

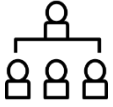
Water and Sewer Board

Regular Meeting

City Council Chambers – City Center South

1001 11th Ave November 19, 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





If, to effectively and fully participate in this meeting, you require an auxiliary aid or other assistance related to a disability, please contact the Water and Sewer Department administrative staff at 970-350-9801 or wsadmin@greeleygov.com

**City of Greeley
Water and Sewer Board
Minutes of October 15, 2025
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:01 p.m. on Wednesday October 15, 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, Mayor John Gates, City Manager Raymond Lee, Deputy City Manager-Chief Financial Officer Allena Portis on behalf of Director of Finance Tyra Litzau

Water and Sewer Department Staff:

Director Sean Chambers, Deputy Director of Utility Finance and Customer Service Erik Dial, Deputy Director of Water and Wastewater Operations and Maintenance Rebecca Andrus, Deputy Director of Water Resources Leah Hubbard, Executive Assistant Gigi Allen, Administrative Assistant IV Tracy Simon, Administrative Assistant III Lisa Van Vorous, Water Resource Administrator II Morgan Effrein, Water Resource Operations Manager Brian Von Seggern, Water Resource Administrator I Eric Clark, Deputy Chief Engineer Cadee Oakleaf, Plans Examiner Derek Hannon, Water Resource Administrator III Travis Gilbertson, Utility Finance Manager Virgil Pierce, T&D Team Manager Damen Ratliff, Cross Connection Supervisor Tia Miller, Water Inventory Coordinator Janet Timko, Water T&D Superintendent Jason Clark, Bellvue Superintendent Andrew Kabot, T&D Team Manager Brandon Valenciano, Administrative Assistant III Dana Ortiz, Chief Operating Officer Blair Snow (arrived at 3:13 pm)

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 Jim Noble

Guests:

Dr. Michael Welsh, University of Northern Colorado, James Sutherland, Wingfoot Water; Ashley Dennis, Bond Counsel with Kutak Rock (arrived at 2:12 pm)

2. Approval of Minutes

Mr. Otis made a motion, seconded by Ms. Witt-Brown to approve the September 2025 Water and Sewer Board meeting minutes. The motion carried 7-0.

3. Approval of Agenda

There were no changes to the agenda.

4. Welcome New Employees and Promotions

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

5. Approval of Agriculture and Non-Agriculture Rental Program

Brian Von Seggern reviewed the policy that guides the City's Water & Sewer Dept. annual analysis of snowpack and water supply for determination of sufficiency. Each spring, if water supplies are adequate, the Board makes a declaration of a water sufficiency. Thereafter, the City's Water Resources staff follow policy in determining water available for agricultural and non-agricultural commercial water rentals. Staff evaluates its water supply and may rent excess CBT, agricultural ditch shares, and wholly consumable supplies such as wastewater 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 surplus water supplies while maintaining water system resiliency, water rights administration and operational oversight.

Vice Chairman Todd moved that the Board approve the City of Greeley Water Rental and Lease Program, in the form of the policy memorandum presented, and delegate authority to the Director of Water and Sewer or his designee to make administrative adjustments to the policy as he deems necessary. Mr. Miller Seconded the motion. The motion carried 7-0.

6. Bi-Annual CIP Report

Cadee Oakleaf provided an update on several Capital Improvement Program (CIP) projects that are in progress or completed since the last Bi-Annual CIP Report.

7. Water System Sanitary Survey Results

Deputy Director of W&S Operations and Maintenance, Rebecca Andrus introduced several members of her water system management team and shared her appreciation for their efforts in preparing for this year's state sanitary survey water system audit. Ms. Andrus provided an update on the significant progress the team had made that was affirmed by the CDPHE Water Quality auditors who conducted the sanitary survey. Further, it was noted that the backflow and cross connection control program is well ahead of its testing compliance and record keeping.

Janet Timko and Tia Miller left the meeting at 2:53 pm.

8. Water Court Update

Water Resources Administrator, Morgain Effrein reviewed the Department's activities and expenditures necessary for the protection of City Water Rights and Storage Rights. Ms. Effrein discussed that during the second trimester, the City of Greeley Water and Sewer Department continued its active involvement in Water Court proceedings to secure new water supplies and safeguard existing water rights. The city filed three new statements of opposition and entered into twenty stipulations – twelve involving the change of Greeley's owned Water Supply and Storage Company shares and one stipulation with opposers in the City of Greeley Poudre Flows case, 21CW3056. In July, Greeley also applied for reasonable diligence regarding its conditional exchange of water from the Tunnel Water Company. Work is now underway, with the first initial status conference with the referee scheduled for later this month. Legal expenses for Water Court proceedings totaled \$108,744, with engineering costs at \$125,632, bringing the total expenditures to \$ 234,376 for the second trimester.

9. Legal Report

James Noble, outside counsel for the Greeley Water & Sewer Board presented the Legal Report for October 2025.

Based on review of the August 2025 Water Division 1 Resume, Mr. Noble indicated that staff and water counsel recommend that the Water and Sewer Board authorize filing statements of opposition by the end of October 2025 to the following water court applications:

- **Case No. 25CW3107:** This case concerns an application by Basin Lands LLC, for nontributary underground water rights in the Upper Laramie Aquifer. Applicant claims an annual average amount of 7,543.41 acre feet per year from the aquifer. The overlying land for this claim consists of three separate properties totaling approximately 16,990 acres, located in Townships 10, 11, and 12 North, Ranges 62 and 63 West. This is east of the Terry Ranch. Mr. Noble recommended that Greeley file a statement of opposition to evaluate the nontributary claims and to ensure that Greeley's water rights are not adversely affected.
- **Case No. 25CW3113:** This case concerns an application by Shambhala USA and Drala

Mountain Center for reasonable diligence for conditional water rights for several reservoirs at a center that is located in the Cache la Poudre watershed in an area that was affected by the Cameron Peak wildfire in 2020. The applicants use preferred water rights in the Mountain and Plains Irrigation Company as an augmentation source for these reservoirs. Greeley entered into an agreement with the applicants in 2014 for the use of this supply. Mr. Noble recommended that Greeley file a statement of opposition in this case to ensure that applicants are operating these water rights in a manner that complies with their agreements with Greeley.

Mr. Noble also gave a brief update on Case No. 21CW3056, (Poudre Flows – Augmentation Water & Instream Flow Case with Colorado Water Trust) letting the Board know that a settlement has been reached, avoiding trial previously scheduled for 10/20/25, and the next step is to determine how it will be managed and administered moving forward.

Vice Chairman Todd moved that the Board authorize filing statements of opposition in Case Nos. 25CW3107 and 25CW3113 and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3, 2015. Mr. Miller seconded the motion. The motion carried 7-0.

10. Resolution and Recognition of Service to the Water and Sewer Board

Sean Chambers presented a Resolution to Mayor John Gates, recognizing the outgoing Mayor for 16 years of dedicated service to the Greeley community through service on its City Council and thereafter serving as Mayor and an Ex Officio member of the Greeley Water and Sewer Board. Following the November election, Mayor Gates will leave Greeley public office and his post on the Water & Sewer Board. The role of the Mayor on the Water & Sewer Board is important to bridging communication and connecting policy priorities between the Board and the Council. Mayor Gates leadership and service through the Water and Sewer Board have been greatly appreciated.

The Greeley Water & Sewer Board, herewith the department staff are pleased to recognize Mayor John Gates for his service, leadership and contribution to the many important projects, and policy initiatives undertaken by the Board during the term of Mayor Gates. All members of the Board shared messages of appreciation for the outgoing Mayor.

Vice Chairman Todd moved to adopt Resolution 5-2025. Mr. Otis seconded the motion. The motion carried 7-0.

11. Director's Report

The Director will provide the Water & Sewer Board with a summary of water resources and utility policy events, and an update Board on notable utility activities.

12. 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.

The Public Session of the meeting ended at 3:38 pm.

Dan Biwer left the meeting at 3:45 p.m.

13. Executive Session

Chairman Evans moved that the Board adjourn the public portion of this October 15, 2025 Water & Sewer Board Meeting and hold an executive session to address the following matters as provided by C.R.S. § 24-6-402(4)(b) and (e) and Greeley Municipal Code § 2-151(a)(2) and (5):

Vice Chairman Todd seconded the motion. The motion carried.

1. For the purposes of obtaining legal advice, determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators on matters related to an agreement regarding the extension of water and sewer infrastructure to the Windsor-West Greeley Basin and 2026 utility enterprise bonds.

Roll call was taken and those present were:

Chairman Evans, Vice Chairman Todd, Fred Otis, Cheri Witt-Brown, Tony Miller, Matt Anderson, Joe Murphy, Allena Port on behalf of Tyra Litzau, Raymond Lee, Mayor John Gates

Others Present during Executive Session:

Director Sean Chambers, Deputy Director of Utility Billing and Customer Service Erik Dial, Utility Finance Manager Virgil Pierce, Plans Examiner Derek Hannon, Deputy Chief Engineer Cadee Oakleaf

Legal Counsel present during Executive Session:

Environmental and Water Resources Attorney Jerrae Swanson, Environmental and Water Resources Attorney Jessie Raybon, Outside Counsel to Water & Sewer Board Attorney James Noble, Outside Bond Counsel Ashley Dennis

The following people left during Executive Session:

Raymond Lee, 4:05 pm

Jerrae Swanson, 4:34 pm

Mayor John Gates, 4:37 pm

Derek Hannon, 4:50 pm

14. Adjournment

The Executive session portion of the meeting ended at 4:54 pm

Harold Evans, Chairman

Raymond Lee, Board Secretary



Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Welcome New Employees and Ex Officio Members

Summary:

The Water and Sewer Board and staff welcome our new Ex Officio members, Mayor Dale Hall, Chief Financial Officer, Allena Portis, and City Manager’s Office designee, Chief Operating Officer Blair Snow. Staff are happy to support onboarding tours and informational meetings to help all members of the Board develop their subject matter expertise.

