Leased Volume by End Use, 2004-2023¹³



*Note: Significant increase in agricultural lease volumes in 2023 is attributable to capture of municipal rental programs and does not reflect increased leasing activity by agricultural water users. The increase in overall lease volumes in 2023 is mostly attributable to capture of rental program leasing activity rather than significant increases in leasing activity over prior years.

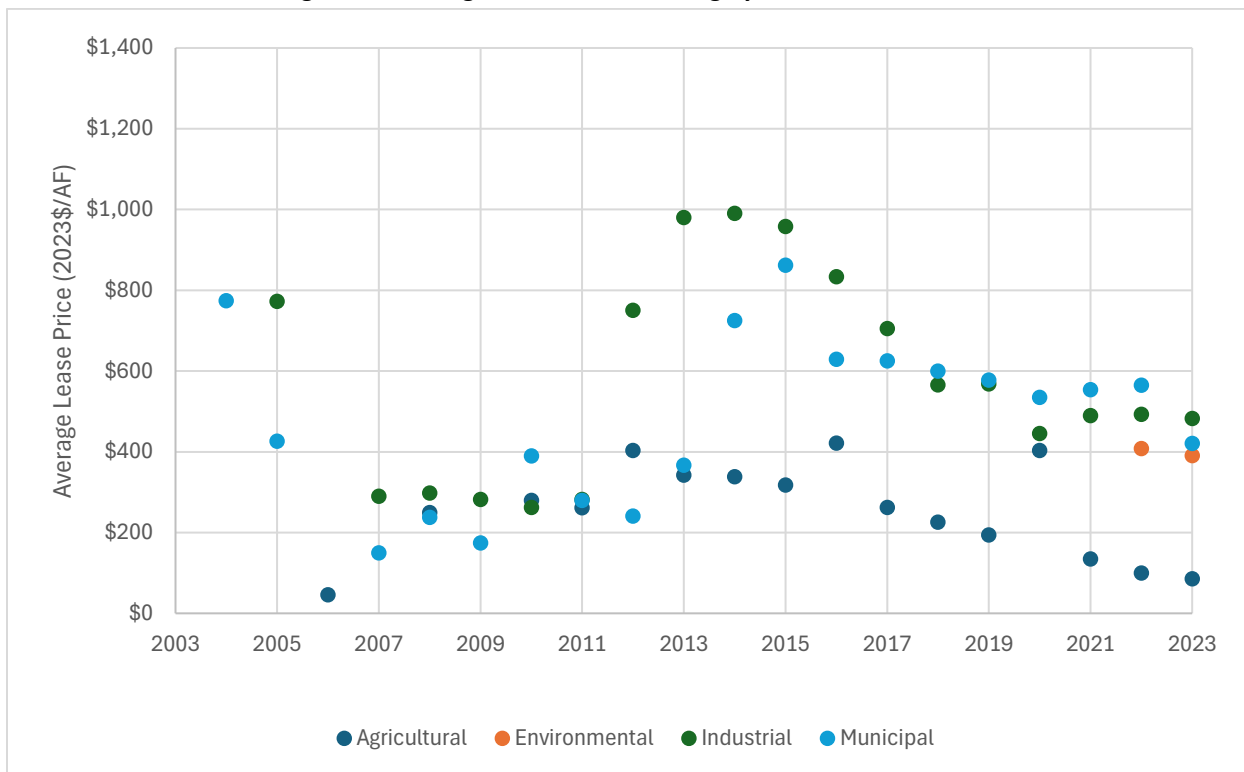
In contrast to location, end use has a strong influence on lease pricing, with municipal and industrial leases generally much higher priced than agricultural leases. **Figure 11**, below, displays annual average lease pricing by end use type for transaction with known pricing for Districts 1-6 from 2004 to 2023. While pricing in all use classes has followed similar trends over this period, prices are clearly stratified by end use. **Table 3** provides further confirmation that end use strongly impacts lease prices. The average lease price for all three end users is significantly higher than the median, indicating that several high-priced transactions are influencing pricing statistics. Oil and gas leases are generally anomalously high-priced industrial transactions, and transactions for augmentation use by both industrial and municipal entities are generally higher-priced than other leases. As discussed above, *average and median agricultural lease prices presented here are not representative of those found in agricultural rental programs.*

Table 3: Pricing Statistics by End Use, 2004-2023

	Agricultural (2023\$/AF)	Municipal (2023\$/AF)	Industrial (2023\$/AF)
Average	\$245	\$609	\$626
Median	\$148	\$418	\$400
Minimum	\$7	\$33	\$40
Maximum	\$779	\$2,812	\$7,706

¹³ Volumes of transactions with known pricing.

Figure 11: Average Annual Lease Pricing by End Use, 2004-2023

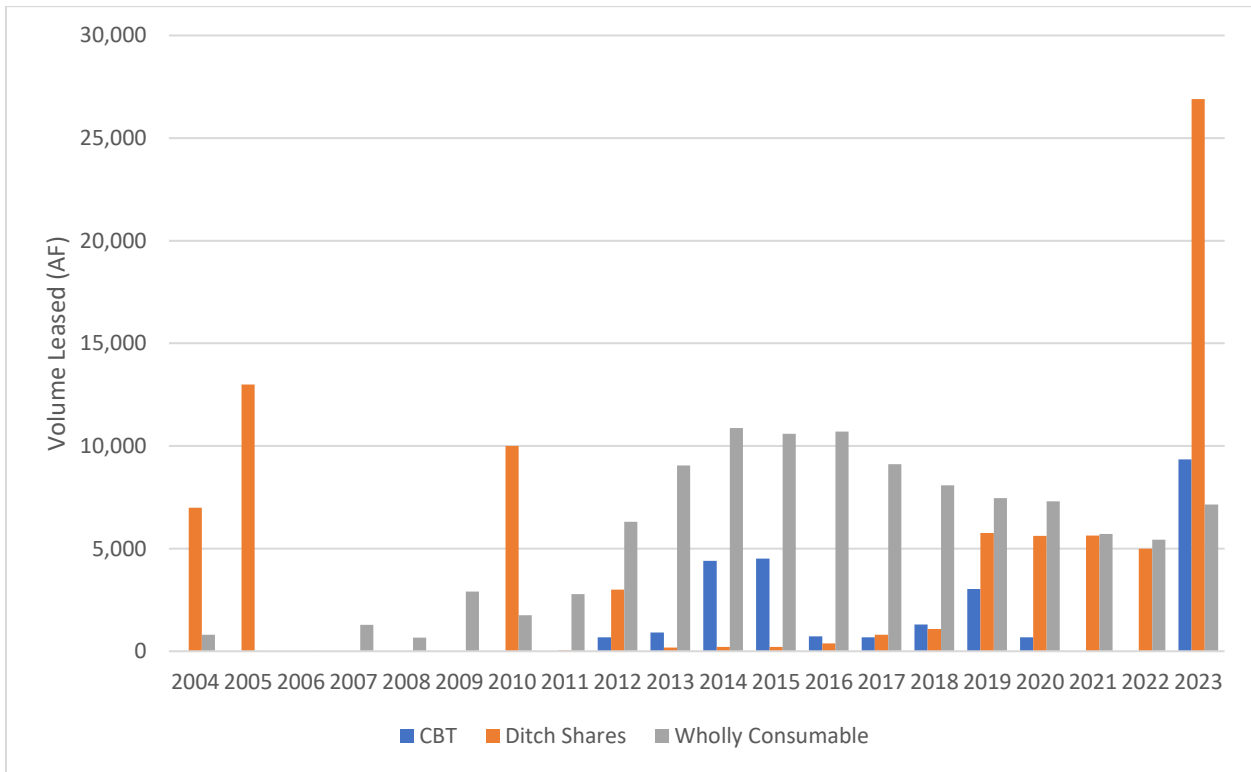


4.5 Volume and Value by Type of Supplies

Greeley’s water leases are sourced from three main types of supplies: CBT, ditch shares, and wholly consumable supplies. WestWater specifically looked at lease pricing and transaction volumes for each of these asset classes. Wholly consumable supplies consist of Windy Gap shares, augmentation credits, and effluent aggregated for this analysis. As with agricultural leases/rentals, CBT leases/rentals are known to be underrepresented in WestWater’s data. In part, this is because WestWater has not historically tracked large volumes of CBT leased through municipal programs to agricultural use. Similarly, leases of ditch shares through agriculture rental programs are not captured and thus are also underrepresented in the data.

Figure 12, below, displays the annual volume leased for CBT, ditch shares, and wholly consumable supplies from 2004-2023. Wholly consumable supplies are and have been the most-leased supplies by volume for the last decade, although in the last five years leasing of ditch shares has been a close second. This increase in ditch share leases is likely driven by municipal development and use for augmentation. Since most of the leases captured have been for municipal and industrial use, it follows that wholly consumable supplies make up a significant portion of leasing volumes as these supplies are commonly leased for municipal and industrial purposes, especially augmentation.

Figure 12: Annual Volume Leased by Supply Type, 2004-2023¹⁴



*Note: Increase in CBT and Ditch Share lease volumes in 2023 reflects recording of lease of those supplies through municipal rental programs. Does not necessarily display an increase in leasing activity of those supplies.

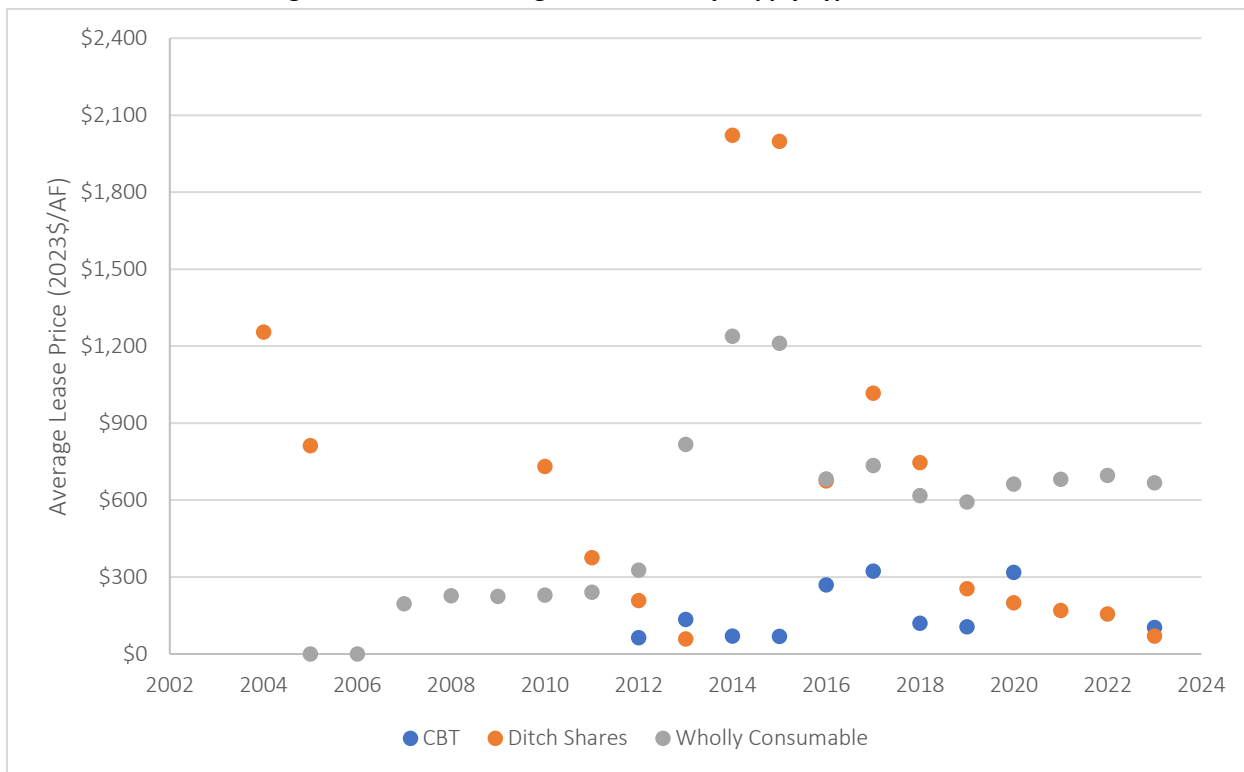
Lease pricing varies considerably by supply type. **Figure 13**, below, displays the annual average pricing by supply type over the last twenty years. CBT supply pricing has remained relatively steady, as has pricing for wholly consumable supplies, except for very high prices seen in 2013-2015. Ditch share pricing has varied widely annually, with a peak in 2014 and 2015. In the past five years, both CBT and ditch share average lease values have been decreasing to about \$100/AF. Over the same period, wholly consumable supplies have been relatively steady at an average of about \$545/AF. **Table 4** provides more insight into the historic lease pricing of each type of supplies. Generally, CBT supplies have been the lowest valued, while wholly consumable supplies have been the highest valued, with ditch shares in between. The median pricing is significantly lower than the average for all three asset classes, indicating that the average is influenced by anomalously high-priced transactions.

Table 4: Summary Statistics by Supply Type, 2004-2023

	CBT (2023\$/AF)	Ditch Shares (2023\$/AF)	Wholly Consumable (2023\$/AF)
Average	\$135	\$540	\$543
Median	\$75	\$130	\$397
Minimum	\$36	\$8	\$37
Maximum	\$500	\$2,022	\$2,812

¹⁴ Volumes of transactions with known pricing.

Figure 13: Annual Average Lease Price by Supply Type, 2004-2023



4.6 Gravel Pit Storage Value

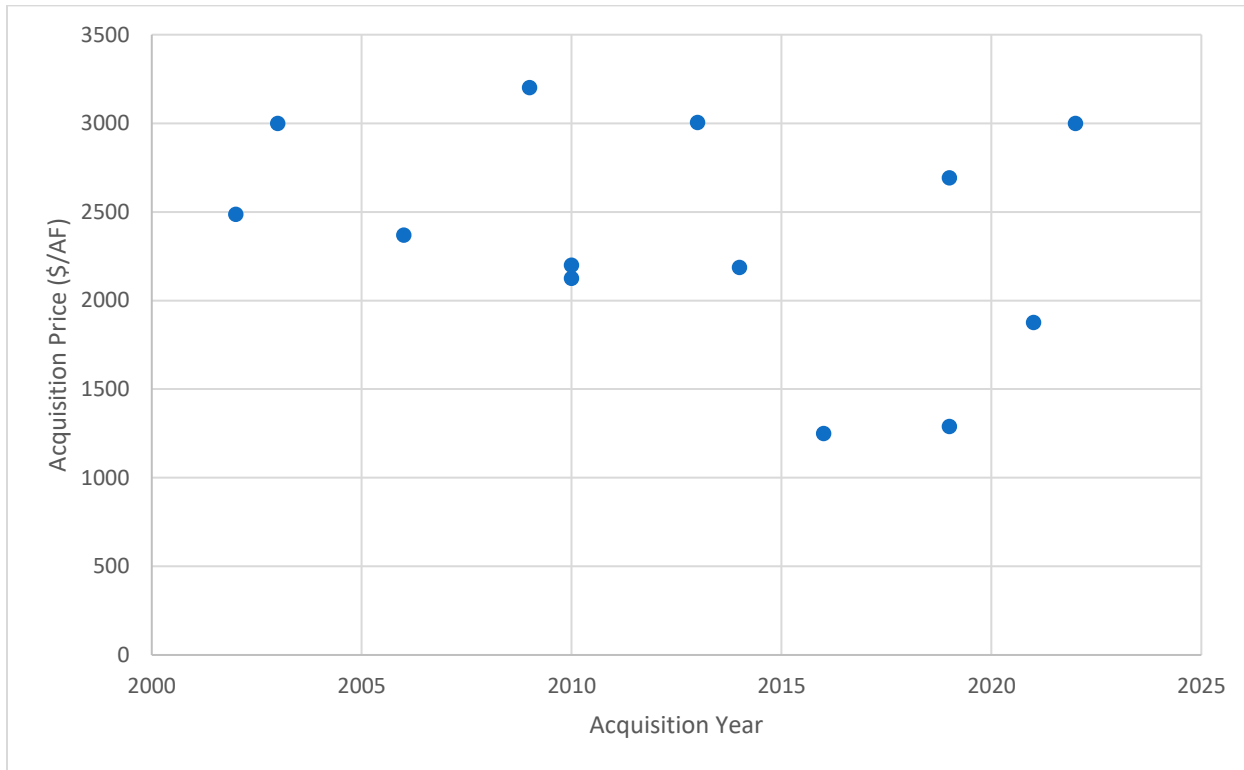
Market data on lease transactions of gravel pit storage space is limited, so recorded lease pricing is likely not representative of the market due to the low number of recorded transactions. The average lease price for transactions of storage space with known pricing, accounting for anomalously high-priced transactions, is about \$62/AF. The maximum value is at \$150/AF. Data is limited enough that these values require a second method of analysis to provide perspective on lease values. Lease values can be calculated using recorded purchase prices of gravel pit storage annualized at a capitalization rate of 5%. This is a common capitalization rate seen in the municipal water sector, and this annualization method is standard for conversion of purchase value to lease value.

Gravel pit transactions occur both with and without water storage rights attached to the storage. Gravel pit storage rights are often very junior and carry little value. The gravel pit transactions data presented here are for pits that have been lined but are undeveloped (unimproved) and transacted without attached water rights. Acquisition prices for gravel pits have remained relatively constant over the past 20 years, within a fairly narrow price range from \$1,200/AF to \$3,200/AF. The average unit price for acquisition is \$2,360/AF and the median is \$2,368/AF. There were two abnormally low-value transactions in 2016 and 2019, exclusion of which increases the average price to \$2,560/AF and the median to \$2,490/AF. This unit price is the price paid to acquire the pit’s storage capacity on a per-AF basis.

Generally, acquisition costs have remained between \$2,000/AF and \$3,000/AF over the past twenty years, as seen in **Figure 14**, below. This lack in appreciation is largely due to supply outpacing demand, which causes prices to stay relatively constant. Gravel pit storage is a byproduct of the gravel mining industry, so its pricing is not influenced by the water market. This fact is part of the reason that supply

has outpaced demand, keeping prices from rising over time. There is not yet enough demand from water users for storage to cause prices to rise. The price of the pit does not appear to be influenced by whether there are water rights associated with the storage capacity or not.