New Hires:

Dustin Ingle - I&C Technician – Water

Heather Mullen - Civil Engineer II

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. New Hires and Ex Officio Members

Welcome New Ex Officio Board Members and New Hires

Welcome Ex Officio Board Members:

The Water and Sewer Board and staff welcome our new Ex Officio members, Mayor Dale Hall, Chief Financial Officer, Allena Portis, and City Manager's Office designee, Chief Operating Officer Blair Snow.

Staff are happy to support onboarding tours and informational meetings to help all members of the Board develop their subject matter expertise.

NEW HIRES:

Dustin Ingle – I&C Technician - Water

Heather Mullen – Civil Engineer II





Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Cole Gustafson, Source Water Supply Manager

Title:

Approve and Recommend to City Council the Agreement between WSSC and Municipal Entity Stockholders

Summary:

The Agreement between the Water Supply and Storage Company (WSSC) and the Municipal Entities establishes the framework for planning, funding, construction, operation, and maintenance of System Modifications needed to ensure reliable water delivery while accommodating Municipal Entities' changed uses of shares. It requires annual engineering reviews, advance scheduling of modifications, and limits construction to three structures per season unless otherwise agreed. WSSC retains ownership and operational authority over the modifications, while Municipal Entities are responsible for reimbursing costs. Initial funding will be provided through a Cash Reserve and CWCB Loan repayment of \$2.59 million by January 31, 2031, with future costs covered by Annual and Special Assessments on Municipal stock beginning in 2027–2028. Operationally, WSSC will manage maintenance, repair, and permitting, with Municipal Entities covering all related expenses.

NOTE: The below presentation is for both WSSC System Modification Agreement Presentation and the Cost Allocation Agreement Presentation.

Recommended Action:

Staff Recommends that the Board approve and recommend to City Council the WSSC System Modifications Agreement

Recommended Motion:

“I move that the Board approve and recommend to City Council the Agreement between WSSC and Municipal Entity Stockholders in the form presented, and delegate authority to the Director of Water and Sewer or their designee to approve minor revisions to the agreement before execution, provided the material substance remains unchanged.”

Attachments:

1. WSSC System Modification and Cost Allocation Presentation
2. WSSC Structures Agreement

WSSC System Modification & Cost Allocation Agreements

**Cole Gustafson, Source Water Supply Manager
Greeley Water & Sewer Board
November 19, 2025**



Agenda & Purpose

Agenda:

- Background
- Summary WSSC Structure Modifications Agreement
- Summary of Cost Allocation Agreement

Purpose: To obtain approval & recommendation to City Council for authorization

- **Please note:** Each agreement must be acted upon separately by the W&S Board



Background



City of Greeley Ownership:

- Holds 47.417 shares of capital stock in Water Supply and Storage Company (WSSC).
 - 22.5 shares were previously changed for municipal use under Case No. 07CW190.
 - 23.917 shares are currently undergoing change under Case No. 22CW3042.
 - 1 share remains unchanged.

Approval Process for Municipal Use:

- To convert WSSC shares from irrigation to municipal water uses, Greeley must obtain prior approval from WSSC.
- A general condition of approval from WSSC is non-injury to other shareholders, meaning the change and subsequent municipal use must not negatively impact the delivery of water to other shareholders.

Background



- **2016:** Thornton and Greeley began discussing ditch upgrades to protect farmers as shares shifted to municipal use.
 - Solution: Install check structures to control and measure flow.
- **2018:** WSSC System Modifications Group formed.
- Thornton led efforts, funding a hydraulic model and key structures.
- **Participants:** Thornton, Greeley, Fort Collins, ELCO, North Weld, WSSC
 - FCLWD joined in 2024

WSSC System Modification Agreement



Sections 1-5

• **Parties**

- Municipal Entities: Thornton, Greeley, Fort Collins, ELCO, FCLWD, North Weld
- WSSC: Water Supply and Storage Company

• **Purpose**

- Coordinate and fund system upgrades for reliable water delivery.

• **Engineering Review**

- WSSC hires engineers (paid by Municipal Entities).
- Uses data and modeling; consults Municipal Entities.
- May act independently in urgent cases (with cost recovery).

• **Key Dates**

- **April 1:** Declare Changed Use shares
- **October 30:** Identify upgrades for construction 3 years out
(Deadlines may shift with notice)

WSSC System Modification Agreement



Sections 1-5 Cont'd

Check Structures:

- Preliminary analysis identifies key locations; guidance only, not binding.

Design & Construction

- WSSC shares plans; max 3 structures per season (unless agreed).
- If not installed due to disagreement, WSSC may limit Changed Use deliveries.

Engineering Oversight

- WSSC selects contractors with input; retains final say.
- Must act in good faith to avoid unnecessary costs.

Lateral Agreements

- Municipal Entities must negotiate with Lateral Companies before construction.

WSSC System Modification Agreement

Section 6 - Funding & Costs

- **2025–2027**
 - Costs paid from Cash Reserve, reimbursed by CWCB Loan.
 - Full repayment due by Jan 31, 2031.
- **Starting 2027–2028**
 - Costs covered by Annual & Special Assessments.
 - Jan 31: WSSC provides estimates
 - Jan–Mar: Committee returns breakdowns (quarterly for specials)
- **Other Notes**
 - Non-payment may reduce water delivery or trigger penalties.
 - Grants may be pursued; costs still fall to Municipal Entities.
- **Covered Costs**
 - Engineering, modeling, legal, permitting, construction, easements, WSSC oversight.



WSSC System Modification Agreement



Sections 7-9

Ownership & Maintenance

- WSSC owns and maintains all modifications.
- Municipal Entities reimburse all costs.

Cost Oversight

- Projects over \$50K require advance disclosure and review.
- Included in Annual or Special Assessments.

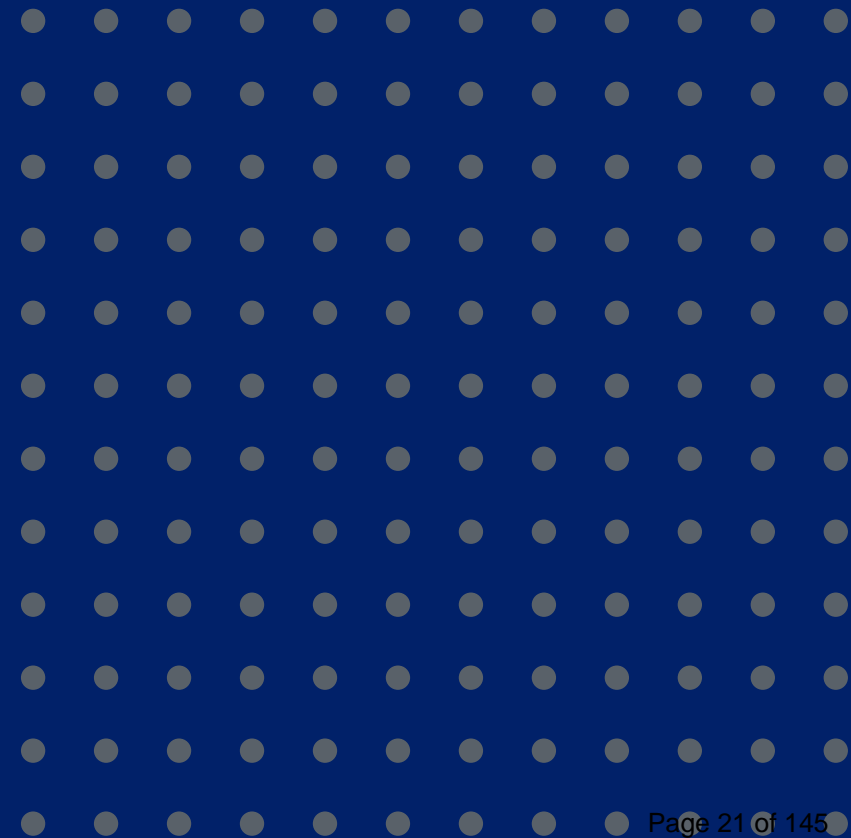
Operational Reporting

- After first season: WSSC provides performance summary and as-built drawings.

Permitting

- WSSC manages all permits; Municipal Entities cover costs.

Questions?



Cost Allocation Agreement



Sections 1-3

Parties Involved:

- City of Thornton, Greeley, Fort Collins, ELCO, FCLWD, North Weld

Purpose:

- Allocate costs for WSSC System Modifications Governed by the Municipal Entities Committee

Committee Details:

- One representative or alternate per entity
- Unanimous consent required for decisions
- Meets as needed

Cost Allocation Agreement

Sections 4-5

Cost Allocation:

- Shared Costs based on % of Municipal Share Ownership
 - (e.g., Greeley: 47.417 shares \approx 11%)
- Annual Process:
 - WSSC provides cost estimates by Jan 31
 - Committee returns allocation summaries (Jan–Mar, quarterly for special assessments)

Thornton Credit:

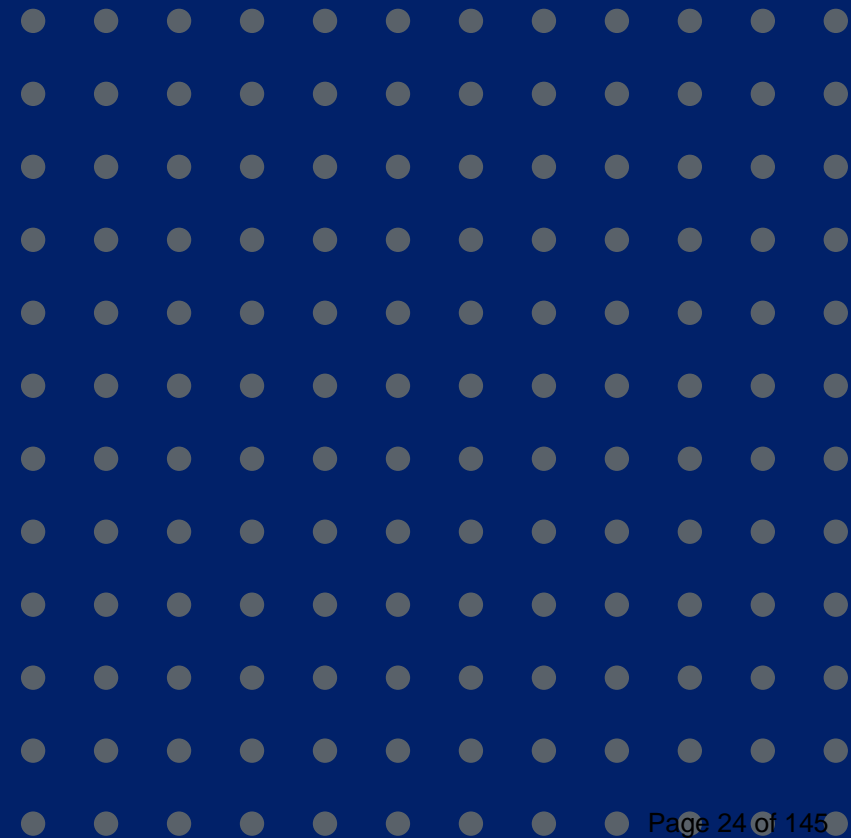
- Thornton expended ~\$7M toward modifications
- Other entities reimburse their pro rata share
- Credit applied starting Jan 1, 2028, until exhausted
- Prepayment option available via Thornton Reimbursement Fund

New Entities / Share Changes:

- Must join this Agreement & System Modifications Agreement
- Pay proportional share of total costs



Questions?



Staff Recommendation

Staff Recommends that the Board approve and recommend to City Council the WSSC System Modifications Agreement

Staff Recommends that the Board approve and recommend to City Council the Cost Allocation Agreement.

Thank you



AGREEMENT BETWEEN THE WATER SUPPLY AND STORAGE COMPANY AND MUNICIPAL ENTITY STOCKHOLDERS

THIS AGREEMENT (“Agreement”) made this ___ day of _____, 2025 (the “Effective Date”), by and between the City of Thornton (“Thornton”), City of Greeley (“Greeley”), City of Fort Collins (“Fort Collins”), East Larimer County Water District (“ELCO”), Fort Collins-Loveland Water District (“FCLWD”) and North Weld County Water District (“North Weld”), (collectively, the “Municipal Entities”) and the Water Supply and Storage Company (“WSSC”). WSSC and the Municipal Entities may be referred to collectively in this Agreement as the “Parties” and individually as a “Party”)

RECITALS

- A. WHEREAS**, WSSC is a Colorado non-profit mutual ditch company that owns and operates a water storage and delivery system including, without limitation, various ditches, canals and reservoirs for delivery of water from the Cache la Poudre River via the Larimer County Canal (“LCC”) to lands in Larimer and Weld counties (“LCC System”); and
- B. WHEREAS**, WSSC delivers water from the LCC to lateral ditches not owned or operated by WSSC (“Laterals”); and
- C. WHEREAS**, the Municipal Entities have obtained or intend to obtain in the future approval from the Water Court for the use of the water rights represented by their WSSC Shares for municipal and other beneficial uses (“Municipal Shares”) and will continue, over time, to remove water attributable to the Municipal Shares from the LCC system for use in their respective service areas; and
- D. WHEREAS**, pursuant to agreements with WSSC and water court decrees, each of the Municipal Entities’ use of their Municipal Shares is conditioned on WSSC’s ability to continue to deliver water to other stockholders who continue to receive water via the LCC, including, without limitation, along the Laterals (“Other Stockholders”), and on the Municipal Entities’ use and or removal of water associated with the Municipal Shares not increasing expenses, deliveries not altered in time or quantity, or other rights adversely affected for WSSC or the Other Stockholders; and
- E. WHEREAS**, in order for WSSC to continue delivery of water to Other Shareholders as the Municipal Entities increase the Municipal Shares removed from the LCC System, which will result in less water flowing in the LCC System, modifications to the LCC System are and will in the future be necessary. The Parties have initially identified check structures as a feasible modification to the LCC System to ensure that water may continue to be delivered to Other Stockholders even as the amount of water in the LCC System decreases; and
- F. WHEREAS**, the Parties intend to, on an ongoing basis, evaluate the effectiveness of installing check structures to ensure continued delivery of water to Other Stockholders and agree to work in good faith to identify whether other, more effective modifications or

solutions are feasible. Check structures, other modifications, or other solutions that are needed to ensure delivery of water to Other Stockholders are hereinafter called “System Modifications”; and

- G. WHEREAS**, the Municipal Entities acknowledge that, while it is their and WSSC’s collective intent to work together in good faith and to provide collaborative input on possible modifications, WSSC will make all determinations related to operation of the LCC System and System Modifications, in its sole discretion; and
- H. WHEREAS**, engineering, legal, staff, construction, maintenance, operation, and administrative costs and expenses have been and will be incurred by WSSC to identify, install, maintain, and repair the System Modifications, and the Municipal Entities will provide WSSC with funding for such costs for the same pursuant to the terms outlined herein; and
- I. WHEREAS**, the Municipal Entities intend to enter into a Cost Allocation Agreement, which, in addition to providing for the reimbursement to WSSC of costs and expenses and other items required by this Agreement, creates a Municipal Entities Committee, intended to represent the Municipal Entities and work with WSSC under this Agreement; and
- J. WHEREAS**, the Parties anticipate that other parties may be added, by amendment, to this Agreement, and that any such addition of a party to this Agreement must also be added by amendment to the Cost Allocation Agreement; and
- K. WHEREAS**, the Parties intend, with this Agreement, to set forth the terms and conditions for designing, constructing, operating, repairing, maintaining and replacing the System Modifications under this Agreement, as well as how costs and fees associated with the same shall be paid.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants of the Parties, it is agreed as follows:

1. Incorporation of Recitals. The Recitals set forth above are incorporated into this Agreement.
2. Annual Review and Analysis. The Parties acknowledge that the need to install System Modifications on an annual basis will depend on the realities of operations, water sources, and fluctuations in the number of Municipal Shares being removed from the LCC System at any given time. Also, while check structures have been initially identified by the Parties as the currently preferred solution to ensure delivery of water to Other Stockholders, the Parties may be able to identify better solutions. To that end, the Parties agree that WSSC will engage, at the Municipal

Entities' expense unless otherwise agreed to in advance in writing by the Parties, a professional engineer to conduct annual updates to modeling or other engineering to accurately evaluate System Modifications to protect deliveries to Other Shareholders. The Parties will use such modeling as one type of information, in addition to field data and observational information, in working to find feasible solutions, whether those solutions are check structures or other structural or operational modifications. The Parties acknowledge that in seeking to find solutions, WSSC's priority will be identifying the most efficient, long-term solutions. WSSC will make all determinations as to any solutions, but WSSC will consult with the Municipal Entities on an annual basis to gather input and discuss potential solutions prior to making final determinations on the necessary modifications to take place during any subsequent fall/winter season. The Parties recognize, however, that there may be urgent issues related to System Modifications that WSSC may need to resolve in its sole discretion. Under such scenario, WSSC shall provide a written summary to the Municipal Entities describing its response to such urgent issues in a timely manner. In the event that such costs related to actions taken to address urgent issues are too high for the Municipal Entities to immediately reimburse WSSC, and in the event that WSSC is financially able to carry such costs, WSSC will carry such costs subject to WSSC's bank's prime interest rate plus 2% ("Interest Rate") until a subsequent Annual System Modification Assessment (defined below in paragraph 6.2) as reasonably agreed upon by the Parties. The Parties will work in good faith to find a solution to any financial barriers including the Municipal Entities' budgeting cycles and WSSC's ability to carry such costs.

3. General Schedule. By April 1st of each year, the Municipal Entities shall in writing to WSSC identify the Municipal Shares that the Municipal Entities intend to utilize for Changed Uses during the next four subsequent irrigation seasons (e.g. Municipal Shares identified by approximately April 1, 2026, for Municipal Shares to be utilized for Changed Uses during the 2026, 2027, 2028, 2029 irrigation seasons). With input from the Municipal Entities, WSSC will identify by approximately October 30th of each year the System Modifications that are appropriate for construction during the third subsequent fall/winter season (e.g., WSSC to determine by approximately October 30, 2026, the System Modifications to be constructed during the fall/winter season of 2028-2029). The Parties recognize that, practically, these deadlines may fluctuate based on annual circumstances, and as such, such deadlines may be altered by written notice to the other Parties.

4. Check Structures. Based on a preliminary engineering analysis, the Parties have identified certain check structures, shown on the map attached as **Exhibit A** ("Check Structures"), as likely being the most immediately necessary modifications for maintaining delivery of water to stockholders under the LCC System. The specific locations identified in **Exhibit A** are intended by the Parties to be guidance on future check structure locations and are not intended to be limitations on actual System Modifications to be installed pursuant to this Agreement.