Figure 14: Completed Gravel Pit Storage Acquisition Unit Price (2002-2023)¹⁵



Using a capitalization rate of 5%, the average purchase price of storage of almost \$2,400/AF converts to a lease price of \$120/AF¹⁶. The high end of the range of purchase prices is around \$3,000/AF, which converts to a lease price of \$150/AF. This range of \$120/AF - \$150/AF is a narrower range than that found in the limited lease market data available of \$62/AF to \$150/AF, but within the same overall range. Since Greeley’s pits would be actively utilized, it is assumed that the pits are lined and developed (improved), so pricing on the higher end of the range is likely more representative of the market for storage in Greeley’s pits.

4.7 Supply and Demand Analysis

While historic market activity is one method of gaining insight into current pricing, it is reliant on accurate and well-rounded transactions data. As discussed previously, agricultural leases are underrepresented in WestWater’s market data due to a historical lack of annual municipal rental program data for agriculture. Thus, the estimate of value of agricultural leases from transaction data is likely less accurate than that for other end uses. Other methods can be used to estimate agricultural lease values, such as a crop budget. Crop budgets can provide insight on the value of water to crop production and thus insight into agricultural user’s willingness to pay for supplies, which can in turn provide insight into demand for agricultural leases based on pricing. Similarly, the availability of supply

¹⁵ Transactions with known pricing.

¹⁶ $Lease\ Value = Sale\ Value * Capitalization\ Rate$

in the form of cost to Greeley to operate lease programs is not represented in market data. An analysis of the City's costs to operate a lease program can provide an insight into the supply side of the economic equation and into the minimum pricing needed in order for Greeley to make supplies available to a lease program.

4.7.1 Agricultural Demand Analysis

One method to analyze agricultural users' willingness to pay for water is to use a crop enterprise budget analysis (CBA) to estimate the value of water to agricultural production. Value is estimated by determining irrigation water's contribution to net revenue from agricultural production. This approach estimates the maximum price per acre-foot that a producer would be willing to pay for leased water. A lease or rental priced above this value would cause the agricultural producer to pay more for their water than the value they are receiving from it, thus losing money on the transaction.

A crop budget analysis was performed for corn, alfalfa hay, and winter wheat. These three crops were identified as the three most common crops by acreage in Weld County, Colorado.¹⁷ A detailed crop budget considers the production value for an acre of a given crop by comparing yields, prices, and production costs (fertilizer, equipment, etc.) to produce an estimate of the value per-acre or per-bushel of the crop. The difference in value between crop budgets for fully irrigated acreage and dryland acreage is the value added by irrigation – the value of the water itself. Colorado State University (CSU) Extension creates crop budget templates¹⁸ for the purpose of performing a crop enterprise budget for different crops across the state. These templates were utilized for this analysis. The following paragraphs detail the CBA analysis process for corn. Similar processes were followed to calculate the CBA for alfalfa hay/haylage and winter wheat as well. Full crop budgets can be found in the appendix.

Crop yield and pricing data were sourced from the United States Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS). Per NASS, the average yield (2005-2018) for irrigated and dryland corn for Weld County is 193.40 bushels per acre (bu/acre) and 77 bu/acre, respectively.¹⁹ The five-year average (2019–2023) for Colorado corn prices received is \$5.49/bu. A five-year average was used to mitigate and account for volatility in crop prices. Property and ownership cost input categories were sourced from CSU Extension's Northeast Colorado²⁰ budget to reflect Weld County corn production costs. CSU Extension data is not county-specific, and NASS does not track the cost inputs needed for this analysis.

The modeled irrigated acre of corn produces \$279.69/acre in annual net farm returns, while the modeled dryland acre returns \$89.56/acre. The difference between these values, \$190.12/acre, is an estimation of the annual per-acre irrigation benefit to corn production. To translate the per-acre benefit provided by irrigation to the value of the water itself, a net irrigation requirement (NIR) was calculated for each crop. NIR represents the amount of water consumptively used per acre for each crop. NIR values were calculated by subtracting effective annual precipitation (inches/acre) from the consumptive use (CU) of the crop (inches per acre). Both precipitation and CU values are highly regional. The values used for this analysis were sourced from CSU's crop water requirement studies specific to the area around Greeley²¹. For corn, dividing the annual per acre irrigation benefit of \$190.12/acre by an NIR of

¹⁷ 2017, Census of Agriculture Weld County, Colorado Profile.

¹⁸ <https://abm.extension.colostate.edu/enterprise-budgets-crop/>

¹⁹ <https://quickstats.nass.usda.gov/>

²⁰ <https://abm.extension.colostate.edu/wp-content/uploads/sites/61/2023/05/2022-NECO-Irrigated-Corn.xls>

²¹ <https://extension.colostate.edu/docs/pubs/crops/04718.pdf>

1.27 AF CU/acre returns an *annual* unit water value of **\$149.71/AF CU**. Similar calculations were performed for alfalfa hay and winter wheat.

The annual unit water values for production of corn, alfalfa, and wheat are shown below in **Table 5**. Based on this analysis, agricultural users’ willingness to pay for water ranges from \$69/AF to \$149/AF, representing maximum lease values for each crop grown. These values are well below the average agricultural lease values seen in the market data of around \$250/AF and mostly below the median lease value of \$148/AF, highlighting that recorded market transactions represent higher-priced unique transactions.

For most agricultural producers, the value of leased water is represented by the value it adds to crop production. CBA results below indicate that for most farmers, the willingness to pay for water is under \$150/AF and can be as low as \$69/AF, representing the additional value that irrigation provides for crop production.

Table 5. Calculation of Irrigation Water Contribution to Agricultural Income

Label	Irrigation Condition	Calculation/Source	Corn	Alfalfa Hay	Wheat
A	Irrigated Corn Net Returns (\$/Acre)	CBA	\$279.69	\$213.73	\$80.83
B	Dryland Corn Net Returns (\$/Acre)	CBA	\$89.56	\$42.08	\$8.40
C	Annual Irrigation Benefit (\$/Acre)	A – B	\$190.12	\$171.65	\$79.90
D	Net Irrigation Requirement (AF CU/Acre)	CSU Extension	1.27	2.37	1.04
E	Annual Unit Value of Water (\$/AF CU)	C / D	\$149.71	\$72.42	\$69.13

4.7.2 Greeley Supply Cost Analysis

In order for Greeley to sustainably offer a water raw water leasing program, their costs to operate the program must be met or exceeded (breakeven). Thus, operational costs can be considered the minimum value required for the program (the supply) to be offered. These include administrative costs, distribution costs, ditch assessments, and other variable costs associated with raw water leasing. Fixed costs, like overhead expenses for reservoir operations, that are paid regardless of the existence or operation of the lease program are not considered to be supply costs. The City’s supply total supply cost represents the minimum price that must be set for the City to operate the program and includes the following:

- The City, on average, spends 160 hours each year on administrative tasks to operate and maintain its raw water lease programs²². Estimated administrative costs are based on a salary rate of \$45/hour. The total annual cost to administer the current raw water lease programs is estimated at \$7,200 annually.
- Greeley’s program costs do not include distribution costs, as the city does not pay to move water to each program participant. The City pays some pumping costs borne for augmentation water leases out of storage (e.g., Poudre Ponds); however, these costs were not shared with WestWater.
- Greeley’s leasing program costs do not include capital expenditures as those costs are to provide the supplies to Greeley residents in times of need, not for leasing in times of surplus. Program costs also omit the cost of operating HMRs.

²² City staff shared administrative cost estimates for the existing water lease programs.



- Ditch assessment costs are paid annually. These costs are variable and specific to each ditch company in which Greeley holds shares and are detailed in **Table 1** and **Table 2** for 2023. Under current policy pricing, these costs are passed on to the lessee. Greeley must pay these costs annually for all ditch shares it owns.

Greeley's raw water lease programs make use of over 20,000 AF of excess raw water annually. Considering the calculated administrative costs above, the unit cost of administering Greeley's rental program comes out to **\$0.36 per AF**, not including ditch assessment costs. This cost represents the minimum per-AF rate that Greeley must pay to cover its administrative costs on top of its ditch assessments. This cost number represents solely administrative time, as ditch assessments are considered separately and HMR operations, infrastructure O&M costs, and pumping costs are not available and thus not considered here.

5 Peer Utility Policy Comparison

WestWater contacted twenty-two entities for an informal interview to provide perspective on how other utilities, municipalities, and water districts in the Northern Front Range manage and operate excess raw water supply programs. Nine of the twenty-two entities responded affirmatively to an interview request. Interviews were conducted in person, over the phone, or via a virtual meeting. All personnel interviewed were asked about their organization's program(s) administration, available water sources, water volume leased for the 2023 water year, pricing, and end uses of leases²³. Interview results are discussed below, with program structure results displayed in **Table 6**.

Common trends and key takeaways identified through these interviews include:

- Entities commonly operate both formal and informal (unwritten) lease policies. Formal policies are commonly for agriculture rentals and leases while informal policies are for rentals to commercial/industrial uses or for augmentation purposes.
- Entities commonly prioritize users within their specific water basin to discourage water from leaving their basin and will explicitly form policies so that outside users are less likely to receive excess water.
- Most, if not all, entities evaluate the excess water supply after spring runoff and often reserve the right to refuse during times of drought or as demand increases with population growth.
- In the last few years, it has become popular for entities to rely on ditch companies to administer annual rentals. For example, North Poudre Irrigation Company (NPIC) and WSSC run administrative operations for Fort Collins, North Weld County Water District, Fort Collins Loveland Water District, and Thornton.
- Most entities utilize a stratified price structure for CBT that keeps agricultural rental rates low (around \$40/AF to \$75.71/AF) and a higher rate for municipal, domestic, and commercial use. It is also common for municipal entities not to charge an administrative fee for CBT water.

²³ End use shorthand is as follows: Ag – Agriculture, Muni – Municipal, Ind – Industrial, Com - Commercial.

- Multiple entities (Boulder, Fort Collins, and LTWD) have not yet established formal policies for augmentation but are currently having internal conversations to develop a policy within the next year or two.

Water pricing results are displayed in **Table 7**, with common statistics below.

- Interviewees indicated rental programs supplied approximately 35,000 AF in total in 2023²⁴. Of that total, almost 8,000 AF were supplied by CBT and nearly 22,000 AF were supplied by ditch shares. Wholly consumable sources contributed just over 4,000 AF.
- Water rental rates for agriculture users range from \$8 to \$94/AF. Rental rates for municipal and industrial uses range from \$112 to \$500/AF. Augmentation rental rates were around \$1,500 per acre-foot for 2023.

²⁴ The total is calculated from the volumes shared by interview participants, excluding Denver Water. Some entities declined to share their 2023 rental program volumes.

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Table 6. Interview Survey Program Structure Results

Municipality/ Water District	Formal Policy?	Request Procedure	Request Date	Request Fulfilled	Priority	1 st Come, 1 st Serve?	Water Sources Leased	End Use
Boulder	Y	Online form	1st Monday of April after 8 am	First round in June, Second round in July	Dist. 6, internal facilities, Boulder County	Y	CBT, Ditch	Ag
	N	Call	N/A	N/A	Public benefit (Eldora, CU Mountain School)	N	Augmentation/Windy Gap	Muni
Fort Collins	Y	Request to NPIC	January 1st through irrigation season	Before irrigation season	Cache La Poudre	N ^a	NPIC, WSSC	Ag
Loveland	Y	Online form for CBT agriculture	January 1st	After spring quota	Loveland service area, Big Thompson River Basin	Y	CBT	Ag, Muni
	Y	Email water resources	January 1st	If excess supply	Original farm or historically irrigated lands	N ^b	Big Thompson ditch shares	Ag only
	Y	Email water resources	N/A	Meet specific criteria	Big Thompson River Basin	N	Fully consumable sources	Ind, Muni Com, Ag
N Weld County Water District	Y	Request to NPIC	NS	Before irrigation season	Long-term lease with CSU obligations	Y	NPIC	Ag
	N	Contact N Weld General Manager	January 1st	Before irrigation season	Historically irrigated land	N	WSSC	Ag
Fort Collins Loveland Water District	Y	Request letter sent to previous rentals or inquiries	March 13th	Notify date April 21st	FCLWD	Y	NPIC, CBT	Ag
Little Thompson Water District	N	Call	January 1st before midnight	June	LTWD service area	Y	CBT	Ag, some Com
	N	Call	January 1st	Before irrigation season	Leaseback to original farmer after dedication	N	Native ditch	Ag
Thornton	N ^c	Contact WSSC	Before March	Before irrigation season	Leased to those w/ remaining land & water not changed to Muni use by Thornton	Y	WSSC	Ag
	N ^c	Bid via a newspaper advertisement	Advertised in Feb.	N/A	Awarded based on highest bid per share	N	Burlington-Barr, FRICO-Barr, Kershaw Ditch	Ag
	N ^c	N/A	N/A	N/A	IGA with CCWCD	N	Fully Consumable Effluent	Muni
City of Evans	N	Call City of Evans	N/A	N/A	Only 2 leases in 2020	N	CBT	Ag
	N	Call GLIC Office	March	Before irrigation season	Priority to folks on GLIC system	Y	GLIC	Ag
Denver Water	Y	Call Denver Water Resource	N/A	N/A	Obligation to CRCA agreement, inside service area, then outside	N	Raw Water	Muni

^a Program is structured on a lottery system.

^b If excess is available.

^c Programs not defined by formal policy

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Table 7. Interview Survey Water Pricing Results

Municipality/ Water District	Water Sources	Annual Volume (AF)	Admin Fee	Ag. Assessment ^a		M&I Price (\$/AF)	Aug. Assessment (\$/AF)
				\$/sh	\$/AF		
Boulder	CBT	Average 5,000, up to 8,000	20%	-	\$50	N/A	N/A
	Left-Hand Ditch	Not Stated		-	\$36	N/A	N/A
	Baseline Ditch	75 shares (100% quota at 8AF)		\$240	\$30	N/A	N/A
	Windy Gap	Few off-hand leases		NS		N/A	NS
Fort Collins	NPIC Ag Water	Not Stated	10%	\$180/share		N/A	N/A
	WSSC	Did not lease in 2023	Not Stated (NS)	N/A		N/A	N/A
Loveland	CBT	1,250	5% 5% + Rule 11 if outside service area	\$53	\$75.71	\$500/AF	N/A
	Big Thompson Ditch & Manufacturing Co.	95		\$1,575	\$8	N/A	N/A
	Buckingham Irrigation Co.	29		\$94.50	\$16.40	N/A	N/A
	Co Home Supply Ditch and Res. Co.	240		\$266.7	\$41	N/A	N/A
	Louden Ditch	283		\$420	\$35	N/A	N/A
	South Side Ditch	315		\$315	\$63	N/A	N/A
	Private contract water rights	Varies		NS		N/A	N/A
Wholly Consumable	Two long term leases (~300 AF)	N/A		N/A	\$1,500/AF		
North Weld County Water District	NPIC ag water	1,250	5% NPIC admin fee	\$180	\$69.23	N/A	N/A
	WSSC	Low # of shares, ~2-3 agreements (~150 AF)	N/A	\$3,250	\$49.17	N/A	N/A
Fort Collins Loveland Water District	CBT	1,535	N/A	\$50.55	\$72.21	N/A	N/A
	NPIC ag Water	1,520	N/A	-	\$45 ^b	N/A	N/A
Little Thompson Water District	CBT	Not Stated	N/A	-	\$50	\$120/AF	N/A
	Con. Home Supply Ditch and Res. Co.	Not Stated	N/A	\$236	\$67.42	N/A	N/A
	Handy Ditch Shares	Not Stated	N/A	\$235	\$94	N/A	N/A
	Big Thompson Ditch & Manufacturing Co.	Not Stated	N/A	\$1,600	\$22	N/A	N/A
	Windy Gap	N/A	N/A	N/A		\$200/AF	NS
City of Evans	CBT	Small Volume	N/A	\$40-52/AF		N/A	N/A
	GLIC	Not Stated	N/A	\$35/day		N/A	N/A
Thornton	FRICO-Barr, Burlington-Barr, and Kershaw	~680	N/A	Highest Bid NS		N/A	N/A
	WSSC Return Flow	2,969	N/A	N/A		\$112-175/AF	N/A
	WSSC	18,130.50	10% +\$1000	\$3,250	\$42.48	N/A	N/A
	Fully Consumable Effluent	840	N/A	N/A		\$160/AF	N/A
Denver	Permanent contracts prior to CRCA ^c	67,927 AF limit	N/A	N/A		\$492.04/AF	N/A
	New permanent contracts outside combined service area	4,000 AF available	N/A	N/A		\$492.04/AF	N/A
	Spot Sale inside service area	Limited to 14 days	N/A	N/A		\$338.89/AF	N/A
	Temporary Contracts outside city	3yr avg. 7,300 & single yr 12,300 AF	N/A	N/A		\$456.19/AF	N/A

^a Ag assessments were calculated using 2023 ditch assessments per share or ditch assessments per AF that were provided by entity personnel. To convert \$/share to \$/AF, an AF/share conversion based on transferable volumes set by the entities value of credit and historically recorded transferable volume was utilized.

^b Based on their own annual rate, not the annual ditch assessment.

^c Colorado River Cooperative Agreement

5.1.1 **Boulder**

The City of Boulder's rental program has been renting water since the 1990's and is publicly accessible online²⁵. Boulder operates an agriculture-specific rental program that offers CBT and ditch shares in the Left-Hand Ditch Company and the Baseline Reservoir Company. This rental program requires agriculture users to use water within District 6's historical service area. Requests are administered on a first-come, first-served basis. An online form for requests began use in 2023. This form can be submitted the first Monday of April and requires users to fill out the requested water source, volume, and farm latitude and longitude. The latitude and longitude coordinates automatically link to a GIS map which is then utilized by Boulder's water resource team. Boulder limits one online form to 1,500 AF but allow the same user to submit multiple forms if desired amounts exceed 1,500 AF. Applicants are notified of request results by May each year.