4.1. Design and Construction of System Modifications. WSSC shall provide to the Municipal Entities the information that it uses to identify the next System Modifications to be constructed, including without limitation any modeling, engineering, and field observations or data. WSSC's Board shall review the System Modifications to be constructed. Unless otherwise agreed to in writing signed by WSSC and all the Municipal Entities, the number of System Modifications to be constructed during any fall/winter

season shall not exceed three structures. However, in the event that, with input from the Municipal Entities, WSSC determines that more than three System Modifications should be installed during any given fall/winter season in order to ensure delivery of water to Other Stockholders, and the Municipal Entities do not agree to those additional System Modifications, WSSC may reduce or limit the amount of water delivered under the Municipal Shares for changed purposes as identified in each respective change decree to ensure that Other Stockholders do not suffer a shortage of water, unless the Parties are able to mutually agree in writing on another solution to any shortage, including but not limited to in-system exchanges of Municipal Entities' water.

4.2. Design and Engineering Plans. With input from the Municipal Entities, WSSC will select engineering consultants, manage, oversee, and have final approval over the design and construction of any System Modifications. WSSC will provide the Municipal Entities with a reasonable opportunity to review and comment on the identification of and design and engineering specifications for any System Modifications before such specifications are finalized. WSSC agrees to make decisions related to any System Modifications in good faith and not to engage consultants, adopt design decisions, or take other related actions that would unreasonably increase the costs, obligations or liabilities of the Municipal Entities. With input from the Municipal Entities, WSSC will select the contractor(s) to construct any System Modifications in accordance with the plans and specifications approved by WSSC.

5. Lateral Company Agreements. The Parties acknowledge that the Parties must work collaboratively to negotiate and execute agreements with the companies that own and operate the Laterals ("Lateral Companies") prior to the design and construction of any System Modifications on the Laterals. WSSC reserves the right to require that it be a party to such agreements with the Lateral Companies.

6. Payment and Reimbursement for System Modifications Installation Costs. The Parties acknowledge that, while WSSC may incur some ongoing expenses for minor costs, like internal WSSC expenses, WSSC cannot provide any significant amount of funding for the up-front costs of any project under this Agreement, and therefore the Municipal Entities will provide a funding solution for WSSC with the intent of preventing WSSC from incurring any significant costs.

6.1. The Parties intend that the costs associated with the System Modifications constructed under this Agreement during the fall/winter seasons of 2025-2026 and 2026-2027 will initially be funded by cash paid up-front to the Company ("Cash Reserve") (pursuant to that certain Municipal Cash Reserve Funding Agreement Between the Water Supply and Storage Company and Fort Collins-Loveland Water District dated September 10, 2025). The Parties intend that, after the Effective Date of this Agreement, WSSC will enter into a loan contract with the Colorado Water Conservation Board ("CWCB") for loan funding approved by the CWCB for the System Modifications to be constructed during the fall/winter season of 2025-2026 ("CWCB Loan"). Such CWCB Loan funds will be utilized to reimburse funds

expended from the Cash Reserve, and the Cash Reserve will then be used to pay for costs associated with System Modifications to be constructed during the fall/winter season of 2026-2027. Regardless of the repayment terms under the CWCB Loan, the Municipal Entities shall provide funds to the Company to repay the full loan amount of Two Million, Five Hundred Ninety Thousand, Six Hundred and Fifty Dollars (\$2,590,650.00) on an accelerated timeframe that will allow WSSC to pay the full amount of the CWCB Loan no later than January 31, 2031. At minimum, the Municipal Entities shall provide to the Company all funds to pay any annual principal and/or interest amounts required to be paid under the CWCB Loan.

6.2. The Parties intend that the costs associated with the System Modifications under this Agreement, including, without limitation, any loan repayment amounts but less any grant money received by WSSC will, beginning with the System Modification Structures to be constructed in the fall/winter season of 2027-2028, be covered by assessments on stock held by the Municipal Entities, unless the Municipal Entities and WSSC agree in writing to another funding option. Any assessments levied pursuant to this agreement would be set and approved by the WSSC Board based on anticipated costs and expenses under this Agreement or expenses and costs actually incurred. The Municipal Entities hereby agree to be bound by such assessments without further action or approval. These assessments are separate and apart from the stockholder assessment determined by WSSC under its Bylaws. WSSC may levy an up-front assessment to cover anticipated costs for the coming year (“Annual System Modification Assessment”). WSSC may also specially assess the stock held by the Municipal Entities more frequently throughout the year, but no more frequently than quarterly, to cover additional costs (“Special System Modification Assessment”).

6.2.1. In order to determine the amount to be assessed as an Annual System Modification Assessment on each of the Municipal Entities, WSSC will provide the total amount of anticipated costs as determined through the WSSC annual budgeting process to the Municipal Entities Committee by approximately January 31 each year. The Municipal Entities Committee will then provide to WSSC the breakdown of costs to be assessed to each Municipal Entity by approximately March 31 each year.

6.2.2. In order to determine the amount to be assessed as a Special System Modification Assessment on each of the Municipal Entities, WSSC will provide the total amount of anticipated costs to be reimbursed to the Municipal Entities Committee approximately ninety (90) days before such special assessment is to be issued. The Municipal Entities Committee will provide to WSSC the breakdown of costs to be assessed to each Municipal Entity approximately sixty (60) days thereafter. In the event that such Special System Modification Assessments are too high for the Municipal Entities to meet the above schedule, and in the event that WSSC is financially able to carry such

costs, WSSC will carry such costs subject to the Interest Rate until a subsequent Annual System Modification Assessment as reasonably agreed upon by the Parties. The Parties will work in good faith to find a solution to any financial barriers including the Municipal Entities' budgeting cycles and WSSC's ability to carry such costs.

6.2.3. In addition to any other remedies WSSC may have in law or equity, failure by one or more Municipal Entities to pay any assessments levied by WSSC under paragraph 6 may result in a reduction of water delivered for changed uses under the Municipal Shares for that Municipal Entity (or Entities), assessment of interest, and/or sale of stock for nonpayment of assessments, pursuant to WSSC's Bylaws and Policies and the Municipal Entity's (ies') respective agreement(s) with WSSC, as may be applicable.

6.3. Advanced Funding. Notwithstanding the foregoing, any Municipal Entity or group of Municipal Entities may fund any System Modification(s) or Check Structures on their own accord, by providing adequate funding as determined by WSSC to WSSC in advance of the construction of any System Modification(s). The cost allocation by the Municipal Entities for any such advanced funding may be the subject of a separate agreement by and among themselves.

6.4. Grant Funding. The Parties acknowledge that grant funding may be available to cover costs associated with any System Modification. However, the Parties agree that pursuing such funding should be beneficial to and protective of all Parties. In the event the Parties agree that grant funding is mutually beneficial, and in the event the Parties agree that WSSC is the most appropriate entity to seek such grant funding, WSSC will undertake or hire a third-party specialist to conduct the feasibility analysis, application, management, and any associated tasks for such grant funding at the Municipal Entities' expense and shall timely communicate all such expenses to the Municipal Entities Committee. In submitting any application for a grant pursuant to this paragraph, WSSC will comply with all application requirements, including, without limitation, any necessary WSSC Board or stockholder approvals related to the application. WSSC will, with reasonable diligence, prioritize the pursuit of such identified grant funding, and the Municipal Entities shall undertake any efforts reasonably necessary to support WSSC in the pursuit of such grant funding and in any post-award compliance. The Municipal Entities shall be responsible for any costs related to any grant.

6.5. Costs to Be Covered/Reimbursed. Regardless of whether such costs are covered by assessment or other up-front funding by the Municipal Entities or are reimbursed to WSSC, such costs to be covered, in addition to loan repayments, include, generally, but are not limited to:

6.5.1. Annual modeling updates and other engineering analyses determined by the Parties to be necessary in evaluating solutions;

- 6.5.2. Engineering, legal, and other work on the requisite feasibility study/analysis and application for grant and/or loan funding;
- 6.5.3. Plans and specifications for any System Modifications, which must be drawn and stamped by an engineer certified to complete such plans in the state of Colorado, which costs will include WSSC's review of and revisions to the same;
- 6.5.4. Surveying and property inspections;
- 6.5.5. Costs related to easements, including, without limitation, confirmation of easements and any necessary temporary construction easements;
- 6.5.6. Requisite permits;
- 6.5.7. Construction, material, structure, and related costs; and
- 6.5.8. WSSC's employee and equipment time spent in relation to its obligations in this Agreement, including, without limitation, WSSC's oversight of construction.

7. Operation, Maintenance, and Repair of System Modifications. WSSC shall own the System Modifications and shall be responsible for the operation, maintenance, and repair of the same, the costs for which shall be reimbursed by the Municipal Entities pursuant to the terms and conditions of this Agreement. Notwithstanding the foregoing, and outside of urgent circumstances, and for any project anticipated to cost more than \$50,000 (as reasonably adjusted from time to time to account for inflation), WSSC shall provide the Municipal Entities with the total amount of anticipated costs and a reasonable opportunity to review and comment on any necessary maintenance and repair costs for the System Modifications before such costs are incurred. WSSC shall coordinate in good faith and provide the Municipal Entities with a reasonable opportunity to review and comment on design and engineering specifications for operation, maintenance, and repair of the System Modifications. To the extent such costs can be anticipated, they will be included in Annual System Modification Assessments. Any other costs incurred will be reimbursed through Special System Modification Assessments, and such costs will include carrying costs of the Interest Rate.