CBT rentals for 2023 were priced at \$50/AF. Ditch share rentals are priced based on annual ditch assessments. Boulder also implemented an online payment portal for users, which increased administrative fees to 20% of total cost. This fee is not expected to change, and the city held multiple sessions for agriculture users to ensure familiarity with the system. Boulder has historically leased augmentation water to Eldora and CU Mountain Campus but are internally discussing the opportunities to develop an augmentation program that would also utilize excess Windy Gap water. Boulder does not lease or rent to oil and gas operations.

5.1.2 **Fort Collins**

The City of Fort Collins operates a raw water rental program²⁶ for ditch shares, CBT, and wholly consumable supplies (effluent). In 2023, Fort Collins did not lease any WSSC shares and will not rent CBT or administer new leases for wholly consumable water during 2024.²⁷ Excess supplies for NPIC ditch shares are available to agriculture users and will be distributed through NPIC staff. Fort Collins has utilized NPIC staff for annual rentals for the last two years. Although Fort Collins did not lease WSSC shares in 2023, limited supplies will be available for 2024 (typically only a few shares are rented) and will be administered by WSSC staff through a lottery structure. WSSC staff will announce the lottery terms, with a request deadline of April 1st and confirmed that the 2024 ditch assessment rate will be \$3,400/share. The city is working on a policy for augmentation rentals that would use excess effluent or storage water releases as water sources. The program would prioritize Cache la Poudre, Big Thompson, and South Platte users, in that order. Fort Collins City Council has not yet determined pricing priority.

5.1.3 **Loveland**

The City of Loveland published its excess raw water supply rental and lease policies earlier this year²⁸. Like Greeley, Loveland rents ditch shares that have not yet been converted for municipal use, CBT water for agriculture and municipal purposes, and wholly consumable water sources for uses approved by the city's water resource department. Loveland offers an online form for CBT and ditch share agricultural lease requests beginning January 1st.

Once CBT availability is announced, Loveland will grant leases to water users in the Big Thompson River Basin first and then to other users in the order submissions were received. Depending on availability

²⁵ <https://bouldercolorado.gov/services/agricultural-and-irrigation-water-leasing>

²⁶ <https://www.fcgov.com/utilities/raw-water-rental-program>

²⁷ Fort Collins has limited rentals following the Cameron Peak Fire to hedge the potential for water quality impairments of its Poudre River rights.

²⁸ <https://www.lovelandwaterandpower.org/about-us/raw-water-leases>

Loveland will accept requests for CBT through October. CBT requests require a minimum of 5 AF, with a maximum request volume of 100 AF for individuals and a maximum of 300 AF for domestic, municipal, and ditch company users. CBT rental pricing to agriculture users is based on the open rate assessment divided by the annual quota plus a 5% administration fee. If CBT is leased outside of Loveland's service area, Rule 11 fees will be passed onto the lessee. The rental rate for non-agricultural use is \$500/AF. Loveland also began a 10-year lease with Windsor for CBT water in January 2024. Loveland agreed to lease a maximum of 500-acre feet (714 CBT units) or Windy Gap units, when developed, to Windsor. Windsor will use this water as emergency back-up supply for non-agriculture use and agreed to pay a \$75,000 flat fee with an 3% annual escalator plus the non-ag rate of \$500 per AF used. Assuming Windsor uses the full 500 AF of CBT for 2024 plus the flat fee of \$75,000, the city will have paid \$325,000 to Loveland.

Ditch share rental rates are based on ditch company assessment fees plus a 5% administration fee. Augmentation and replacement rentals of wholly consumable sources have not been common, with only a couple long-term leases for augmentation to aggregate companies. However, Loveland is prepared to offer annual rentals or leases at a rate of \$550/AF. Loveland also owns approximately 10,000 AF of Windy Gap that have not historically been rented but the City anticipates renting in the future. The City also anticipates renting an additional 1,600 AF of storage water currently under development.

Prior to using an online form, rental requests were placed by phone to the water resources department. Requests were tracked using a master sheet and followed the same priority and first-come, first-serve structure described above. Loveland surveyed other entities in 2023 and developed their policies based on their findings of the rates and administrative practices used elsewhere, heavily following Greeley's example.

5.1.4 North Weld County Water District

North Weld County Water District (NWCWD or North Weld) rents WSSC and NPIC ag water to agriculture users only. WSSC water is available for rent until shares are changed for municipal use. In 2023, North Weld rented approximately 150 AF of WSSC water. Historically irrigated properties are prioritized. Rental pricing for WSSC water is based on annual ditch assessment fees. NPIC water can be rented annually, with approximately 1,250 AF rented in 2023. The rental rate is based on NPIC's annual ditch company assessments. North Weld does not rent CBT and does not own any Windy Gap water.

5.1.5 Fort Collins Loveland Water District

Fort Collins Loveland Water District (FCLWD) does not publicly advertise its raw water rental program, although it offers both NPIC ditch shares and CBT water for agricultural use. The FCLWD Board of Directors emphasizes rental of CBT to agriculture users and avoidance of rental to municipal or industrial users. In early March, FCLWD sends a letter to previous renters or inquirers about water rentals. Rentals can only be requested through receipt of this letter. The letter contains an attached request form that must be filled out to include the volume of water, type of use, number of acres, and the county parcel number. Forms can be returned no earlier than March 13th. Those who put in requests will be notified on April 21st on a first-come, first-serve basis.

FCLWD's rental rate for NPIC in 2023 was \$45 per acre-foot without an administration fee. Just over 1,500 AF of NPIC water was rented. CBT rental rates are calculated as the annual assessment divided by the quota. In 2023, this rate came out to \$72.21/AF with an account volume of just over 1,500 acre-feet. FCLWD does offer a few long-term leases for agricultural use. These are determined by the Board and

reviewed on a case-by-case basis. FCLWD does not rent or lease water for augmentation purposes nor anticipates doing so in the future.

5.1.6 Little Thompson Water District

Little Thompson Water District (LTWD or Little Thompson) does not have a specific policy outlining excess water rentals or leases. When ditch shares (Consolidated Home Supply Ditch Company, Handy Ditch Company, and Big Thompson Manufacturing Ditch Company) are dedicated, LTWD will offer a leaseback option to for use on the original agriculture parcel until the ditch shares are changed and converted for municipal use. If the shares are not used for leaseback, then the excess shares may be rented annually to other agricultural users at the ditch assessment rate on a first-come, first-serve basis. LTWD does not offer multi-year leases for ditch shares. Little Thompson has a specific policy concerning Highland Ditch shares that allows sub-leasing under non-potable agreements if the sub lessee provides the intended use and location in writing to LTWD.

Little Thompson also rents CBT on an annual basis with a priority to agriculture users. In 2023, CBT rentals were priced to cover the assessment fee at \$50/AF. No administrative fees are placed on rentals although it is under consideration. CBT for commercial use is priced at \$120/AF and is offered in June or July, depending on the year. Windy Gap will likely be leased as a second use source for augmentation on the St. Vrain once further accounting is completed at an expected price of \$200/AF.

5.1.7 Thornton

The City of Thornton (Thornton) does not have formal lease policies but does operate several informal lease programs. The first lease program offers Thornton's Clear Creek and South Platte unchanged ditch company shares in Burlington-Barr, FRICO-Barr, and Kershaw Ditch for lease. Annual leases are advertised via local papers in February of each year and can be bid on by agriculture users only. Thornton accepts sealed bids and requires minimum bids to meet the cost of assessments. Each bid is on a per share basis and is awarded based on the highest bid per share. This program runs year-round and is available until all excess shares are used. In 2023, Thornton leased 117 shares of FRICO-Barr, 12 shares of Burlington-Barr, and 1.61 shares of Kershaw Ditch. Awarded bid prices were not disclosed.

The second program leases Thornton's WSSC transmountain return flows under an Intergovernmental Agreement (IGA) that started in 2005 with Central Colorado Water Conservancy District (CCWCD). The current agreement is available through March 2025 with the option to extend it on an annual basis through March 2030. They anticipate demand for transmountain return flows to increase over time and will result in Thornton leasing less to CCWCD. In 2023, Thornton delivered 2,969 AF for a total of \$471,000. The price for return flows ranges from \$112.70/AF (Jan.-Mar) to \$175/AF (April-December).

Third, Thornton leases ditch shares in the WSSC system. These shares are leased on a first come first serve basis with priority ranking to farmers utilizing WSSC water for Thornton's farms, farmers using WSSC on non-Thornton farms, and lastly to all other remaining farmers under the WSSC system. Requests are based on share volumes, and the WSSC office in Ault, CO, manages delivery. Requests can be made starting in January with a March deadline. Thornton owns 289 shares of WSSC. Of the 289 shares, 209 WSSC shares can be leased to Thornton farms, 34 shares to non-Thornton farms, and 45 shares were held for Thornton. In 2023, Thornton leased 237 shares. WSSC transferrable amount for 2023 was \$76.5 AF/share and has been historically priced at the WSSC assessment rate (\$3,250/share in 2023) plus an additional \$1,000 and 10% administration fee.

Thornton's fourth program is part of a long-term IGA with CCWCD for their fully consumable effluent/storage water. The IGA started in 2003 at an original price of \$30/AF. The IGA was reissued in April 2022 through March 2025 at a price of \$160.35/AF. Leases prices are adjusted by the Consumer Price Index. Thornton does not offer other excess effluent for cash or offer any leasing options for oil and gas use.

5.1.8 Evans

The City of Evans' water rentals are informal and make available excess GLIC shares and CBT. Rentals can be requested in March. The city prioritizes requests from users on their potable water system on first-come, first-serve basis. Evans only rents to agricultural water users. Rental prices are \$40/AF for CBT and \$35/day for GLIC water. In the last six years, Evans has completed two CBT rentals, both during 2020.

5.1.9 Denver Water

Denver Water regularly rents or leases raw water to entities within the boundaries of the City and County of Denver and rents and leases limited amounts of water outside Denver for municipal and industrial uses. Three types of leases are offered: spot sales (rentals), temporary leases, and permanent leases. Spot sales are limited to 14 days of water use. Temporary lease contracts are for less than five years and are limited to 3-year average use of 7,300 AF and a maximum of 12,300 AF in a single year. Permanent leases have existed prior to the Colorado River Cooperative Agreement (CRCA)²⁹ and are limited to 67,927 AF annually.

Due to the limitations of the CRCA, Denver is allowed to make 4,000 AF available for new permanent contracts outside the city's boundaries. Denver Water prioritizes the CRCA obligations, inside city boundary users, and outside boundary users in that order when considering lease requests. Lease rates are geography-based and subject to change annually. Denver's raw water lease pricing in 2023 was \$388.89/AF inside the city of Denver, \$456.19/AF outside their service area, and \$492.04/AF for raw water outside service area and outside county area.

²⁹ <https://www.denverwater.org/sites/default/files/colorado-river-cooperative-agreement.pdf>

6 Preliminary Water Lease Policy Recommendations

The City of Greeley requested WestWater's input on opportunities to improve its existing lease policies and procedures. WestWater's recommendations for the creation of lease policies include both structural (policy) and administrative recommendations. Structural recommendations aim to improve the full utilization of available excess supplies and increase lease revenue. Administrative recommendations seek to streamline and simplify both program and data management.

The recommendations presented below were discussed with Greeley staff and refined into their current form. While these are the recommendations that were settled on, multiple alternatives for structuring the lease program exist and can be further explored following Board and senior staff input.

The analysis described up to this point in this report is the basis upon which alternatives were developed and recommendations made. Key findings from this analysis can be summarized as follows:

- The Agricultural Income Analysis (crop budget analysis) found the willingness to pay for agricultural rentals is dependent on crop type and ranges from \$69/AF - \$149/AF.
- Other municipalities rent to ag users at rates from \$8/AF to \$94/AF, mostly at rates less than farmers' willingness to pay.
- Ag lease rates tend to fall below the calculated willingness to pay.
- Most municipalities have a formal lease program for agricultural rentals, with both first-come, first-served and other structures depending on the source.
- Fewer municipalities lease non-agricultural or augmentation water, and many do so informally. Market data shows a willingness to pay exceeding \$400/AF for M&I and augmentation leases.
- There is wide variation in how municipalities price rentals and leases, with pricing variable mostly by source. Ditch shares tend to be leased at assessment costs while other sources are leased at per-AF rates that vary from \$40-\$75/AF for CBT to almost \$500/AF for wholly consumable sources.
- About half of municipalities cover administrative time and expense within their lease rates, and about half include an extra administrative fee on top of their lease rates.
- Thornton is the only municipality of those WestWater interviewed to operate a bid process.
- Denver is the only municipality of those interviewed that bases pricing on rental/lease type rather than supply source.

6.1 Program Structure Recommendations

Greeley's current lease policies that create and operate the lease and rental programs evaluated in this memorandum are structured around fixed rates and target volumes. These structures create **five specific rental or lease programs** defined by water source and class of end use. Within each program, the supplies used and pricing for those supplies can be varied to meet the City's priorities, as can the request structure for each program. WestWater has provided a recommended structure based on the City's goals of maintaining flexibility and economic production from these policies. **Table 8** summarizes WestWater's recommendations, which are discussed in detail below.

Table 8: Summary of Recommended Lease Policy Programs

Program	Assets/Supplies	Structure	Objective	Pricing
Ag Leasebacks	Unchanged or changed excess shares of WSSC, GLIC, LWIC, WRCC, 7-L, L-L, LWRC, GIC, NCLPIC, and CLPRC	Maintain current policy of long-term leases to agricultural partners.	Maximize use of unchanged shares, incentivize acquisitions, support regional agriculture, and maintain HCU.	Pricing to cover costs (assessments plus administrative fee).
Ag Rentals/Leases	CBT, GLIC unchanged, GLIC changed-excess, WSSC unchanged, HMR	First-come, first-serve. Annual rentals and multi-year leases. Prioritize Poudre, Big Thompson, and South Platte in that order.	Create lease revenue while maximizing use of unchanged shares and supporting regional agriculture.	Fixed price to cover costs (assessments) plus administrative fee.
M&I Rentals/Leases	CBT, Windy Gap, Terry Ranch	Set annual available amount based on bid prices/volumes. Users bid for leases, with minimum bid set by the City. Annual rentals and multi-year leases.	Create lease revenue from excess or unused supplies.	Minimum bid at \$500/AF, adjusted annually.
Augmentation Rentals/Leases	GLIC converted, Effluent, Junior decree/stored free river	Set annual available amount. Users bid for leases, with minimum bid set by the City. Annual rentals and multi-year leases.	Create lease revenue from excess supplies.	Minimum bid at \$800/AF, adjusted annually.
Storage	Poudre Ponds, Overland Ponds	Excess capacity agreements considered on a case-by-case basis.	Create lease revenue from available storage space.	\$150/AF, adjusted annually.

As shown in the table, the five lease or rental programs are categorized by end-use. This structure creates a framework for managing water leases that allows for flexibility in both leasing volume and rate setting. Volumes leased and rates set can be adjusted to meet the City’s priorities while supporting regional partnerships.

Several pricing structures were examined for all five programs – a fixed price structure, a bid process, and a hybrid of the two. All structures provide the option to price single-year rentals separately from multi-year leases. Greeley’s current policies allow for secondary or late-season rentals. While these are also possible under each recommended structure, they are not necessarily recommended.

- Fixed Pricing:** Fixed pricing on first-come, first-serve lease requests is the structure currently utilized for the City’s rental programs. Under a fixed pricing structure, each source of leased water could be charged a different rate set by the City. This structure provides the City with a lot of control over lease prices and volumes, but also places the onus of price-setting on City staff, as is the current practice. This structure is commonly seen among other municipalities’ programs and is well-suited to programs where pricing is determined by an outside factor, like ditch assessments, so that staff time is minimized.
- Bid Process:** A bid process like that run by Thornton for agricultural leases would allow for the market to dictate pricing, with a minimum bid set by the City. A bid process would be structured similarly to the current program with an online form submission that details volume requested, timing, location, and bid price. Greeley would announce a Request for Bids (RFB) with a set

minimum bid price for the year. Greeley would review all requests and bids and respond to requests based on the highest bid. The highest bid would get their request fulfilled, then the next highest, and so on until all available volume is rented for the year. This structure allows market participants to dictate pricing, as well as allowing the City to react to market interest when allocating volume for the year.

- **Hybrid System:** A hybrid system of fixed pricing and a bid process could also be used with fixed pricing for rentals up to a certain volume of water and then a bid process for the remaining volume available each year. There are multiple ways to structure a combination of fixed and bid structures that were explored further with Greeley staff. Ultimately,
- **Multi-Year Lease Pricing:** It is recommended to charge a premium for multi-year leases over annual rentals. The rate of premium is based on the length of the lease, up to five years, and is based on the idea that it is more expensive for Greeley to lease next year’s water since it is not guaranteed - Greeley is losing value in the opportunity cost of water supplies tied up in a multi-year lease.

CBT yield variability was used as a basis for estimating a price premium. In making a multi-year lease, it is conservatively assumed that only a 50% quota (the minimum quota) could be guaranteed for future years. A 70% quota (the average quota) is assumed for the current year. Under a 70% quota, 1.4 CBT units are required to deliver 1 AF of water. Under a 50% quota, 2 CBT units are required to deliver that same 1 AF of water. This assumption results in an increased price for longer leases following the schedule below in **Table 9**. The price increase represents the \$/AF value of a lease price for that duration of lease. For example: if an asset were typically rented for one year at \$50/AF, a two-year lease would be priced at 120% of \$50, or \$60/AF, and a four-year lease would be priced at 130% of \$50, or \$65/AF.

Table 9: Multi-Year Lease Pricing

Lease Year	Price as % of Annual Rental
1	100%
2	120%
3	127%
4	130%
5	132%

- **Secondary or Late-Season Rentals:** Pricing can be adjusted for secondary or late-season rentals. If Greeley desires to rent water outside the regular timeline, either from lower-than-expected demand or higher-than-expected availability, it is recommended that the City seek to follow the same process for the primary rental but be willing to accept a reduction in price. For example, if primary rentals are made through first-come, first-served requests, then secondary rentals should be made the same way and picked up from the same list of requests that were not met through primary rentals.

6.1.1 Ag Leaseback Program

The Agricultural Leaseback Program would be specific to leasebacks of water and land that Greeley has acquired to meet future demand. This program would follow the current Ag Lease Program’s structure



with water leases and water and farm leases. It is recommended to be priced nominally the same as well, with prices for water leases set to cover costs at the annual ditch assessment rate plus an administrative fee of 10% and prices for water and farm leases set at the same rate currently assessed. **WestWater recommends maintaining the Ag Leaseback program as-is** because leasebacks represent a vested interest in Greeley’s future water rights uses for domestic purposes, and this program is set up already to ensure that the beneficial use of acquired rights is continued for future change cases. *The Ag Leaseback Program stands on its own and per discussions with City staff, it can be managed as its own program and excluded from Greeley’s water lease policy if desired.*

Alternative structures for a leaseback program include a bid process like that used by Thornton to lease to agricultural water users. While this process is an option, WestWater does not recommend it specifically for leasebacks in part due to the nature of leaseback agreements being structured around water or water and land purchases made by the city.

Multiple municipalities interviewed have some form of a leaseback program. Loveland, North Weld, Little Thompson, and Thornton all lease shares of specific sources to the original farm or historically irrigated land for those sources, presenting several different forms of leasebacks (**Table 6**). Of these programs, Thornton’s is unique, with a first-come, first-serve approach for WSSC shares to be used on historically irrigated WSSC lands now owned by Thornton. While Thornton owns the water and land, the program is administered through WSSC and is informal. This first-come, first-serve approach is another option for Greeley to structure a leaseback program. However, WestWater does not necessarily recommend it due to the requirement of owning both water and land.

6.1.2 Ag Rentals and Leases

The Agricultural Rentals and Leases Program would be a separate program from leasebacks, as is currently done. This separation allows Greeley to both maintain its vested interests in leasebacks and to maximize use of unchanged shares while supporting regional agriculture. The City can maintain flexibility in setting lease prices and allocating volumes to meet its priorities. **Table 10** outlines the alternatives considered for this program, with the recommended alternative described in more detail below.

Table 10: Ag Rentals and Leases Program Alternatives

Structure	Description	Pros & Cons
Bid Process	City sets minimum bid, water users then bid at and above minimum for supplies.	Maximize revenues through direct market competition. Works better for annual rentals than for multi-year leases. Ag users are not as familiar with this structure.
Fixed Pricing	First-come, first-served structure for rentals and leases. City sets prices for supplies to meet goals and priorities. Like the current program.	Most predictable and easiest to implement. Requires regular revision of pricing. Ag users are already familiar with this structure.
Hybrid	Bid for annual rentals and first-come, first-served for multi-year leases.	Incorporate a bid process to maximize rental revenues while maintaining a more familiar and simpler structure for multi-year leases. Can be adjusted to prioritize one over the other.
Hybrid	First-come, first-served for a set volume, then bid for the remainder.	Incorporate a bid process to maximize rental revenues while maintaining a more familiar and simpler structure for initial leases and rentals. Volume can be adjusted to meet City’s priorities

WestWater recommends that the Ag Rental Program follow a fixed-price structure very similar to that of the current Ag Rentals program. The initial rentals and leases would be on a first-come, first-served basis to rentals following current basin priorities (Poudre, Big Thompson, South Platte) with a maximum individual lease amount at 500 AF. WestWater recommends implementing pricing at the rates described below.

Fixed pricing on first-come, first-serve lease requests is currently structured at the ditch assessment rate plus an administrative fee of 10%, resulting in pricing from about \$8/AF to over \$75/AF, depending on the source (**Table 2**). This price range is commonly seen with other municipalities' programs and is mostly well below farmers' willingness to pay based on the Ag Income Analysis. Thus, pricing could likely be increased.

Under the fixed pricing structure, Greeley could elect to charge the greater of the assessment rate or a per-AF rate. For the per-AF rate, WestWater suggests \$35/AF, which is 50% of the minimum willingness to pay value (\$70/AF). This pricing allows Greeley to increase the lease rate of several rental sources with low-priced assessments, if desired, while supporting local agriculture by maintaining a relatively low cost of water. Assessments for some sources of supply exceed \$35/AF, in which case Greeley could charge the assessment plus 10% for administration not to exceed \$500 per rental. That is, the fixed price would be the minimum of either:

1. \$35/AF, which is 50% of the minimum willingness to pay value (\$70/AF), or
2. The source of supply's assessment rate plus 10% for administration not to exceed \$500 per rental.

Note that while ditch assessments are a known cost, HMR storage does not come with an assessment cost. It is recommended that Greeley calculate an operating cost (OPEX) for use of HMR water and charge this OPEX plus an administrative fee for use of HMR supplies on a \$/AF basis. This HMR cost should not exceed the maximum willingness to pay value of \$150/AF. **HMR supplies are recommended to be considered for multi-year leases** as that water will not be used for M&I for the next 3-5 years and a premium could be charged for the reliability of a multi-year lease, allowing for a higher price closer to that maximum willingness to pay value.

Higher prices would be charged for multi-year leases, per **Table 9**. Maintaining the fixed price structure will help to continue supporting regional agriculture and minimize feedback from stakeholders reliant on the program while providing Greeley full control over pricing to meet City priorities. If there is available water for late-season rental, this will also be dealt to requests on a first-come, first-served basis, likely at reduced rates.

6.1.3 M&I Rentals and Leases

The M&I rentals and leases program would be a non-agriculture, non-augmentation rentals program. This program may allow Greeley to drive economic priorities, as M&I water users tend to be willing to pay higher rates than agricultural water users. Both annual rentals and multi-year leases could be managed under this program. **Table 11** outlines the alternatives considered for this program, and the recommended alternative is described in more detail below.

Table 11: M&I Rental Program Alternatives

Structure	Description	Pros & Cons
Bid Process	City sets minimum bid, water users then bid at and above minimum for supplies. Revolving bid process throughout the year.	Maximize revenues through direct market competition. M&I users are familiar with this structure.
Fixed Pricing	First-come, first-served structure for rentals and leases. City sets prices for supplies to meet goals and priorities. Like current program.	Support economic priorities and create revenue from water leases. Requires annual or bi-annual revision of pricing.
Hybrid	Bid for annual rentals and first-come, first-served for multi-year leases.	Incorporate a bid process to maximize rental revenues while maintaining a more familiar and simpler structure for multi-year leases. Can be adjusted to prioritize one over the other.
Hybrid	First-come, first-served for a set volume, then bid for the remainder.	Incorporate a bid process to maximize rental revenues while maintaining a more familiar and simpler structure for initial leases and rentals. Volume can be adjusted to meet City's priorities

WestWater recommends that this program be structured with a bid process that allows Greeley to examine and evaluate bids as they come in and as supplies are available. Bids could be considered on a revolving basis as they come in, or at certain points throughout the year, like quarterly or annually. It is recommended to run the bid process annually to minimize staff time managing the program. The bid process structure would include requests submitted through an online form that defines water use, water volume requested, timing of delivery, and length of use (single year or multi-year) along with a bid price that meets or exceeds the set minimum. Greeley then would award water to requests based on bids received, with high bids getting first priority.

The minimum bid would be based on market values each year, with bidding then determining actual pricing. Based on recent market pricing, it is recommended that the minimum bid starts at **\$500/AF** – just below the market average of lease prices for municipal and industrial uses. Based on market data, the willingness to pay for M&I leases is well over \$400/AF - the median lease price to M&I end uses is around \$400/AF while the average lease price to M&I end uses is around \$600/AF, indicating that a number of relatively high-priced transactions have occurred, therefore some parties are willing to pay far more than the median lease price (**Table 3**). There is not as much of a ceiling with pricing the way there is with agricultural leases. Oil and gas producers are typically willing to pay more than other water users, and market data suggests that these water users regularly pay over \$1,500/AF for the right sources.

Use of a bid process resolves uncertainty around what rates to charge each class of water user, instead allowing water users to start the conversation around what price they'd be willing to pay. Greeley could reserve the right to reject high offers if the lease would compromise other public health or economic priorities (e.g., if the lessee is a competitor or "bad actor"). The City could also reserve the right to accept lower offers if the lease would benefit other public health or economic priorities, preserving some flexibility within the bid system for the City to support its own needs.

Multi-year lease pricing can be done in the same way as for ag leases; that is, the minimum bid for multi-year leases is recommended to be set higher than that for annual rentals to account for some of the

opportunity cost of water supplies tied up in a multi-year lease. The same increase in price laid out in **Table 9** can be applied with the annual minimum bid as the base price.

The City does not currently have sufficient infrastructure to deliver Terry Ranch groundwater. Infrastructure will have to be completed to deliver groundwater, and lease rates should reflect this investment. Lease rates for Terry Ranch groundwater should incorporate the OPEX of water delivery and a proportional amount of capital expenses (CAPEX) to build the delivery infrastructure. This cost, whatever it may be, could be incorporated into the lease rate of Terry Ranch supplies as an additional fee or as a higher minimum rate for Terry Ranch supplies.

6.1.4 Augmentation Rentals and Leases

The Augmentation Rentals and Leases Program would be specific to augmentation use of available supplies. It appears that augmentation rentals and leases are already tracked and managed separately from other non-ag rentals, and it is recommended to continue to do so. This program essentially formalizes that separate tracking into its own process and would be administered for both annual rental requests and for multi-year leases. Since augmentation leases typically go to industrial or commercial users, entities that are used to competition and both willing and able to pay more than a competitor, **a bid process was selected as the recommended structure.**

WestWater recommends structuring this program similarly to the M&I Rentals program described above, with bids received annually through an online form specifying use, volume, location, and bid price. Like the M&I program, it is recommended that Greeley structure this program with pricing determined through an annual bidding structure (reverse auction) with a minimum bid set for both annual rentals and multi-year leases. Multi-year leases would be priced higher than annual rentals per **Table 9**. The minimum bid recommended is actually Greeley's current augmentation price at **\$800/AF**. Based on interviews with other utilities, this value appears to be setting the market.

Just as with the M&I program, Greeley could reserve the right to reject high bids if the lease would compromise other public health or economic priorities and reserve the right to accept lower bids if the lease would benefit other public health or economic priorities.

6.1.5 Storage Space Rentals and Leases

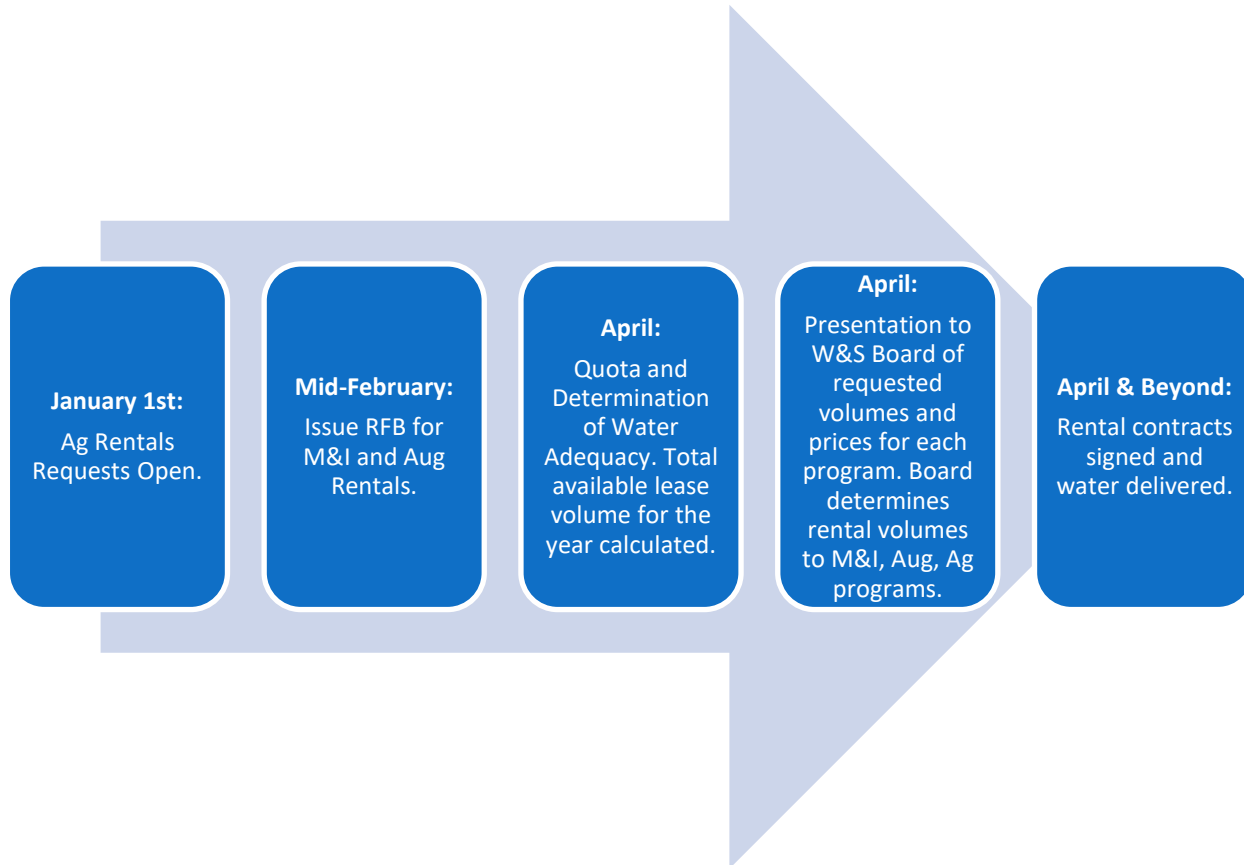
The City owns several gravel pit storage facilities - Poudre Ponds and Overland Ponds - in which it is considering leasing or renting storage space. **WestWater recommends that this space be rented or leased through excess capacity agreements**, and that applications or requests for these agreements be considered individually so that the City has complete control over the use of available storage space and can determine when and to whom the space is leased out. A bid process would not work as well for this program since these agreements would have to be bespoke agreements and there is likely not the demand to support bidding.

WestWater recommends pricing storage space leases up to about \$150/AF. Market data on both storage lease rates and gravel pit storage purchase pricing indicate \$150/AF as the upper end of the lease market for storage. This is a relatively low value, especially as it is likely that many lease requests of storage space will be for storage of free river for use later in the year by industrial water users, who are typically willing to pay more than other users for water to be available at the right time and place. Both annual and multi-year leases are recommended, contingent on the amount of storage space available and the priorities of the City. Multi-year leases can be priced at a premium, as discussed in the above sections and displayed in **Table 9**.

6.1.6 Implementation

The above sections outline WestWater's recommendations for structuring Greeley's water rental and lease programs. Implementation of these programs, aside from the Ag Leasebacks program, would happen on an annual basis following the schedule outlined in **Figure 15**. The steps to implement the recommended lease programs are as follows:

- 1) Ag rentals requests forms open on January 1st. An online request form is available for participants to request volumes and sources of water for Ag rentals and leases. This form can remain open through March.
- 2) Issue Request for Bids (RFB) for M&I and Aug rentals in Mid-February. Bidders can place bids through an online request form specifying volume, timing, source, and bid price. This form can also remain open through March. WestWater recommends against a prolonged open bid process.
- 3) City staff estimate total volume available for rental for the year based on annual quota and estimates/projections of runoff conditions.
- 4) City staff organize requests and present requested volumes and prices for M&I and Augmentation rentals for the year to the Water & Sewer Board.
- 5) The Board then awards rentals for M&I, Augmentation, and Ag. The allocation between M&I and Ag will vary depending on the volume of requests received for each, the prices offered by M&I, and the priorities of the City in a given year.

Figure 15: Annual Program Implementation Timeline

This implementation structure differs from the current process. Currently, water allocation pricing for ag and non-ag rentals are determined prior to reviewing received requests. Under the recommended structure, requests are reviewed and then the allocation decisions are made by the Board based on market input received through the bid processes for M&I and Augmentation rentals. Rental and lease decisions are made through consideration of market input rather than setting available volumes and prices prior to market. This provides Greeley flexibility to adapt to water conditions in any given year and to adapt the programs to City priorities as they change over time.

6.2 Administrative Recommendations

Program administration and data management are important in tracking and accounting for supplies used under Greeley's lease policies. Based on the data provided by the City, the current methods of rental and lease tracking are complex and potentially confusing across multiple spreadsheets and personnel.

WestWater provides below several administrative recommendations discussed with City staff. The recommendations are intended to facilitate and streamline management of the lease programs identified above, however, these recommendations are not complete as WestWater does not have full access to Greeley's full suite of accounting and rental tools. These recommendations include:

1. Greeley creates a single policy covering all lease programs for approval by the Water & Sewer Board. The current policies were approved separately and found in multiple locations.

2. Greeley establishes a central request collection location for each policy. This could be in the form of an online form for each program like that used in the Ag Rental Policy and/or a central email address to which requests can be made and from which responses can be sent. In either case, multiple employees can work to manage requests, but information is kept centralized.
3. Greeley establishes clear, centralized spreadsheets for each of the programs that are offered. This could be done in the form of a central sheet or database for each program that feeds to a summary master sheet for accounting purposes or in the form of a master sheet or database that collects and organizes all rentals and leases in the same place. The idea is to centralize and organize data by program to minimize potential data conflicts. No matter the structure, the end use of the rental or lease is strongly recommended to be recorded for data management and internal analysis purposes.
4. Greeley merge its rental database with a GIS-based system for identifying location of use. The City of Boulder operates such a GIS system and can be contacted for a tutorial to evaluate its effectiveness for Greeley. Establishing the mapping would involve a latitude and longitude requirement in each request form that can then be incorporated into GIS data and managed spatially. This method could be useful for both spatial management of supplies as well as keeping track of request approvals via color code (red = request, yellow = under review, green = approved).