8. System Modification Operational Information. At the end of the first season in which each System Modification is operational, WSSC will provide a summary of each new structure's operation and the operation of the relevant headgates. WSSC will provide as-built drawings of any System Modification to the Municipal Entities.

9. Permits and Approvals. WSSC shall undertake applications for any permits or approvals necessary for the installation and operation of the System Modifications and will maintain the same, all at the Municipal Entities' expense pursuant to the terms and conditions of this Agreement. Such approvals shall include any jurisdictional determinations by the United States Army Corps of Engineers pursuant to Section 404 of the Clean Water Act or Section 10 of the Rivers and Harbors Act, or any related federal, state, county, or municipal permit.

10. No Waiver of Governmental Immunity. Nothing in this Agreement is intended or shall be construed as a waiver by any of the Municipal Entities of the monetary limitations or any other rights, immunities, and protections to which they are entitled as public entities under applicable law, including, without limitation, under the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, et seq., as exists now or is hereafter amended.

11. No General Multiple-Year Fiscal Obligation or Indebtedness by Municipal Entities. Notwithstanding any provision of this Agreement to the contrary, the obligations of any Municipal Entity in fiscal years after the fiscal year in which this Agreement is executed shall be expressly contingent on the appropriation by that Municipal Entity of funds sufficient and intended for such purpose in the fiscal year in which the obligation is incurred. Nothing in this Agreement is intended or shall be construed to constitute a general obligation or other indebtedness of that Municipal Entity, or a multiple fiscal year direct or indirect debt or other financial obligation of that Municipal Entity, whether under the Constitution and laws of the State of Colorado or the respective charters and ordinances of the Municipal Entities. The determination of whether funds have been appropriated in sufficient amounts and intended for the purposes of this Agreement by any Municipal Entity shall be made in the sole discretion of that Municipal Entity.

12. Notices. Any notices allowed or required by this Agreement must be in writing and provided by email, with electronic confirmation the email has been delivered and read by the recipient with service deemed completed upon the electronic confirmation of delivery. Such notices shall be sent to the email addresses below. The Parties shall update their respective email addresses as necessary.

12.1. General Communications. General communications shall be directed to:

Municipal Entities Committee:

Thornton: Water Resources Division, Infrastructure Department
Water@Thorntonwater.com

With copy to: City Attorney, Legal Department
attorney@thorntonco.gov

Greeley: City of Greeley Water & Sewer Department, Water Resources Division
wsadmin@greeleygov

With copy to: City Attorney's Office, Environmental and Water Resources
cityattorney@greeleygov.com

Fort Collins: Fort Collins Utilities, Water Resources Division
jdial@fcgov.com

With copy to: City Attorney's Office
epotyondy@fcgov.com

ELCO: Mike Scheid, General Manager

Mikes@elcower.org

With copy to: Bradley C. Grasmick, Esq., Lawrence Custer Grasmick
Jones & Donovan, LLP
Brad@lcwaterlaw.com

North Weld: Eric Reckentine, General Manager

ericr@nwcwd.org

With copy to: Scott E. Holwick, Esq., Lyons Gaddis, P.C.
sholwick@lyonsgaddis.com

WSSC:

With copy to:

FCLWD: Chris Pletcher, General Manager

cpletcher@fclwd.com

With a copy to: Scott E. Holwick, Esq., Lyons Gaddis, P.C.
sholwick@lyonsgaddis.com

- 12.2. Emergency Communications. Any emergency communications requiring a response within seventy-two (72) hours shall be directed to:

Thornton: Matt Stockton, Water Resources Division
matt.stockton@thorntonco.gov

Greeley: Cole Gustafson, Source Water Supply Manager
cole.gustafson@greeleygov.com

Fort Collins: Jen Dial, Water Resources Manager, jdial@fcgov.com

ELCO: Richard Raines, Water Resources Manager, rraines@scwtp.org

North Weld: Richard Raines, Water Resources Manager, rraines@scwtp.org

WSSC: Eric Westlind, General Manager, ewestlind@wtrsupply.com

FCLWD: Richard Raines, Water Resources Manager, rraines@scwtp.org

13. Term. The term of this Agreement is perpetual, unless terminated or modified by a duly authorized and executed written amendment signed by all Parties.
14. WSSC's Obligations. For all of its obligations under the Agreement, WSSC shall, in good faith, and with reasonable discretion, make decisions and selections of the engineers, contractors, materials and structures necessary to install, operate, maintain, and repair the System Modifications with the goal of achieving the most cost-effective solutions for accomplishing the tasks set forth in this Agreement.
15. Amendment and Waiver. This Agreement may only be amended in a writing duly authorized and executed by the Parties. Any waiver of a term, condition, or potential breach of this Agreement must be made in a writing duly authorized and executed by the waiving Party or Parties.
16. New Entities. In the event any entity that is not a party to this Agreement ("New Entity") enters into an agreement with WSSC whereby the use of that entity's WSSC shares is conditioned on the WSSC Board's approval by written agreement pursuant to Article VIII(3) of the WSSC Bylaws, WSSC shall include a term and condition in such agreement that the New Entity become a party to both this Agreement and the Cost Allocation Agreement. In such an event, the Parties consent to amending this Agreement and the Cost Allocation Agreement to add that municipal entity as a Party on terms and conditions that the existing Parties to those agreements at the time of amendment determine are equitable to past, current, and future financial costs and expense obligations of each Municipal Entity.
17. Restriction on Assignment. Neither WSSC nor the Municipal Entities may assign, delegate, or transfer their respective rights or obligations under this Agreement without the prior written consent of all other Parties. Such consent may be given or withheld in the sole discretion of the other Parties.
18. No Third-Party Beneficiaries. This Agreement is entered into between the Parties for the purposes set forth herein. It is the intent of the Parties that they are the only beneficiaries of this Agreement and the Parties are only benefitted to the extent provided under the express terms and conditions of this Agreement. Any other party that realizes a benefit pursuant to this Agreement shall be deemed an incidental beneficiary only.

19. Successors and Assigns. The provisions of this Agreement are binding on the Parties and their respective successors and permitted assigns.
20. Governing Law. This Agreement is governed by and shall be construed in accordance with Colorado law, with proper venue in the District Court of the county in which the primary office of the defendant is located.
21. Severability. The invalidity or unenforceability of any provision of this Agreement, if found by a court of competent jurisdiction, shall not affect the validity or enforceability of any other provision of this Agreement unless the exclusion of such provision would frustrate the purpose of this Agreement.
22. Cumulative Remedies. The rights, remedies, powers, and privileges provided in this Agreement shall not exclude any other rights, remedies, powers, and privileges to which any Party may be entitled by law or in equity.
23. Entire Agreement. This Agreement constitutes the entire agreement among the Parties.
24. Headings. The headings in this Agreement are intended by the Parties for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
25. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, which when combined shall constitute one and the same agreement. The Parties agree to be bound by electronic signatures.
26. Signatory Authority. The Parties represent that the individuals executing this Agreement below have the authority to bind the Party they are signing on behalf of to this Agreement.
27. Recording. This Agreement and all exhibits shall be recorded in the real property records of Weld and Larimer Counties, Colorado Clerk and Recorder's office at the Municipal Entities' expense. A copy of the recorded Agreement will be provided to each of the Parties.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first set forth above.

CITY OF THORNTON

By: _____

CITY OF FORT COLLINS

By: _____

Date:

Kelly DiMartino, City Manager

ATTEST:

By: _____

City Clerk

APPROVED AS TO LEGAL FORM:

By: _____

Eric Potyondy

Senior Assistant City Attorney

NORTH WELD COUNTY WATER DISTRICT

By: _____

CITY OF GREELEY

By: _____

EAST LARIMER COUNTY WATER DISTRICT

By: _____

WATER SUPPLY AND STORAGE COMPANY

By: _____



Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Cole Gustafson, Source Water Supply Manager

Title:

Approve and Recommend to City Council the Cost Allocation Agreement for WSSC System Modifications

Summary:

This agreement outlines a collaborative framework among six municipal entities: Thornton, Greeley, Fort Collins, ELCO, FCLWD, and North Weld; to share costs related to WSSC system upgrades. It establishes the Municipal Entities Committee, composed of one representative from each entity, to oversee cost allocations, design reviews, and financial recordkeeping. Costs are distributed based on each entity's percentage of share ownership.

A key provision includes crediting Thornton for approximately \$7 million in prior expenditures, with reimbursement from the other entities beginning January 1, 2028. Entities may also prepay their share of Thornton's credit, which will be tracked and applied to future assessments. The agreement accommodates new entities or changes in share ownership, requiring proportional contributions to past expenditures.

Recommended Action:

Staff Recommends that the Board approve and recommend to City Council the Cost Allocation Agreement.

Recommended Motion:

"I move that the Board approve and recommend to City Council the Cost Allocation Agreement for WSSC System Modifications in the form presented, and delegate authority to the Director of Water and Sewer or their designee to approve minor revisions to the agreement before execution, provided the material substance remains unchanged."

Attachments:

1. Cost Allocation Agreement

COST ALLOCATION AGREEMENT FOR WSSC SYSTEM MODIFICATIONS

This Cost Allocation Agreement for WSSC System Modifications (“Agreement”) is made effective this ____ day of _____ 2025, by and among the City of Thornton (“Thornton”), the City of Greeley (“Greeley”), the City of Fort Collins (“Fort Collins”), East Larimer County Water District (“ELCO”), Fort Collins-Loveland Water District (“FCLWD”), and North Weld County Water District (“North Weld”) (each a “Municipal Entity” or “Party” and collectively the “Municipal Entities” or the “Parties”).

RECITALS

WHEREAS, the Water Supply and Storage Company (“WSSC”) is a Colorado non-profit mutual ditch company that owns and operates a water storage and delivery system including various ditches, canals, and reservoirs for delivery of water from the Cache la Poudre River via the Larimer County Canal (“LCC”) to lands in Larimer and Weld counties (“LCC System”); and

WHEREAS, WSSC also delivers water from the LCC to lateral ditches not owned or operated by WSSC (“Laterals”); and

WHEREAS, as of the time of execution of this Agreement, each of the Municipal Entities owns shares in WSSC as described in paragraph 2 below and in the amounts set forth on Exhibit A (“Municipal Shares”); and

WHEREAS, the Municipal Entities have obtained or are in the process of obtaining approval from the Water Court for the use of all or a portion of the water rights represented by their WSSC shares for municipal and other beneficial uses (“Changed Uses”); and

WHEREAS, pursuant to their respective agreements with WSSC, use of Municipal Shares by the Municipal Entities for Changed Uses is conditioned on the ability of WSSC to continue delivering water to its other shareholders, including to laterals that receive water from the LCC. In order to facilitate that continued delivery to other WSSC shareholders, the Parties must fund certain System Modifications in the LCC System; and

WHEREAS, the Parties agree that it is impractical to precisely attribute which System Modifications are necessary based on the Municipal Shares owned by the individual Parties and therefore, a general allocation of the costs for all System Modifications based on each Municipal Entities’ pro rata ownership of Municipal Shares is appropriate and equitable for all Parties; and

WHEREAS, simultaneously with the execution of this Agreement, the Municipal Entities have entered into the Agreement Between the Water Supply and Storage Company and Municipal Entity Stockholders (the “System Modifications Agreement”) with WSSC, setting forth the terms and conditions for designing, constructing, operating, repairing, maintaining and replacing certain System Modifications (as defined therein) to the LCC System; and

WHEREAS, the Municipal Entities desire to define the terms under which they will allocate their respective portions of the design, engineering, construction, maintenance, repair, and replacement costs for the necessary System Modifications in the LCC System; and

WHEREAS, in order to apportion the costs of the System Modifications, the Parties desire to create a committee to, in concert with WSSC, guide the planning, constructing, and allocation of costs among the Parties for System Modifications.

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants of the Parties set forth below, the Parties agree as follows.

AGREEMENT

1. Incorporation of Recitals. The above Recitals are incorporated into and made a part of this Agreement as though fully restated.

2. The Committee. The Parties hereby establish the Municipal Entities Committee (the “Committee”) for the purposes of administering this Agreement and performing the obligations identified in the System Modifications Agreement (attached hereto as **Exhibit B**).

3.1 Purpose. The Committee’s primary purpose shall be to allocate the Annual System Modification Assessments and Special System Modification Assessments (as such terms are defined in the System Modifications Agreement) among the Parties based on the terms of this agreement and provide notice to WSSC of such allocation pursuant to this Agreement and the System Modifications Agreement. The Committee shall also review and comment on design and engineering specifications for the System Modifications, communicate with WSSC regarding costs, amend exhibits to this Agreement as appropriate, take any other action as required of the Committee herein or in the System Modifications Agreement, and maintain financial records of the cost allocations.

3.2 Members. The Committee shall consist of one (1) representative or one (1) alternate from each of the Municipal Entities. Municipal Entities may replace their representatives and alternates at any time by providing written notice to the other members of the Committee.

3.3 Meeting Schedule and Notices. The Committee shall meet at such frequency and times deemed necessary by the Committee members. Notice of Committee meetings shall be circulated by email or other written notice to all Committee members.

3.4 Committee Governance. All decisions or actions of any kind to be made by the Committee shall be made by the express unanimous consent of the Committee members.

3. Municipal Shares Ownership. The first table set forth on **Exhibit A** lists the total number of Municipal Shares, both changed and unchanged, that are owned by each of the Municipal Entities as of the effective date of this Agreement (“Municipal Shares Ownership”) and the percentage of the total Municipal Shares owned by each of the Municipal Entities as of the effective date of this Agreement (“Percentage Municipal Share Ownership”). The Percentage Municipal Share Ownership may change based upon the acquisition or divestiture of WSSC Shares or the addition of any new Municipal Entity during the term of this Agreement as described in paragraph 5 below. Any Municipal Entity that acquires or divests any Municipal Shares after the effective date of this Agreement shall notify the Committee no later than the last day of the month in which WSSC formally approves the transfer of such shares. The Municipal Shares Ownership and Percentage Municipal Share Ownership Tables on **Exhibit A** shall be updated accordingly and may be revised by the express unanimous vote of the Committee members without formally amending this Agreement. Upon approval by Committee vote of any revisions to **Exhibit A**, the revised Exhibit shall be circulated by the Committee to all Parties.

4. Allocation of System Modification Costs. System Modification costs, as identified in the System Modifications Agreement, are to be allocated among the Municipal Entities in accordance with each Municipal Entity’s Percentage Municipal Share Ownership, as described in paragraph 3 above and shown on **Exhibit A**, as the same may be updated. Cost allocations shall be determined based on the most recently approved **Exhibit A** at the time any notice of Annual System Modification Assessment or Special System Modification Assessment is issued by WSSC to the Committee, pursuant to paragraphs 6.2.1 and 6.2.2 of the System Modifications Agreement.

4.1 Allocation of Costs. Pursuant to the System Modifications Agreement, WSSC is to provide the total Annual System Modification Assessment to the Committee for the anticipated and accrued System Modification costs, including loan payment amounts and schedules by approximately January 31st of each year. WSSC may also provide an estimate of a total Special System Modification Assessment to cover any costs not covered by Annual System Modification Assessments approximately ninety (90) days before such special assessment is to be issued. By approximately March 31st for Annual System Modification Assessments or within approximately sixty (60) days after the Committee receives an estimate of a total Special System Modification Assessment, the Committee shall determine the portion of the total relevant Assessment that each Party is responsible for and provide an Assessment Allocation Summary to WSSC. The Assessment Allocation Summary shall indicate with particularity the portion of the total amount each Municipal Entity is responsible for, which portions when summed shall equal the total amount of the Assessment provided by WSSC.

4.2 Credit to Thornton for Costs Expended. The Parties acknowledge that Thornton has expended and/or anticipates expending approximately Six Million Dollars (\$6,000,000.00) toward System Modification costs, exclusive of any Assessments. Thornton shall confirm the total amount of such expenditures and provide supporting documentation to the Committee. Based on the confirmed amount, Thornton shall be entitled to a credit toward future Assessments for System Modifications in the amount of the other Municipal Entities’ pro rata portions of such Thornton expenditures (“Thornton’s Credit”). Thornton shall remain responsible for its own pro rata share portion of such

Thornton expenditures and shall not receive a credit for that portion. By way of example, if Thornton's total expenditures are \$6,000,000.00 and Thornton owns 66% of the total shares owned by Municipal Entities, then the other Municipal Entities would own 34% of the total shares owned by Municipal Entities, resulting in a Thornton Credit of \$2,040,000.00.

4.3 Commencing January 1, 2028, and continuing until Thornton's Credit is exhausted, the other Municipal Entities shall pay Thornton's portion of Assessments for System Modifications, in addition to their own respective shares. The other Municipal Entities responsibility for such payments shall be allocated in accordance with the second table set forth on **Exhibit A**. Such table shall be updated to reflect any changes in share ownership in the same manner as described in paragraph 3 above.

4.4 The Parties acknowledge that any Municipal Entity may elect to prepay its proportional share of Thornton's Credit by submitting such payment to WSSC in advance of the assessment schedule, with corresponding notice provided to Thornton and the Committee. The prepaying Municipal Entity shall identify in writing to WSSC that the payment is for and to the Thornton Reimbursement Fund. The Committee shall account for all such advance payments when determining future Assessment allocations, ensuring that the prepaying Municipal Entity's pro rata obligations for subsequent Thornton-owed System Modification Assessments are reduced in proportion to the amount prepaid toward Thornton's Credit. The Committee, at Thornton's direction, shall instruct WSSC to disburse funds from the Thornton Reimbursement Fund to satisfy any System Modification Assessment, or portion thereof, owed by Thornton.

4.5 In the event any Municipal Entity expends funds toward System Modifications exclusive of Assessments, the Municipal Entity shall be entitled to reimbursement from the other Municipal Entities in the same manner as Thornton is entitled to reimbursement as set forth paragraphs 4.2 through 4.4, above. The commencement date of payments for a Municipal Entity's credit shall be determined by mutual agreement of the Parties.

5. Incorporation of Additional Municipal Entities or Increases in Municipal Entity Shares. Pursuant to the System Modifications Agreement, in the event any entity that is not a Party to this Agreement enters into an agreement with WSSC whereby the use of that entity's WSSC shares is conditioned on WSSC's ability to continue to deliver water to other shareholders from the LCC, including laterals receiving water from the LCC, and upon that entity's use of its shares not increasing expenses for WSSC or its other shareholders, WSSC will include a term and condition in such agreement that the subject entity become a party to both this Agreement and the System Modifications Agreement. In order to integrate additional Parties into this Agreement and account for increases in Municipal Entity Shares, the Committee shall maintain a running total of all expenditures paid by the Municipal Entities towards System Modifications, including all Assessments-both Annual and Special System Modification Assessments-as well as Thornton's expended funds described in Paragraph 4.2 above. Upon any entity being added as a Party to this Agreement or any current Party increasing its shares in WSSC, such Party shall be obligated to pay its proportional share of the then-current running total of expenditures. For example, if a new

Party owns or current Party acquires 10 shares when 500 shares are owned by the Municipal Entities collectively (including the new shares) and a total of \$10 million has been paid for System Modifications by the Parties, that Party shall be obligated to pay the next \$200,000 in total amounts in System Modification Assessments owed to WSSC, with each existing Party's obligation reduced on a pro rata basis.