Appendices



Appendix A. Corn Crop Budget Analysis & Results

		Irrigated Corn Production				Dryland Corn Production			
GROSS RECEIPTS FROM PRODUCTION		PRICE	YIELD	\$/Acre	\$/bu	PRICE	YIELD	\$/Acre	\$/bu
Corn	bu	\$5.75	193	\$1,110	\$5.75	\$5.75	77	\$442.75	\$5.75
Gross Receipts				\$1,110				\$422.73	
DIRECT COSTS			Units/						
		\$/Unit	Ac	\$/Acre	\$/bu	\$/Unit	Units/Ac	\$/Acre	\$/bu
OPERATING PREHARVEST									
Seed									
Seed	acre	117.39	1	117.39	0.61	53.50	1.00	53.50	0.69
Fertilizer									
N + P	dollars	141.27	1	141.27	0.73	54.67	1	54.67	0.71
Custom Application	acre	7.00	1	7.00	0.04	7.00	1	7.00	0.09
Herbicide									
Chemicals	dollars	38.13	1	38.13	0.20	50.76	1	50.76	0.66
Insecticide & Fungicide									
Chemicals	dollars	30.79	1	30.79	0.16				
Irrigation									
Sprinkler Ownership	dollars	70.00	1	70.00	0.36				
Sprinkler Energy	acre	91.70	1	91.70	0.48				
Irrigation Repairs	dollars	14.54	1	14.54	0.08				
Labor	hours	7.33	1	7.33	0.04	2.46	1	2.05	0.03
Crop Consultant	acre	13.00	1	13.00	0.07				
Crop Insurance	dollars	48.02	1	48.02	0.25	25.25	1	25.25	0.33
Fuel	dollars	18.26	1	18.26	0.09	5.27	1	5.27	0.07
Repairs & Maintenance	dollars	12.23	1	12.23	0.06	3.71	1	3.71	0.05
Interest (6 months @ 6.5%)	dollars	19.81	1	19.81	0.10	6.59	1	6.59	0.09
Total Pre-Harvest Expenses				\$629.47	\$3.26			\$208.80	\$2.71
HARVEST COSTS									
Fuel	dollars	7.43	1	7.43	0.01	6.80	1	6.80	0.09
Repair & Maintenance	dollars	6.95	1	6.95	0.01	6.73	1	6.73	0.09
Labor	dollars	1.99	1	1.99	0.00	1.82	1	1.82	0.02
Hauling	bu	38.60	1	38.60	0.03	15.40	1	15.40	0.20
Total Harvest Costs				\$54.97	\$0.28			\$30.75	\$0.40
Total Operating Costs				\$684.44	\$3.55			\$239.55	\$3.11
PROPERTY & OWNERSHIP COSTS									
General Farm Overhead	dollars	12.42	1	12.42	0.01	10.10	1	10.10	0.13
Machinery Ownership Cost	dollars	66.88	1	66.88	0.06	33.08	1	33.08	0.43
Real Estate Taxes	dollars	19.70	1	19.70	0.02	3.82	1	3.82	0.05
Total Property & Ownership Costs				\$99.00	\$0.51			\$47.00	\$0.61
TOTAL DIRECT COSTS				\$783.44	\$4.06			\$286.55	\$3.72
NET RECEIPTS BEFORE FACTOR PAYMENTS				\$326.31	\$1.69			\$136.18	\$1.77
FACTOR PAYMENTS									
Land (\$1,260 @ 3.7%)				46.62	0.04			46.62	0.04
RETURN TO MANAGEMENT & RISK				\$279.69	\$0.25			\$89.56	\$0.08



Appendix B. Winter Wheat Crop Budget Analysis & Results

		Irrigated Winter Wheat				Dryland Winter Wheat			
GROSS RECEIPTS FROM PRODUCTION									
GROSS RECEIPTS	Unit	Price	Yield	\$/acre	\$/bu	Price	Yield	\$/acre	\$/bu
Winter Wheat	bu	\$6.17	95	\$586.15	\$6.17	\$6.17	45	\$277.65	\$6.17
Gross Receipts				\$586.15				\$277.65	
DIRECT COSTS									
	Unit	Units		\$/acre	\$/bu	Units		\$/acre	\$/bu
		\$/unit	/acre			\$/unit	/acre		
OPERATING PREHARVEST									
Seed									
Seed	dollars	20.79	1.00	20.79	0.22	8.28	1.00	8.28	0.18
Crop Protection									
Fertilizer	dollars	64.34	1	64.34	0.68	36.24	1	36.24	0.81
Herbicide (A)	dollars	34.17	1	34.17	0.36	46.01	1	46.01	1.02
Custom Appli	dollars					7.00	1	7.00	0.16
Irrigation									
Irrigation Ene	dollars	46.03	1	46.03	0.48				
Irrigation Rej	dollars	14.54	1	14.54	0.15				
Sprinkler Lea	dollars	70.00	1	70.00	0.74				
Crop Insurance	dollars	53.53	1	53.53	0.56	32.32	1	32.32	0.72
Fuel	dollars	9.80	1	9.80	0.10	11.37	1	11.37	0.25
Repair & Mainte	dollars	6.53	1	6.53	0.07	8.94	1	8.94	0.20
Labor	dollars	2.99	1	2.99	0.03	2.89	1	2.89	0.06
Interest (6 mont	dollars	10.49	1	10.49	0.11	4.97	1	4.97	0.11
Total Pre-Harvest Expenses				\$333.21	\$3.51			\$158.02	\$3.51
HARVEST COSTS									
Fuel	dollars	5.54	1	5.54	0.06	7.02	1	7.02	0.16
Repair & Mainte	dollars	4.53	1	4.53	0.05	4.19	1	4.19	0.09
Labor	dollars	2.04	1	2.04	0.02	2.02	1	2.02	0.04
Hauling ¹	dollars	19.00	1	19.00	0.20	9.00	1	9.00	0.20
Total Harvest Costs				\$31.11	\$0.33			\$22.23	0.49
Total Operating Costs				\$364.32	\$3.83			\$180.25	\$4.01
PROPERTY & OWNERSHIP COSTS									
General Farm O	dollars	12.42	1	12.42	0.13	10.10	1	10.10	0.22
Machinery Owni	dollars	66.88	1	66.88	0.70	33.08	1	33.08	0.74
Real Estate Tax	dollars	19.70	1	19.70	0.21	3.82	1	3.82	0.08
Total Property & Ownership Costs				\$99.00	\$1.04			\$47.00	\$1.04
TOTAL DIRECT COSTS				\$463.32	\$4.88			\$227.25	\$5.05
NET RECEIPTS BEFORE FACTOR PAYMENTS				\$122.83	\$1.29			\$50.40	\$1.12
FACTOR PAYMENTS									
Land (\$1,200 @ 3.7%)				42.00	0.44			42.00	0.93
RETURN TO MANAGEMENT & RISK				\$80.83	\$0.85			\$8.40	\$0.19



Appendix C. Alfalfa Hay/Haylage Crop Budget Analysis & Results

		Irrigated Hay/Haylage, Alfalfa Production				Dryland Hay/Haylage, Alfalfa Production			
GROSS RECEIPTS FROM PRODUCTION									
GROSS RECEIPTS	UNIT	PRICE	YIELD	\$/Acre	\$/Ton	PRICE	YIELD	\$/Acre	\$/Ton
Hay/Haylage, Alfalfa	tons	\$232.15	5	\$1,161	\$232.15	\$232.15	2.41	\$559	\$232.15
Total Receipts		\$1,161				\$559			
DIRECT COSTS									
	UNIT	Units/A				Units/			
		\$/Unit	c	\$/Acre	\$/Ton	\$/Unit	Ac	\$/Acre	\$/Ton
OPERATING PREHARVEST									
Seed									
Establishment Allocation (5 yrs)	dollars	71.66	1	71.66	14.33	71.66	1	71.66	29.73
Crop Protection									
Fertilizer	lbs	88.43	1	88.43	17.69				
Herbicide	acre	34.39	1	34.39	6.88				
Custom Application	dollars	7.00	1	7.00	1.40	7.00	1	7.00	2.90
Insecticide	dollars	24.65	1	24.65	4.93				
Irrigation									
Irrigation Energy	dollars	108.17	1	108.17	21.63				
Irrigation Repairs	acre	14.16	1	14.16	2.83				
Sprinkler Lease	dollars	67.20	1	67.20	13.44				
Custom Aerial Spray	dollars	10.44	1	10.44	2.09				
Interest (6 months @ 6.5%)	dollars	6.32	1	6.32	1.26	6.32	1	6.32	2.62
Total Pre-Harvest Expenses		\$ 432.42				\$ 84.98			
HARVEST COSTS									
Fuel	dollars	4.35	1	4.35	0.87	4.35	1	4.35	1.80
Repair & Maintenance	dollars	10.47	1	10.47	2.094	10.47	1	10.47	4.34
Labor	dollars	5.28	1	5.28	1.056	5.28	1	5.28	2.19
Baling ¹	dollars	120	1	120	24	120	1	120	49.79
Hauling/Stacking ²	ton	48	1	48	9.6	23	1	23	9.54
Total Harvest Costs		\$ 188.10				\$163.10			
Total Operating Costs		\$ 620.52				\$248.08			
PROPERTY & OWNERSHIP COSTS									
General Farm Overhead	dollars	12.42	1	12.42	2.48	6.00	1	6.00	2.49
Machinery Ownership Costs	dollars	66.88	1	66.88	13.38	32.00	1	32.00	13.28
Real Estate Taxes	dollars	19.70	1	19.70	3.94	3.82	1	3.82	0.76
Total Property & Ownership Costs		\$ 99.00				\$ 41.82			
TOTAL DIRECT COSTS		\$ 719.52				\$289.90			
NET RECEIPTS BEFORE FACTOR PAYMENTS		\$441.23				\$269.58			
FACTOR PAYMENTS									
Land (\$6,500 @ 3.7%)		227.5				227.5			
RETURN TO MANAGEMENT & RISK		\$213.73				\$42.08			





Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Leah Hubbard, Deputy Director of Water Resources

Title:

Legal Report

Summary:

This report has been provided by James Noble, outside counsel for the Greeley Water & Sewer Board.

Based on our review of the July 2025 Water Division 1 Resume, staff and water counsel recommend that the Water and Sewer Board authorize filing statements of opposition by the end of September 2025 to the following water court application:

Case No. 25CW3105: This case concerns an application by East Cherry Creek Valley Water and Sanitation District (“ECCV”) for reasonable diligence for a conditional water storage right in Milton Lake, in the amount of 5,000 acre feet, and for a conditional exchange water right on the South Platte River that operates between the Fort Morgan Canal and the Burlington Ditch, located in the Denver metropolitan area. Applicant also seeks to make a portion of the exchange absolute, including a portion that uses supplies from the Cache la Poudre River. We recommend that Greeley file a statement of opposition in this case to be fully informed of ECCV’s use of supplies from the Cache la Poudre River, and to protect Greeley’s water rights from injury.

In addition, counsel will provide a brief summary of the following matter:

Case No. 21CW3056 Application of Greeley, Fort Collins, Thornton, CWCB, Northern, the Cache la Poudre Water Users Association, and the Colorado Water Trust for an augmentation plan to augment stream flows in the Cache la Poudre River. This case is commonly referred to as the “Poudre Flows” case. This is an application by the co-applicant group, including Greeley, to use existing water rights to increase streamflows when they reach very low flow rates. Much progress has been made in this case, but it is currently scheduled for trial beginning on October 20, 2025.

Recommended Action:

Staff and water counsel recommend authorizing filing a statement of opposition in Division 1 Case No. 25CW3105.

Recommended Motion:

“I move that the Board authorize filing statements of opposition in Case No. 25CW3105 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.”

Attachments:

None



Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Director's Report

Summary:

The Director will provide 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:

1. Water Industry Education and Advocacy Events
 - Colorado CWCB Hearing on Shoshone Power Plant Instream Flow
 - Sept. 16th – 17th, 2025 – Greeley submitting a public comment
 - Water Leadership Summit, hosted by the Colorado Water Center
 - September 23, 2025
 - Greeley ELT Federal Advocacy Meetings with Delegation and Agencies
 - September 28 – October 1, 2025
 - Water Trust River Bank – (Supporting Cache la Poudre Flows Program)
 - September 30, 2025 @ 5:30pm at Denver Botanic Gardens <https://coloradowatertrust.org/events/>
 - Supporting market based approach to instream flows
 - Colorado Water Conservation Board Statewide C9 Water Policy Summit
 - Lakewood, CO – www.engagecwcb.com
 - October 28th – 29th, 2025
 - Northern Water Conservancy District Fall Water User/Shareholder Symposium
 - October 29, 2025 – 8 AM – 4 PM
 - Ditch and Reservoir Company Alliance (DARCA)
 - November 5-6, 2025 in Pueblo, CO
 - Ag Water Alliance Water Summit
 - December 2, 2025 at Aims Welcome Center
 - South Platte Basin Forum – 2025 at Aims Welcome Center
 - December 3, 2025 – www.southplatteforum.org
 - Colorado River Water User Association Conference
 - Upper Colorado River Commission (UCRC meeting on post 2026 guidelines)
 - December 16 – 18th 2025
2. Appointment of Director Sean Chambers to HB25-1332 State Trust Lands Conservation and Recreation Work Group.
3. Greeley Water & Sewer Utilities Federal Advocacy Priorities Update.
4. Greeley Public Comment to CWCB Re: Shoshone Hydropower Water Rights Instream Flow.

Recommended Action:

Informational only

Recommended Motion:

None

Attachments:

1. Directors Report
2. Shoshone_ISF_Agreement_Public_Comment-City.of.Greeley_9.9.2025
3. StateLandsConservationRec_McCluskie
4. Board Meeting Charts_2025



Directors Report Water & Sewer Utilities

September 17, 2025

Presented by:

Sean P. Chambers, Water & Sewer Utilities Director

Agenda:

September 2025



Director's Report Agenda

1. Water Industry Education and Advocacy Events
2. HB25-1332 SLB Working Group Appointment
3. W&S Federal Advocacy Priorities – Fall 2025
4. Shoshone Hydropower Right CWCBC Instream Flow Agreement Public Comment on behalf of Greeley

Purpose:

To share relevant and timely information with the Board

Fall 2025 Water Industry Events



Colorado CWCB Hearing on Shoshone Power Plant Instream Flow

Sept. 16th – 17th, 2025 – Greeley submitting a public comment Colorado Water

<https://cwcb.colorado.gov/events/board-meeting-september-16-18-2025>

Water Leadership Summit, hosted by the Colorado Water Center

September 23, 2025 at CSU Spur Hydro Bldg. <https://watercenter.colostate.edu/water-leadership-summit/>

Colorado Water Trust - River Bank – (Supporting Poudre Flows Program)

Sept. 30, 2025 @ 5:30pm at Denver Botanic Gardens <https://coloradowatertrust.org/events/>

CWCB Statewide C9 Water Policy Summit

Oct. 28th – 29th, 2025 in Lakewood, CO – www.engagecwcb.com

Northern Water Fall C-BT Water User Symposium

Oct. 29, 2025 – 8 AM – 4 PM in Loveland, CO –

<https://www.northernwater.org/news/save-the-date-fall-symposium-2025>

Ag Water Alliance Water Summit

December 2, 2025 at Aims Welcome Center - <https://www.coagwater.org/>

South Platte Basin Forum – (at Aims CC)

Dec. 3, 2025 at Aims Welcome Ctr., Greeley, CO – www.southplatteforum.org

Colorado River Water Users Association annual meeting

With Upper Colorado River Commission (UCRC meeting on post 2026 guidelines) - December 16 – 18th 2025

State Board of Land Commissioners HB25-1332 Conservation & Recreation Working Group



2025 Legislative Session included SB25-1332, regarding policy regarding the state trust lands. See: <https://leg.colorado.gov/bills/hb25-1332>

Greeley is an important stakeholder in State Trust Lands and State Land Board policy decisions as utility with a large ground water lease from beneath lands of the State.

Director Chambers was appointed by Speak of the House to the State Trust Lands Conservation and Recreation Work Group in September for a term through 1/1/2027.

- Represent the City, W&S Board and Water Resource interests on the State Trust Lands Conservation and Recreation Work Group

Greeley W&S Utilities Federal Advocacy Priorities Update



1. FEMA Pre-Disaster Mitigation matching grant for 60” resiliency pipeline CDS approval in DHS Committee reports but needs to be codified in a federal budget or continuing resolution. Could be impacted by the proposed H.R. 4669 - Fixing Emergency Management for Americans" (FEMA) Act of 2025
2. FoFA (Fix Our Forest Act)
<https://www.congress.gov/bill/119th-congress/house-bill/471>
Key to pre-fire watershed mitigation permitting & liability relief.
3. 2026 Farm Bill (a 5 yr. Bill) key to numerous City interests
Including: watershed health, Weld Co Ag., Ag tech and innovation programs, low-income nutrition assistance, and matching funds for pre-fire watershed health mitigation.
4. Congressionally directed land swap of utility owned property with USFS. Greeley owns a 40 Ac parcel adjacent to Cache la Poudre Wilderness
Proposes a land swap for ~59 Ac USFS at the foot of Milton Seaman Dam.
5. PFAS & PFOA regulatory protections for water and wastewater utilities.
6. Funding for Water Supply, Small storage and Wastewater.
WaterSmart and Small Storage matching grants, and WIFIA.
7. Cybersecurity legislation and matching grant support for utilities
<https://www.epa.gov/waterresilience/epa-cybersecurity-water-sector>

Public Comment: CWCB proposed agreement for instream flow administration of the Shoshone Hydropower Water Rights



Background:

Colorado River District has entered into a purchase and sale agreement in late 2023 for the Public Service Co / Xcel Energy water rights on the Colorado River mainstem

- Purpose: Intent to apply the rights to an instream flow that would protect flows at Dotsero, CO and through Glenwood Canyon.
- The Shoshone water rights include:
 1. 1902 right for 1,250 c.f.s.
 2. 1929 (junior) right for 158 c.f.s.
- Over the past 100+ years, the hydropower plant has aged, and operations become limited, and over the past 40 years has much reduced hydropower operations.
 - The Shoshone rights have great influence on the administration of the Colorado River, and the call for water at Dotsero impacts many other diversions, up and down the River, including trans-mountain diversions.
- Purchase agreement is for \$98.5M with significant financing from CWCB
- **Greeley Comments are in support of the acquisition, contingent upon the historical use and administration protecting the water rights administration status quo.**

Questions ?