6. Remedies. The remedies available under this Agreement shall be limited to those provided by Colorado law, and shall expressly exclude any claim for consequential, punitive or exemplary damages.

7. No Waiver of Governmental Immunity. Nothing in this Agreement is intended or shall be construed as a waiver by any of the Municipal Entities of the monetary limitations or any other rights, immunities, and protections to which they are entitled as public entities under applicable law, including, without limitation, under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as exists now or is hereafter amended.

8. No General Fiscal Obligation or Indebtedness by Municipal Entities. Notwithstanding any provision of this Agreement to the contrary, the obligations of any Municipal Entity in fiscal years after the fiscal year in which this Agreement is executed shall be expressly contingent on the appropriation by that Municipal Entity of funds sufficient and intended for such purpose in the fiscal year in which the obligation is incurred. Nothing in this Agreement is intended or shall be construed to constitute a general obligation or other indebtedness of that Municipal Entity, or a multiple fiscal year direct or indirect debt or other financial obligation of that Municipal Entity, whether under the Constitution and laws of the State of Colorado or the respective charters and ordinances of the Municipal Entities. The determination of whether funds have been appropriated in sufficient amounts and intended for the purposes of this Agreement by any Municipal Entity shall be made in the sole discretion of that Municipal Entity.

9. Notices. Any notices allowed or required by this Agreement must be in writing and provided by email, with electronic confirmation the email has been delivered and read by the recipient with service deemed completed upon the electronic confirmation of delivery. Such notices shall be sent to the email addresses below. The Parties shall update their respective email addresses as necessary. General communications shall be directed to:

Thornton: Water Resources Division, Infrastructure Department
Water@Thorntonwater.com

With copy to: City Attorney, Legal Department
attorney@thorntonco.gov

Greeley: City of Greeley Water & Sewer Department, Water Resources
Division
wsadmin@greeleygov

With copy to: City Attorney's Office, Environmental and Water
Resources

cityattorney@greeleygov.com

Fort Collins: Fort Collins Utilities, Water Resources Division
jdial@fcgov.com

With copy to: City Attorney's Office
epotyondy@fcgov.com

ELCO: Mike Scheid, General Manager
Mikes@elcowater.org

With copy to:
Bradley C. Grasmick, Esq., Lawrence Custer Grasmick Jones &
Donovan, LLP
Brad@lcwaterlaw.com

North Weld: Eric Reckentine, General Manager
eric@nwcwd.org

With copy to: Scott E. Holwick, Esq., Lyons Gaddis, P.C.
sholwick@lyonsgaddis.com

FCLWD: Chris Pletcher, General Manager
cpletcher@fclwd.com

With copy to: Scott E. Holwick, Esq., Lyons Gaddis, P.C.
sholwick@lyonsgaddis.com

10. Term. The term of this Agreement is perpetual, unless terminated or modified by a duly authorized and executed amendment by all Parties.

11. Amendment and Waiver. Except for the modification of Exhibit A as provided herein, this Agreement may only be amended in a writing duly authorized and executed by the Parties. Any waiver of a term, condition, or potential breach of this Agreement must be made in a writing duly authorized and executed by the waiving party or parties. Updates to Exhibit A shall be voted on by Committee members, and upon approval, circulated to all Committee Members.

12. Restriction on Assignment. The Municipal Entities shall not assign, delegate, or transfer their respective rights or obligations under this Agreement without the prior written consent of all other Parties. Such consent may be given or withheld in the sole discretion of the other Parties.

13. No Third-Party Beneficiaries. This Agreement is entered into among the Parties for the purposes set forth herein. It is the intent of the Parties that they are the only beneficiaries

of this Agreement and the Parties are only benefitted to the extent provided under the express terms and conditions of this Agreement. Any other person or entity that realizes a benefit pursuant to this Agreement shall be deemed an incidental beneficiary only.

14. Successors and Assigns. The provisions of this Agreement are binding on the Parties and their respective successors and permitted assigns.

15. Governing Law. This Agreement is governed by and shall be construed in accordance with Colorado law, with proper venue in the District Court of the county in which the primary office of the defendant is located.

16. Severability. The invalidity or unenforceability of any provision of this Agreement, if found by a court of competent jurisdiction, shall not affect the validity or enforceability of any other provision of this Agreement unless the exclusion of such provision would frustrate the purpose of this Agreement.

17. Cumulative Remedies. The rights, remedies, powers, and privileges provided in this Agreement shall not exclude any other rights, remedies, powers, and privileges to which any party may be entitled by law or in equity.

18. Entire Agreement. This Agreement constitutes the entire agreement among the Parties.

19. Headings. The headings in this Agreement are intended by the Parties for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

20. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, which when combined shall constitute one and the same agreement. The Parties agree to be bound by electronic signatures.

21. Signatory Authority. The Parties represent that the individuals executing this Agreement below have the authority to bind the party they are signing on behalf of to this Agreement.

22. Recording. This Agreement and all exhibits shall be recorded in the real property records of the Larimer and Weld Counties, Colorado Clerk and Recorder's office at Thornton's expense. Thornton will provide a copy of the recorded Agreement to each of the other Parties.

IN WITNESS WHEREOF, the Parties have executed this Cost Allocation Agreement for WSSC System Modifications to the Water Supply and Storage Company Delivery System, effective as of the date first set forth above.

[signature page to follow]

CITY OF THORNTON

Tansy Hayward, City Manager

ATTEST:

Kristen N. Rosenbaum, City Clerk

APPROVED AS TO FORM:

Tami Yellico, City Attorney

CITY OF FORT COLLINS

By: _____
Kelly DiMartino, City Manager

Date:

ATTEST:

By: _____
City Clerk

APPROVED AS TO LEGAL FORM:

By: _____
Eric Potyondy
Senior Assistant City Attorney

NORTH WELD COUNTY WATER DISTRICT

By: _____

CITY OF GREELEY

By: _____
City Manager

As to Availability of Funds:

By: _____
Director of Finance

As to Legal Form:

By: _____
City Attorney's Office

EAST LARIMER COUNTY WATER DISTRICT

By: _____

FORT COLLINS-LOVELAND WATER DISTRICT

By: _____

EXHIBIT A

**COST-SHARING AGREEMENT FOR MODIFICATIONS
TO THE WATER SUPPLY AND STORAGE COMPANY DELIVERY SYSTEM**

Municipal Shares Ownership and Percentage Municipal Share Ownership Table

| Municipal Entities | Number of Municipal Shares | Percentage (%) |
|--|-----------------------------------|-----------------------|
| Thornton | 289.1045 | 66.57 |
| Greeley | 47.417 | 10.92 |
| Fort Collins | 26.667 | 6.14 |
| ELCO | 41.825 | 9.63 |
| North Weld | 18.0 | 4.14 |
| FCLWD | 11.25 | 2.59 |
| Total Shares (Municipal Entities) | 434.2635 | 100 |

Municipal Shares Ownership and Percentage Municipal Share Ownership Table
(Credit to Thornton for Costs Previously Expended – Paragraph 4.2)

| Entities | Number of Shares | Percentage (%) |
|---------------------|-------------------------|-----------------------|
| Greeley | 47.417 | 32.67 |
| Fort Collins | 26.667 | 18.37 |
| ELCO | 41.825 | 28.81 |
| North Weld | 18.0 | 12.40 |
| FCLWD | 11.25 | 7.75 |
| Total Shares | 145.159 | 100 |

EXHIBIT B

SYSTEM MODIFICATIONS AGREEMENT



Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Brian Von Seggern, Water Resources Operations Manager

Title:

Approval of Updated Greeley Drought Emergency Plan

Summary:

As part of Greeley’s commitment to review and refresh its Drought Emergency Plan every five years, staff and BBC Research & Consulting have completed an update to the plan originally adopted in 2021. This update maintains the core structure and strategies of the previous plan while incorporating a few refinements to reflect current operations and data systems, including integration with the City’s new Customer Information System (CIS) and expanded Advanced Metering Infrastructure (AMI). The plan continues to define four drought severity levels—Mild, Moderate, Severe, and Catastrophic—with corresponding outdoor water reduction goals ranging from 15% to 70%. These adjustments ensure the plan remains aligned with current practices and technology while preserving its established framework for evaluating drought conditions, declaring drought stages, and guiding a balanced and effective community response.

Recommended Action:

Staff recommend the Water and Sewer Board approve the 2025 Greeley Drought Emergency Plan Update.

Recommended Motion:

“I move that the Board approve the 2025 update to the City of Greeley Drought Emergency Plan, as presented, and delegate authority to the Director of Water and Sewer or their designee to make minor administrative adjustments as needed to oversee future updates.”