Thank you





September 9, 2025

The Colorado Water Conservation Board
Attn: Ms. Viola Bralish, Board Coordinator
1313 Sherman St., Room 718
Denver, Colorado 80203

RE: Public Comment on Shoshone Water Right ISF Agreement(s)

Dear Colorado Water Conservation Board,

On behalf of Greeley of Greeley Water Utilities, I write in support of the proposed acquisition by the Colorado Water Conservation Board (“CWCB”) of an interest in the Shoshone Hydropower Water Rights for instream flow use on the Colorado River. The water resources from the Upper Colorado River play a very important role in Greeley’s municipal water supply portfolio and they are an essential resource that supplements South Platte mainstem and tributary resources to generate a robust food and fiber economy in Weld County and beyond. The City of Greeley is a vested stakeholder in Upper Colorado River water through a couple of long-standing investments in the Colorado-Big Thompson and Windy Gap projects, and a portfolio of irrigation company shares that contain Grand Ditch water resources that work as an integrated portfolio of water resources to meet the needs of Greeley, its residents and our value added industrial users. Greeley’s public comments herein are rooted in the fact that Shoshone Water Rights are an important and consequential water right throughout the state, including to water users and communities in Weld County and the South Platte River Basin.

Greeley’s Water & Sewer Utilities Board and staff aim to be well informed, engaged and effective collaborators on intrastate and interstate Colorado River issues. While we support the proposed acquisition and change of use for the Shoshone rights to facilitate instream flow use, our support is predicated on a fair and representative assessment of the historical use period of record, and terms of agreement that generate benefit for all Coloradoans. To maintain the status quo administration for water users within Colorado, the instream flow agreement and change decree should accurately reflect the historic flow regime and DWR administration on the River. The long-standing administration and operational agreements around Shoshone have been beneficial for Front Range and Western Slope water users, and that status quo operation supports Colorado’s stewardship and maximization of benefit from the River’s water resources within the framework provided for under the 1922 compact. Greeley strongly recommends that CWCB only move forward with an instream flow agreement that prioritizes and protects communities, agriculture, recreation and environmental interests on both the West and East slopes of Colorado.

The Colorado River District (“River District”) and Public Service Company of Colorado (“PSCo”) indicate that they have proposed to maintain the water rights administration status quo. However, the proposed methodology for determining the historical use of the Shoshone Water

Rights will, in our professional opinion, likely result in an expansion of historic use. Most water interests have become aware of the Shoshone powerplant's operational challenges and less than full operations over the decades. Sound cooperative operating agreements have been built around actual water use in the current period of record, so to claim the full decreed rights, year round, would lead to a real expansion of use and thereby have water rights administration impacts to various tributary river system on both sides of the divide. As the CWCB Board weighs their role and duties in advance of entering into the proposed Agreement, we ask for their thoughtful consideration of the equity for water user communities who have come to rely upon agreements and status quo protective policies. Further, we ask that CWCB staff and Board consider and document how the proposed agreement and acquisition conform to CWCB ISF Rule 6e.

Lastly, the Shoshone Outage Protocol Agreement dated June 27, 2016 ("ShOP Agreement") reflected a real compromise among major transmountain diverters and Western Slope entities. The ShOP Agreement established a "virtual call" for water rights administrative purposes that has guided the agreed upon status quo administration. The ShOP Agreement was suitable for all parties at the time and widely considered to strike a fair balance between diversion for storage and maintenance of flows. The acquisition of an interest in the Shoshone Water Rights by CWCB and subsequent water court filing should better reflect the regime maintained by the ShOP Agreement. As we go forward, we conjecture that what is best for all Coloradoans and for Greeley is something that looks a lot like the last 30 years of water rights administration that sought to make a shared best use of the finite Colorado River water resources that we need and value on both sides of the divide.

The City of Greeley and our Northeast Colorado agricultural neighbors have a great respect for the value of upper Colorado River water and our ancestral connection to Delph Carpenter and the wisdom applied to the Colorado River's framework for administration. Greeley authentically appreciates the value and resiliency that upper Colorado River supplies add to our community, our regional agricultural production, and environmental and recreational non-consumptive uses. Greeley encourages agreements that maintain water administration that is consistent with the past 30 years status quo and protective of the related benefits realized by all parties. Please hear and understand that Greeley advocates herein as a proactive water utility with certain vested rights, as a Colorado community and as a regional hub of robust agriculture; and we not advocating for more water than historically received from upper Colorado River rights, but we are asking that the proposed agreements and decree not leave us with a less reliable water supply or cause stranded investments in water utility infrastructure. Accordingly, Greeley strongly urges CWCB to reevaluate the historical use analysis proposed by the River District and amend the currently proposed Draft Dedication and ISF Agreement to reflect a reasonable historic use analysis prior to approving the acquisition of an interest in the Shoshone Water Rights.

Sincerely,



Sean Chambers

Director of Water and Sewer

cc: Mr. Raymond Lee III, City Manager, City of Greeley
Mr. Harold Evans, PE, Chair of Greeley Water & Sewer Utilities Board
Ms. Leah Hubbard, Deputy Director of Water Resources, City of Greeley

State Representative
JULIE McCLUSKIE
Colorado State Capitol
200 East Colfax Avenue, Room 307
Denver, Colorado 80203
Office: 303-866-2952
Cell: 970-977-0021
Email: julie.mccluskie.house@coleg.gov



SPEAKER OF THE HOUSE
Vice Chair:
Executive Committee of the
Legislative Council
Legislative Council

COLORADO
HOUSE OF REPRESENTATIVES
State Capitol
Denver
80203

September 5, 2025

Dan Gibbs
Executive Director, Department of Natural Resources
1313 Sherman Street, Room 718
Denver, Colorado 80203

Director Gibbs,

Pursuant to 36-1-152.3, C.R.S., I am honored to make the following appointments to the State Trust Lands Conservation & Recreation Work Group:

- Matt Samelson, as a member of the public school capital construction assistance board;
- Aaron Citron, as a member of an environmental organization with expertise in land conservation and stewardship;
- Sean Chambers, as a member with water resources management experience;
- and Tyler Garrett, as a member who is an agricultural producer or representative of a statewide agriculture organization.

These appointments are effective immediately and expire on January 1, 2027.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie McCluskie".

Julie McCluskie
Speaker of the Colorado House of Representatives

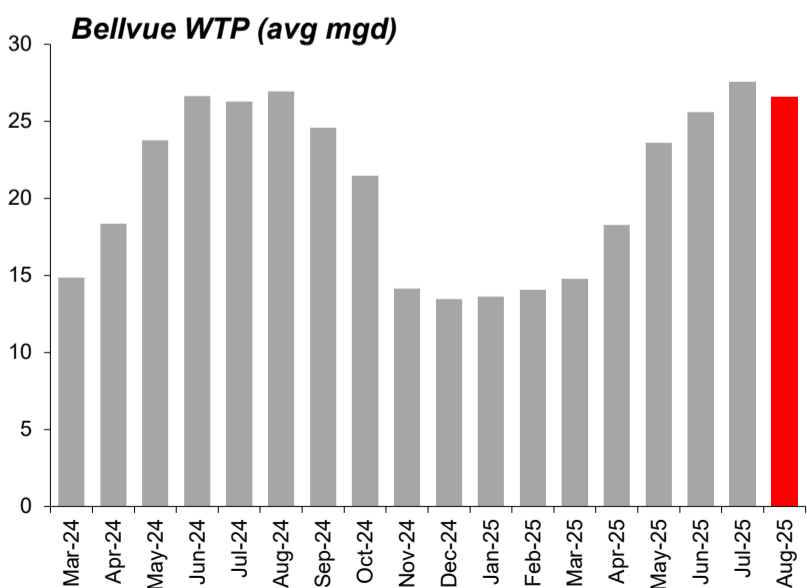
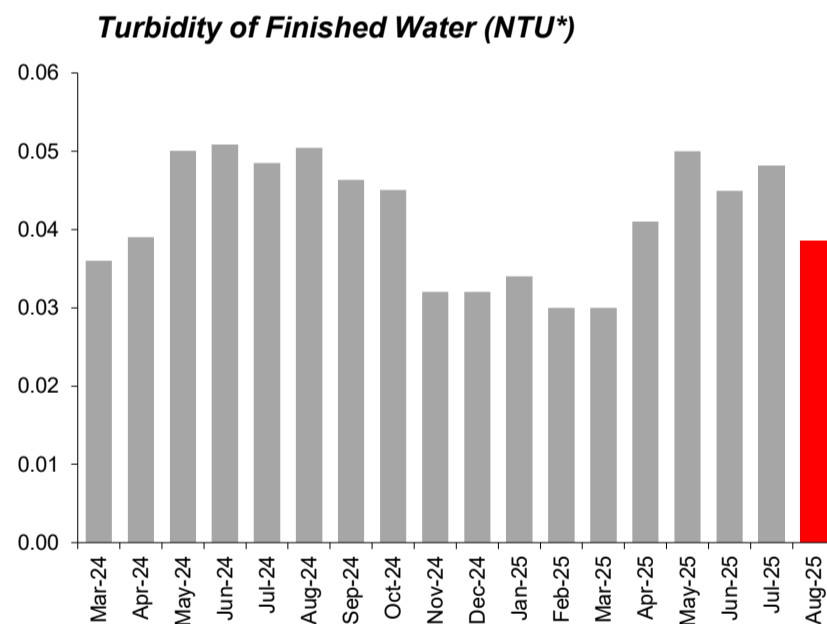
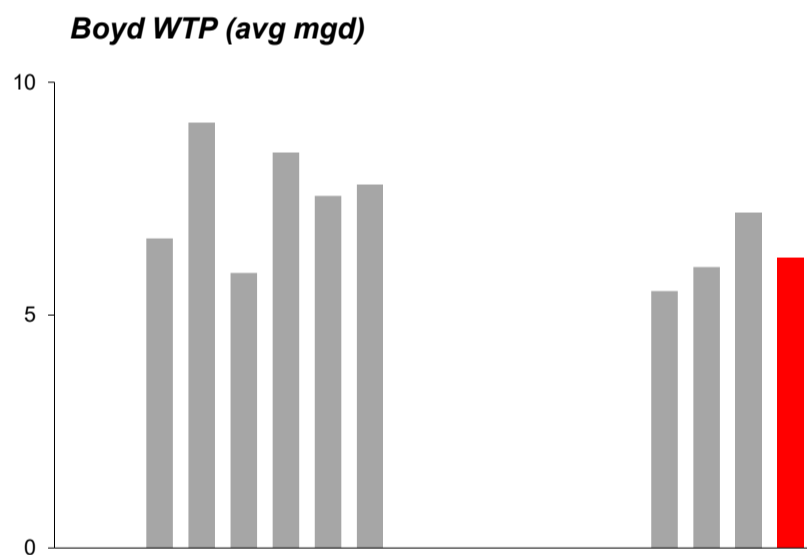
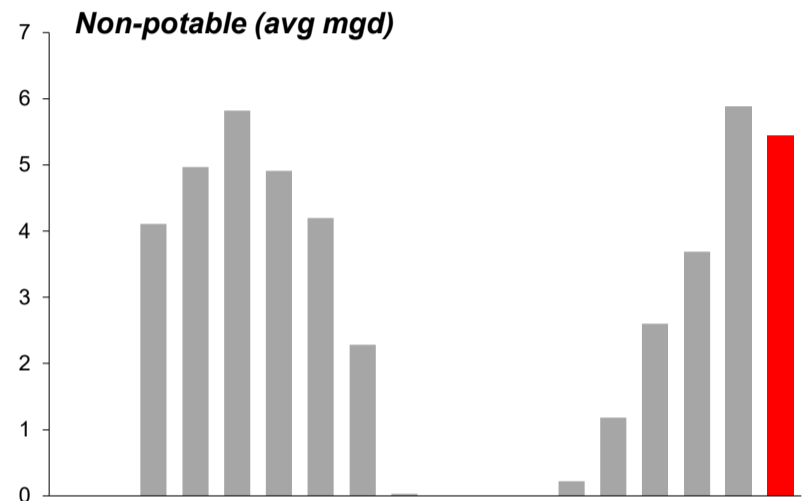
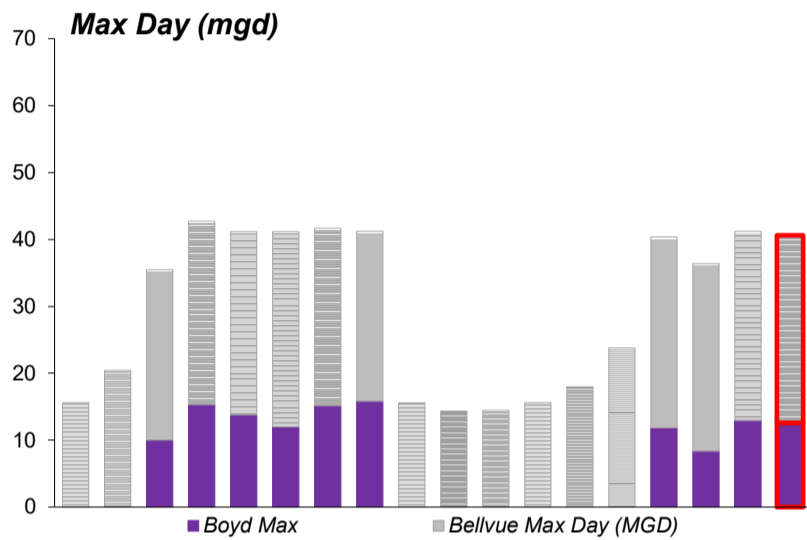
CC: The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
The Honorable James Coleman, Senate President
The Honorable Robert Rodriguez, Senate Majority Leader
The Honorable Cleave Simpson, Senate Minority Leader
Matt Samelson
Aaron Citron
Sean Chambers
Tyler Garrett
Vanessa Reilly, Chief Clerk – Colorado House of Representatives
Darren Thornberry, Assistant Chief Clerk – Colorado House of Representatives
Ed DeCecco, Director – Office of Legislative Legal Services
Natalie Castle, Director – Legislative Council Staff
Rachel Kurtz-Phelan, Legislative Council Staff

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).

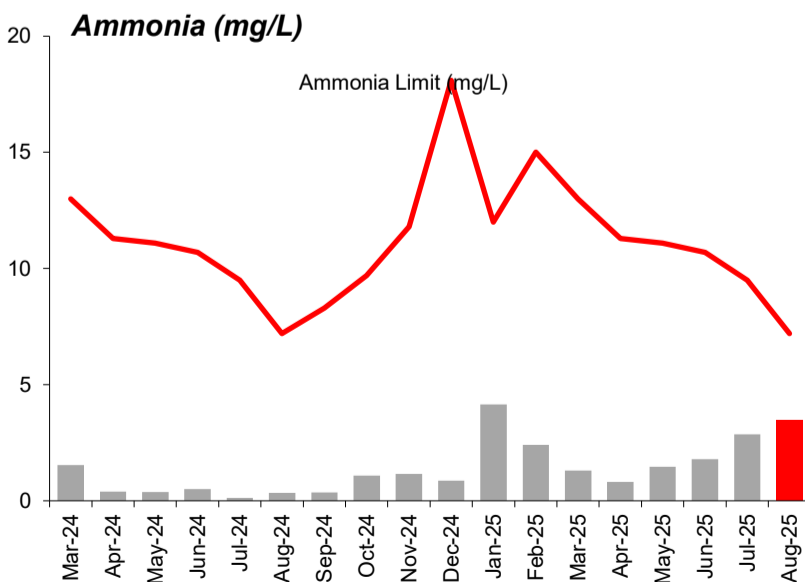
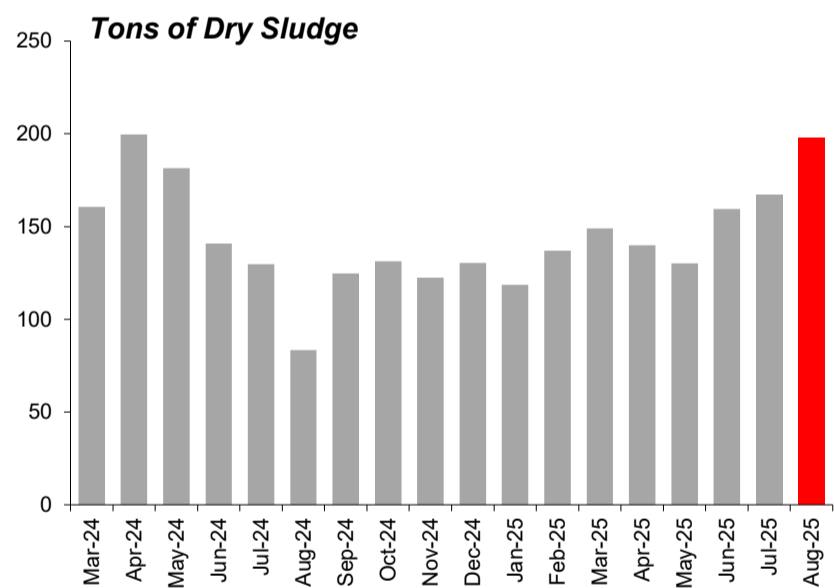
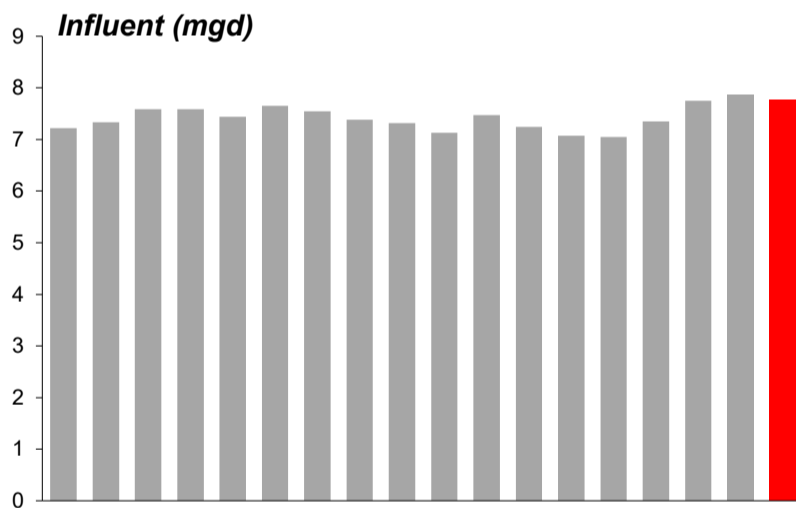
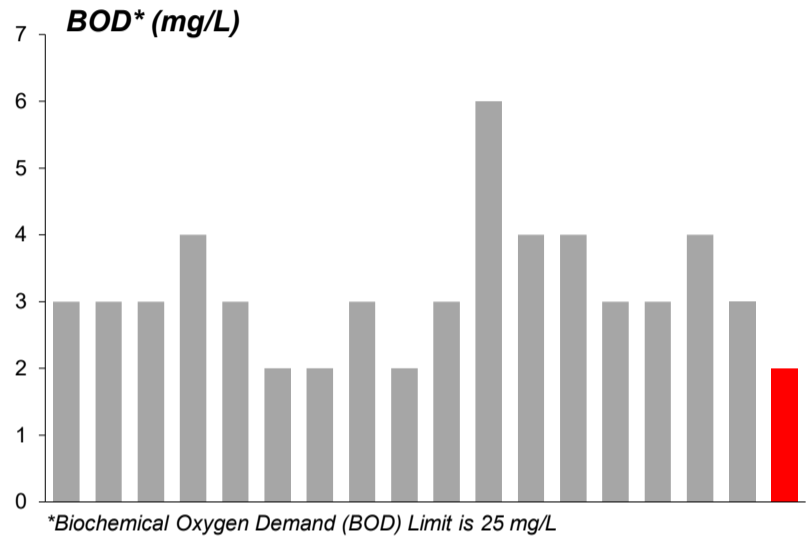
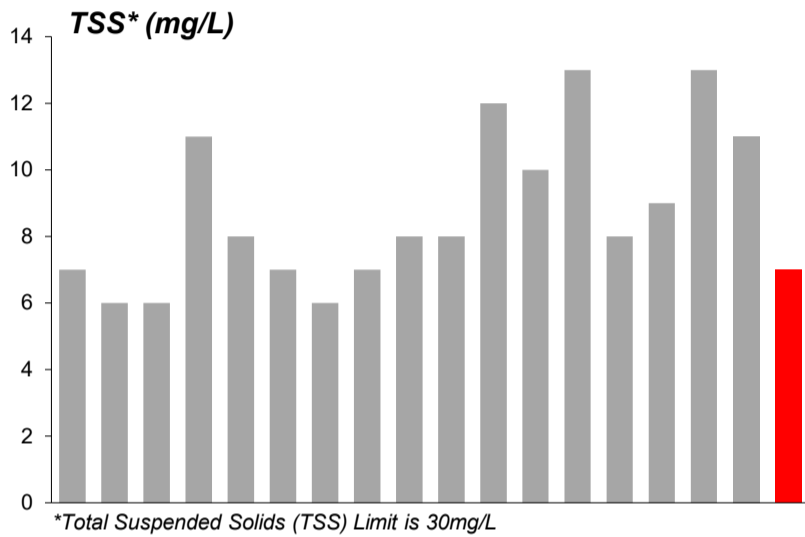


Wastewater Treatment

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.



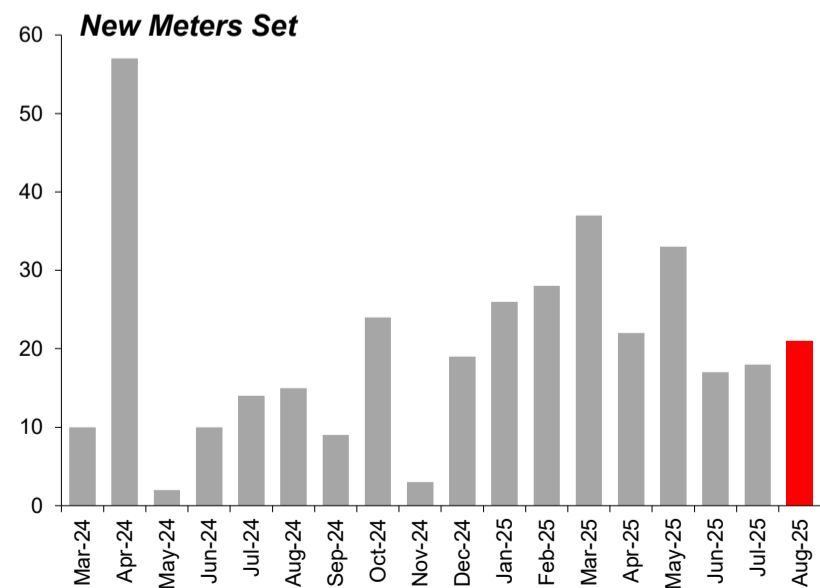
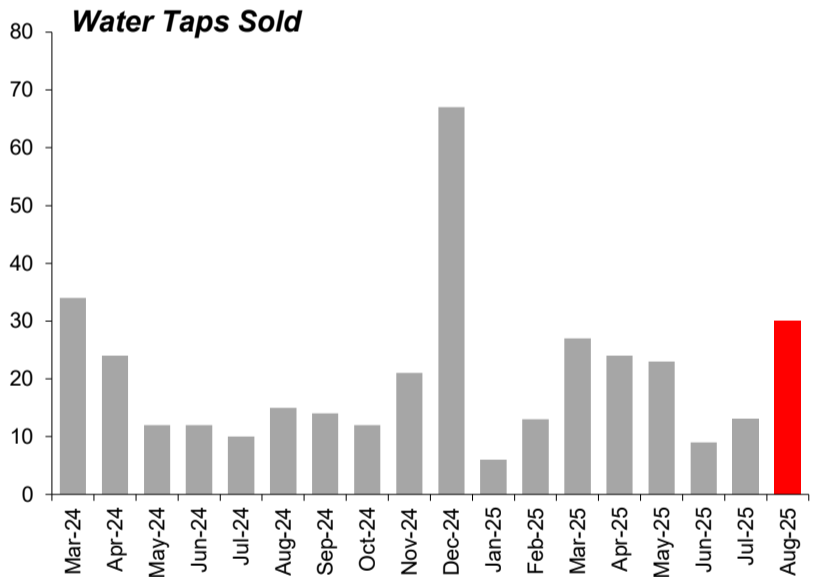
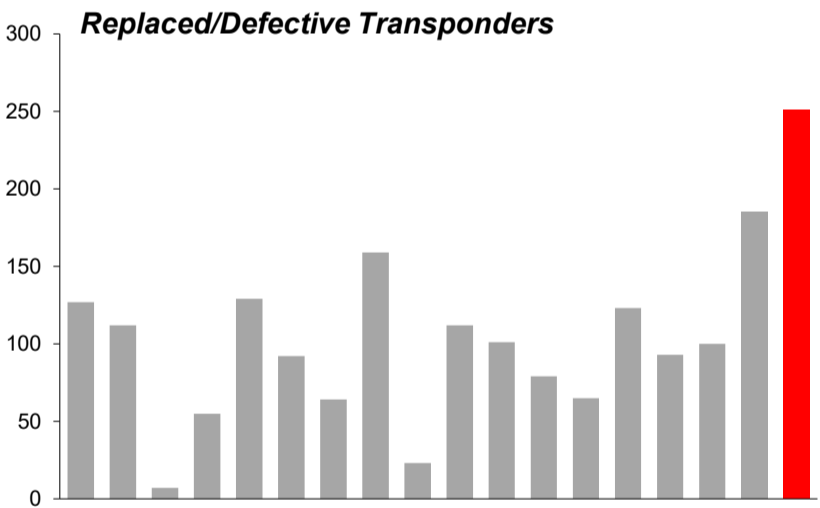
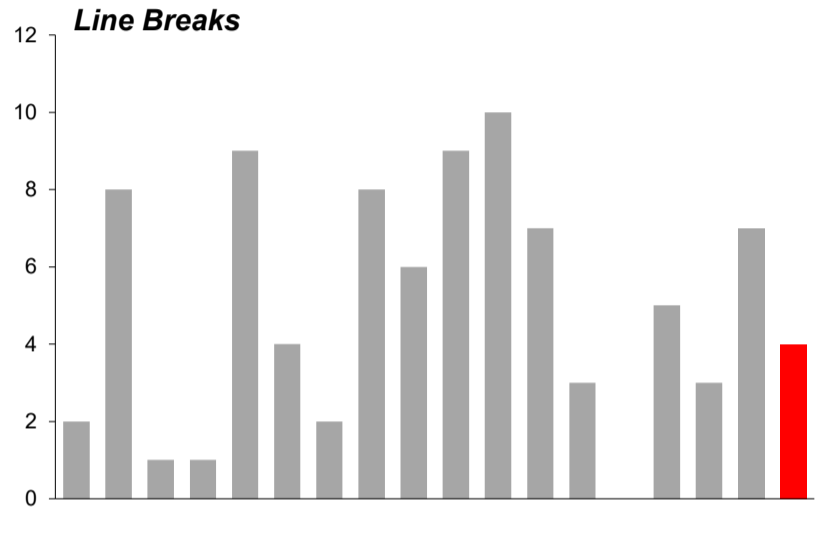
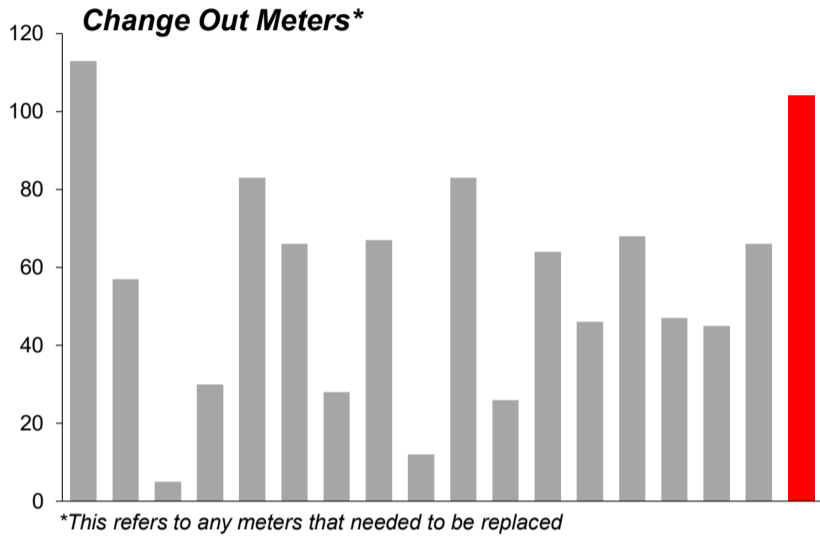
Water Distribution

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.

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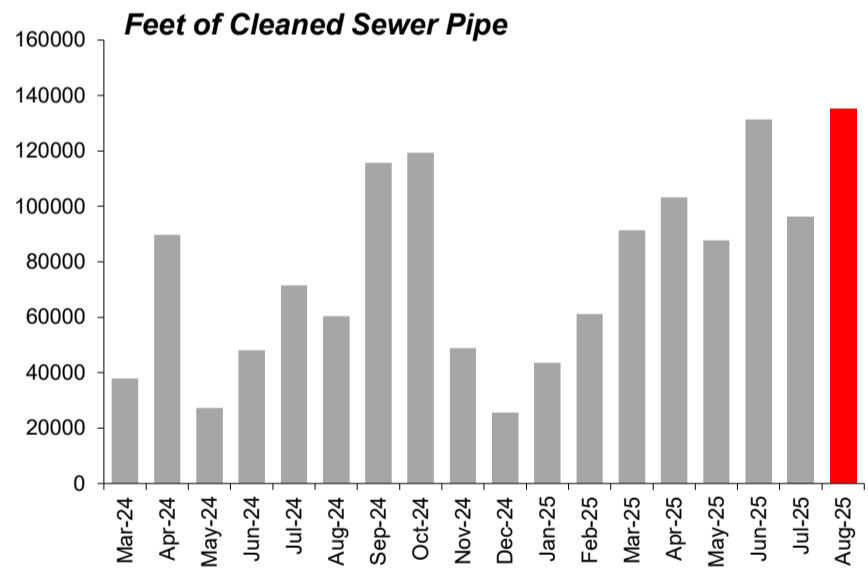
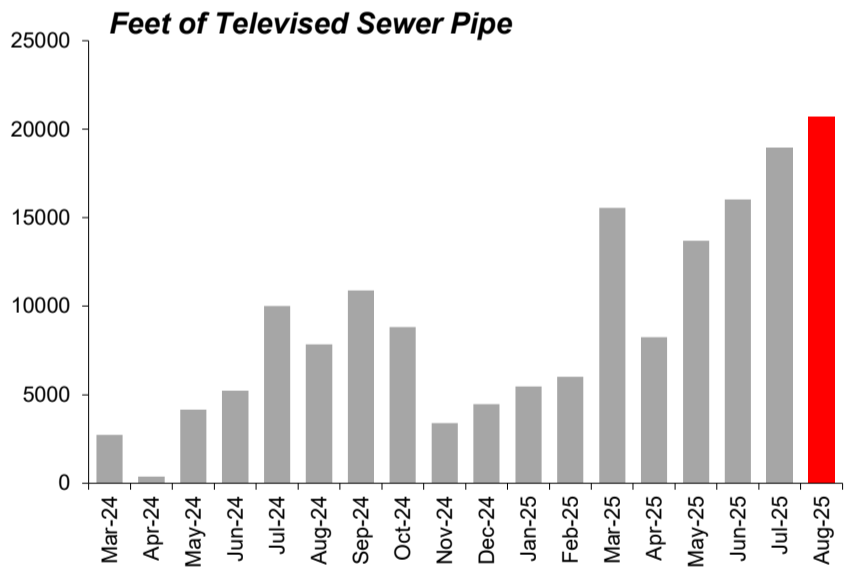
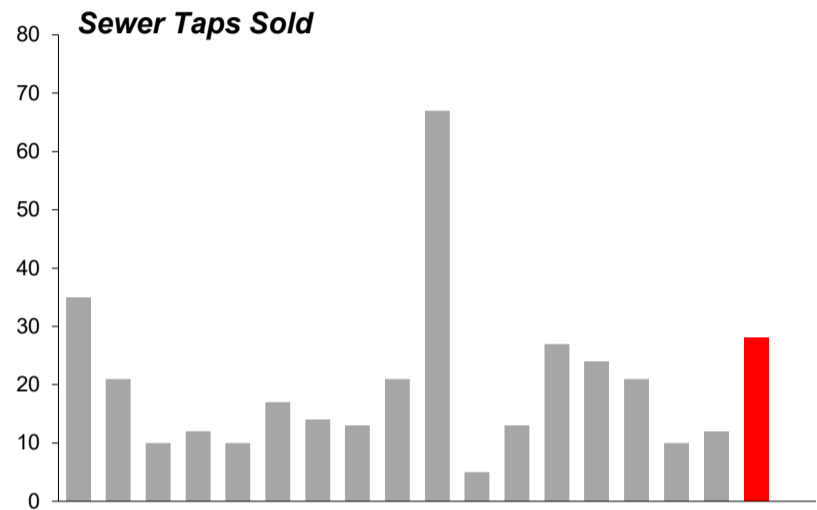
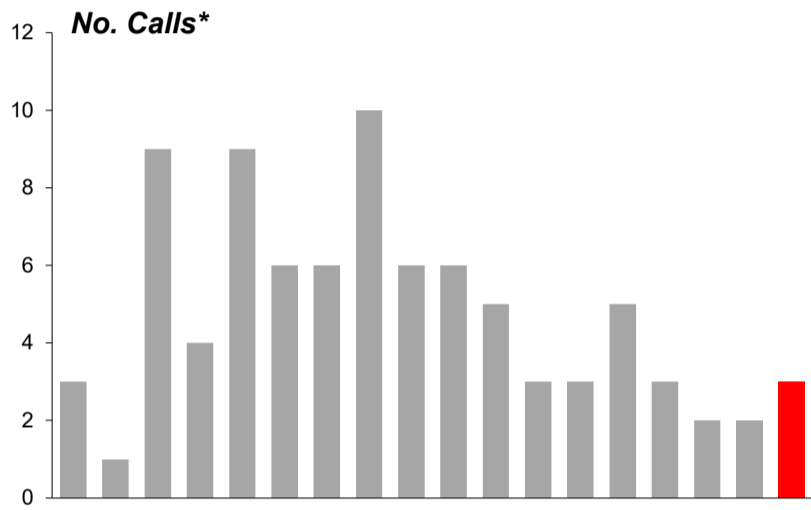
Wastewater Collection

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.

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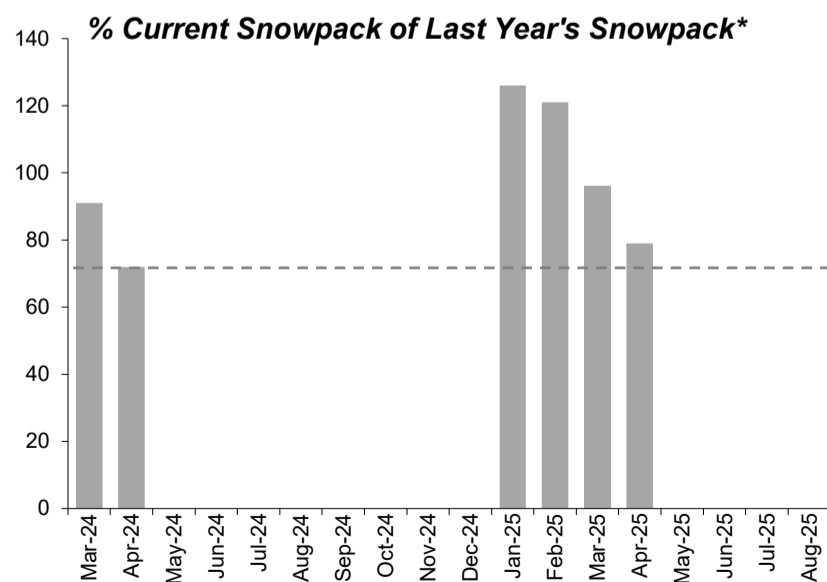
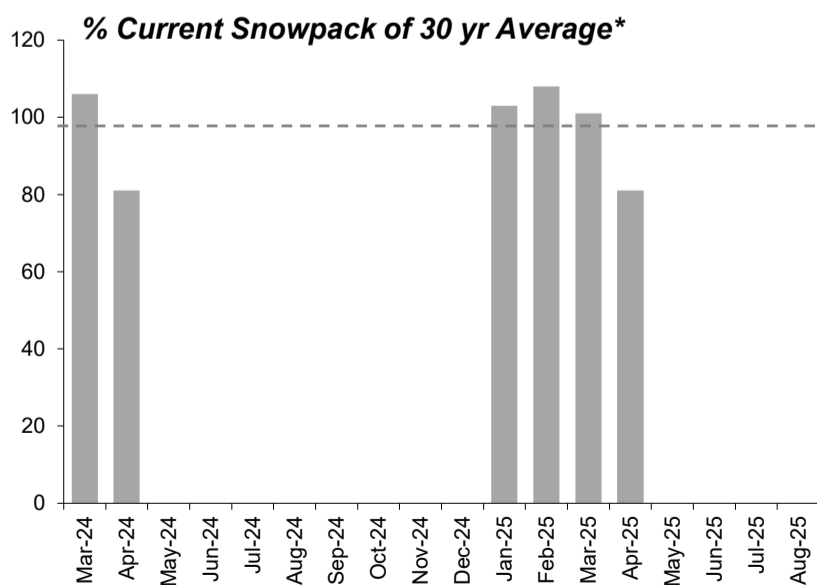
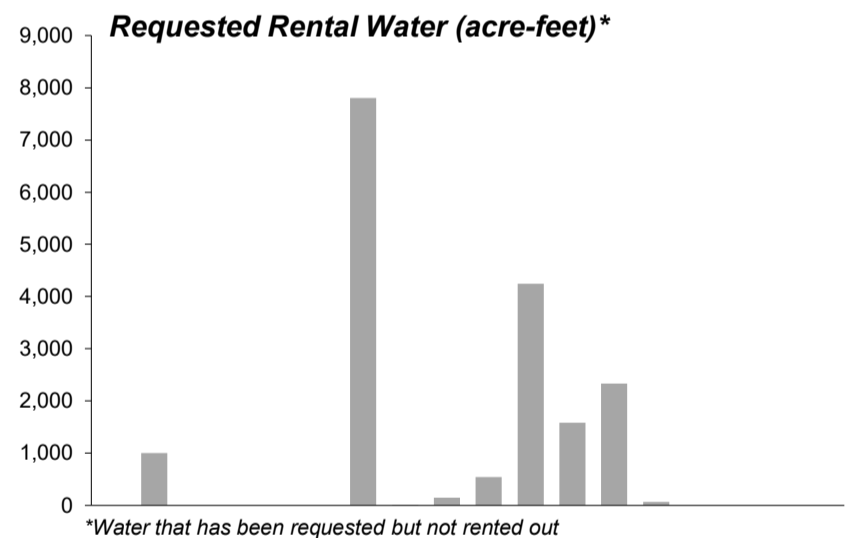
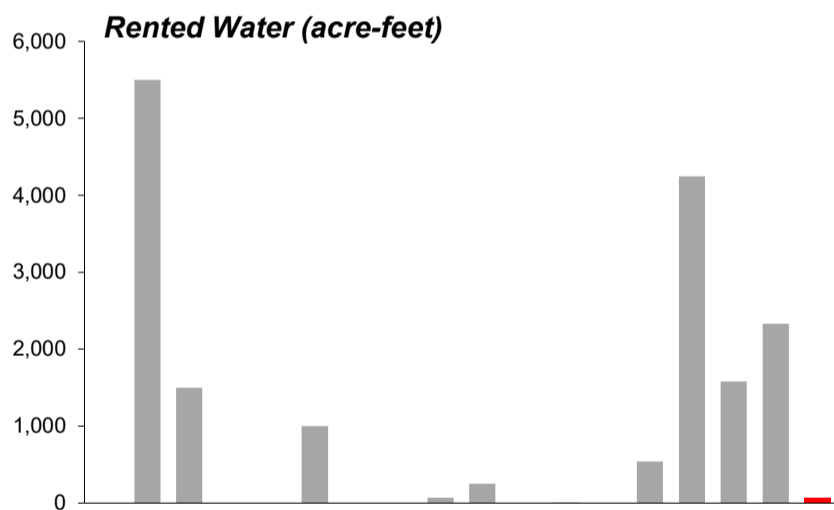
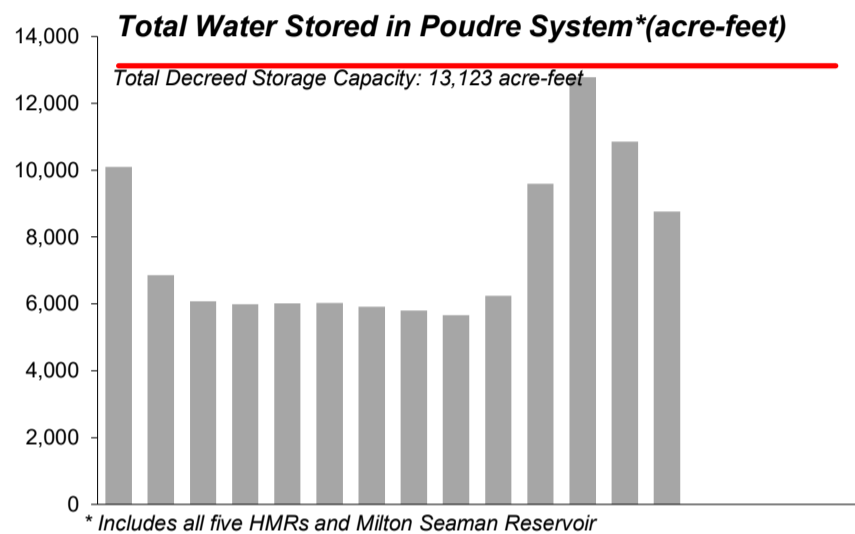
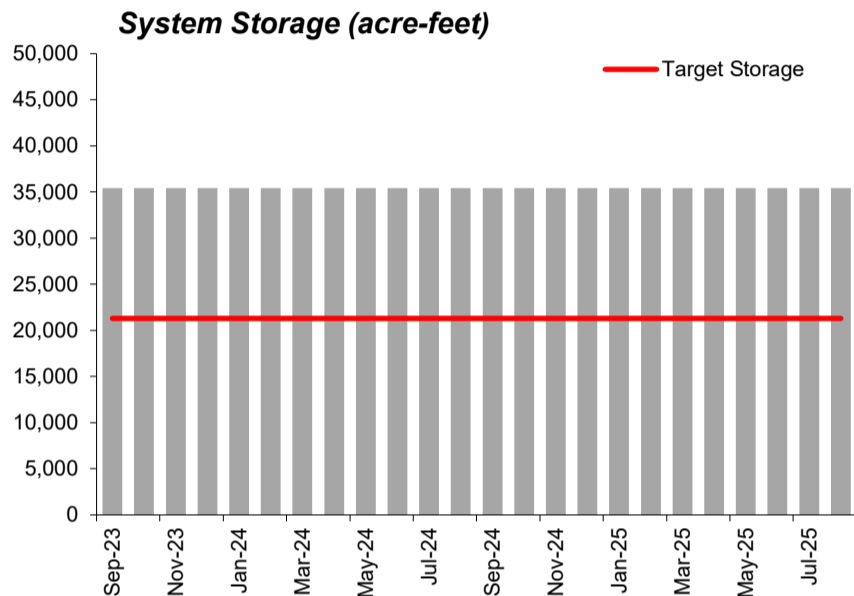


Water Resources

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.



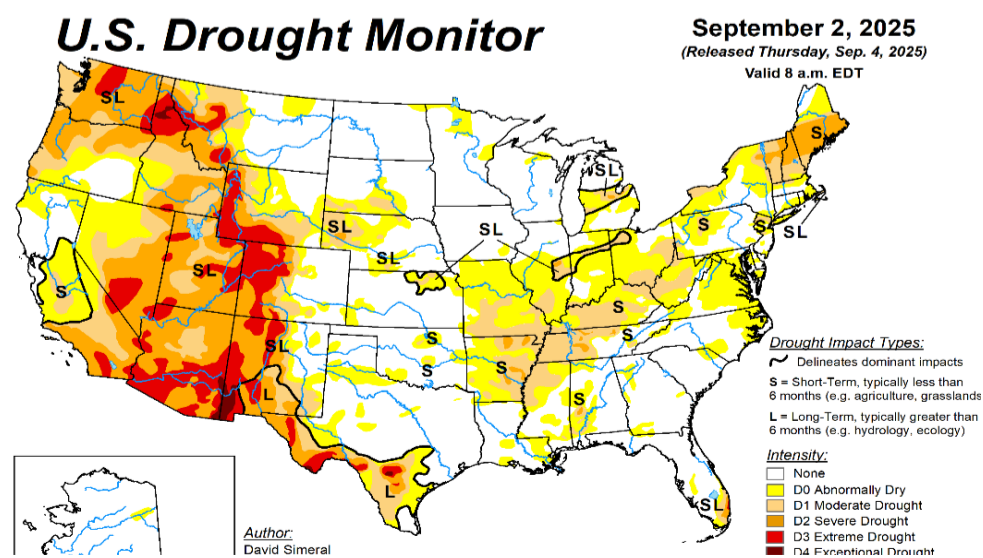
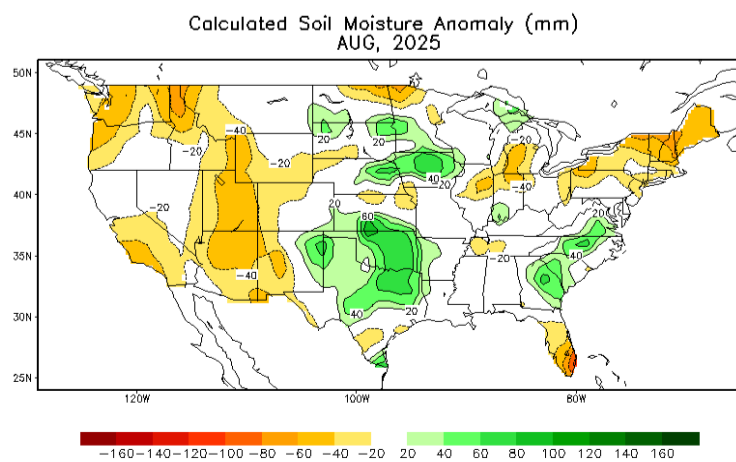
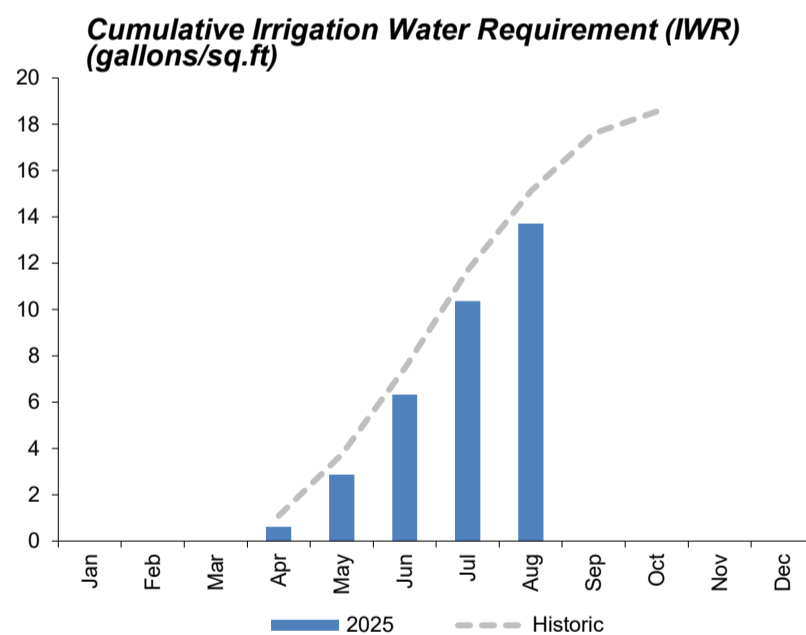
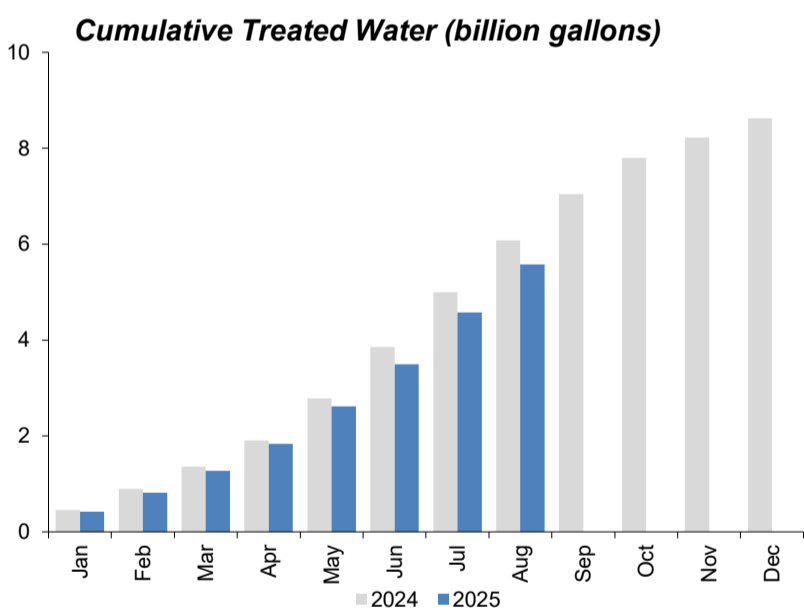
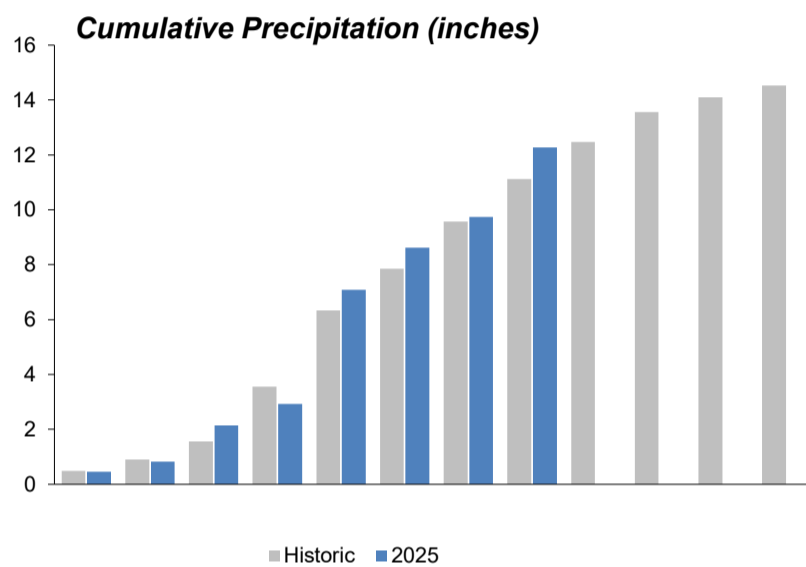
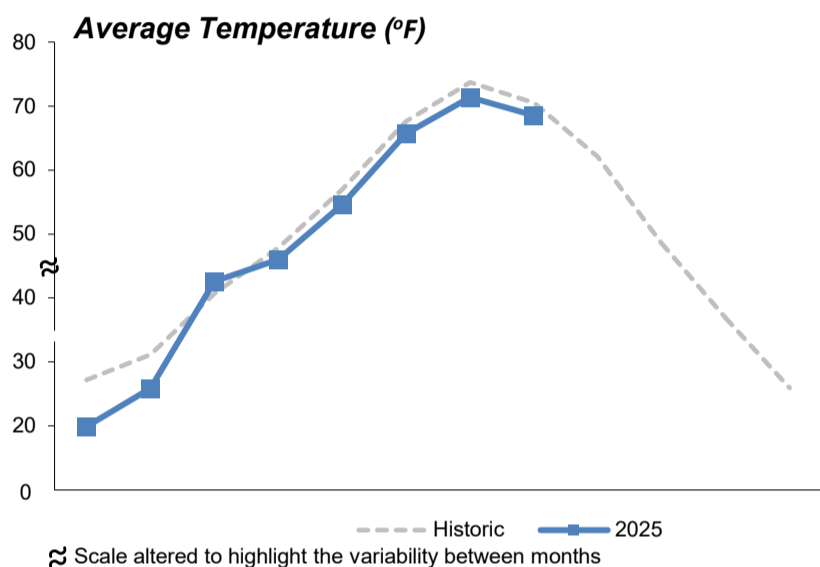
*Data is from the 1st of the month
 **Average of Deadman Hill and Joe Wright

*Data is from the 1st of the month
 **Average of Deadman Hill and Joe Wright

Treated Water and Weather Data

January was an exceptionally cold month with an average daily temperature of just 19.91°F. February's average daily temperature was 25.9°F which is about 5 degrees below the historic average. Temperatures in March were a couple degrees above the historic average at 42°F. April temperatures dipped slightly below average at 46°F. The average temperature in May was slightly below average at 54.58 °F. The average temperature in June was two degrees below average at 65.67 °F and this trend continued through July with average daily temperature two degrees below the historic average at 71.36 °F. The average daily temperature in August was 68.54 °F, which is about 2 degrees cooler than the historic average.

Greeley received 0.45 inches of precipitation in January and 0.37 inches in February. Precipitation in March was well above average at 1.32 inches compared to the historic average of 0.66 inches. April precipitation was well below average at just 0.79 inches. Precipitation in May was well above average at 4.16 inches. June precipitation was average at 1.53 inches. Precipitation in July was well below average at just 1.13 inches. August precipitation was about 1 inch greater than the historic average at 2.53 inches.





Water & Sewer Agenda Summary

September 17, 2025

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Project T Development Agreement(s) Terms

Summary:

The Director and key staff will provide an update on a prospective economic development project that has a large raw water need. To recruit this type of well established and strong credit industrial citizen to Greeley, there are a variety of economic development considerations. Among the considerations are some key terms regarding wet utility infrastructure development and raw water.

The Purpose of the executive session is to provide the Board with legal advice as necessary, and to facilitate Board advice to negotiators as key staff engage with the proposed economic development project and negotiate a development and incentive agreement(s) that may include wet utilities terms.

Recommended Action:

Informational only

Recommended Motion:

None

Attachments:

None