Attachments:

1. Drought Plan Board Presentation
2. Revised 2025 Drought Plan Assembled

Updated Drought Emergency Plan

Water and Sewer Board

November 19, 2025

Doug Jeavons – Managing Director – BBC Research and Consulting

Agenda

- Background
- Drought Response Trigger
- Important Considerations
- Drought Response Strategies
- Messaging Strategies
- Summary

Purpose

Inform the Board of how Greeley is adapting the drought plan to Greeley's current needs and operations

Background

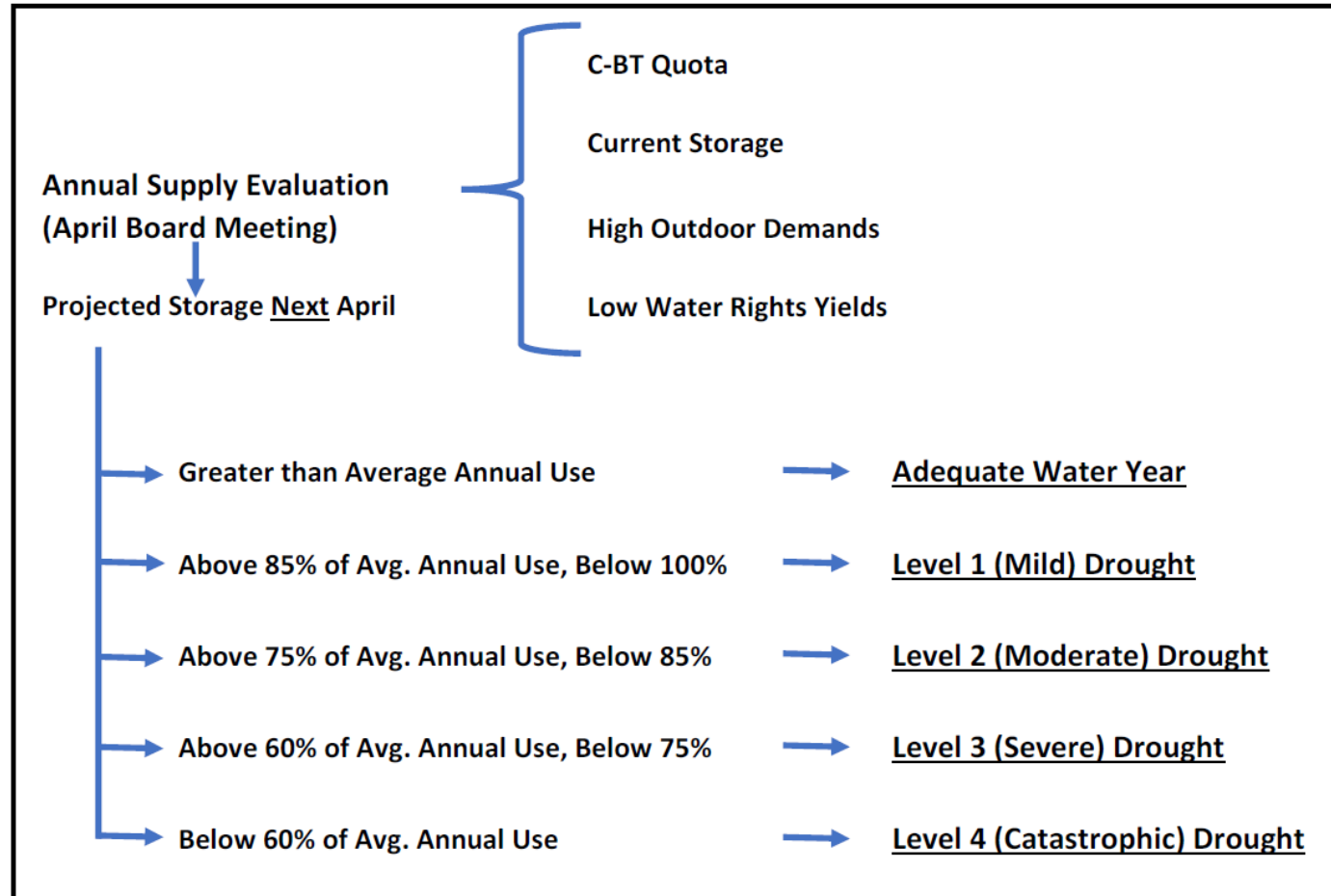
- Greeley's current drought plan was adopted in 2021, replacing a plan from 2003
- BBC worked with Greeley to develop the 2021 plan
- One of the 2021 plan's recommendations was to review and potentially update every five years
- Greeley Water and Sewer staff and BBC have developed the updated drought plan

What's Changed, and What Has Not, Since Development of the 2021 Drought Plan?

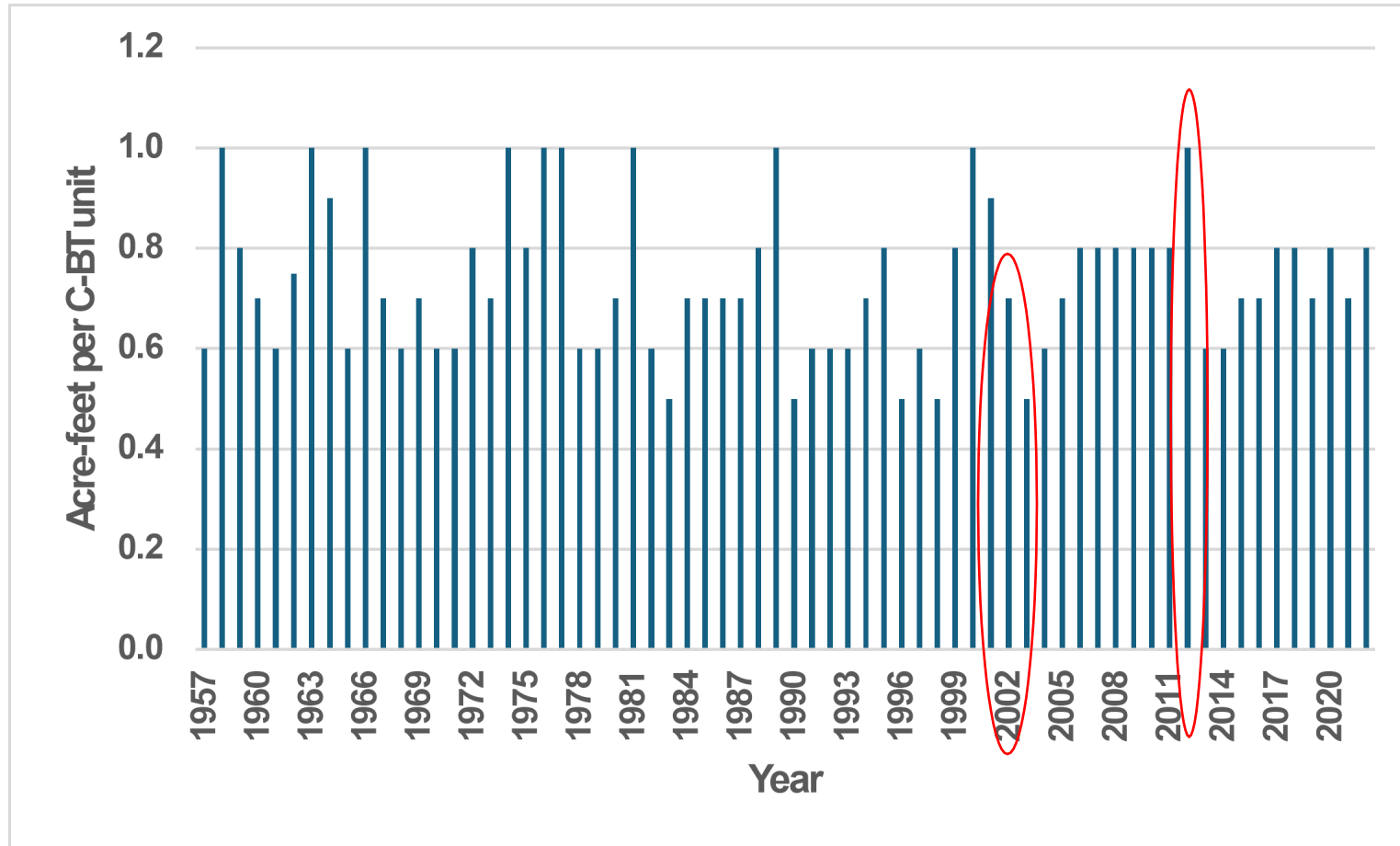
| Changes | Little or No Change |
|---|---|
| Continuing Growth in Economy and Population | Average Annual Retail* Water Use (21,300 AFY) |
| Phase 1 of Terry Ranch Project Completed | C-BT is Largest Component of Greeley's Supply |
| Adoption of Automated Metering Infrastructure (AMI) | Water Budget Rates for SFR Customers |
| Enhanced Customer Information System (CIS) | |
| | |

*Retail water use excludes deliveries to customers that provide their own water supply (e.g., Evans, Johnstown, Milliken and Windsor).

Drought Response Trigger and Declaration Process



Historical Annual C-BT Quotas (1957-2022)



With 22,800+ C-BT Units, the difference between a quota of 1.0 a a quota of 0.5 AF/Unit for Greeley is over 11,000 AFY

Drought Response Trigger and Declaration Process

- Current Target Storage is 22,000 AF
 - Despite growth in customers, average annual water use remains consistent with 2021 analysis at about 21,300 AFY
- Reductions and restrictions are intended to be for *outdoor irrigation only*
- Continuing to recommend a 2-year recovery period
- Equitable: targeting reductions for single family residential, multi-family, commercial and industrial customers

Important Considerations



Equity among Greeley's customers: while outdoor water use by single family customers must be a focus, other customer classes need to contribute their share to water savings.

Minimize impacts to landscapes: modifications to water budgets and watering restrictions should be designed to avoid long-term damage to trees and other non-turf vegetation as much as possible.



Minimize financial impacts to customers and the water utility: In general, if customers meet the water savings goals, they will pay less than normal during drought conditions. If customers do not reduce their use, they may pay more.

Drought Response Strategies

Droughts are uncertain

- Hard to project how long they will last or how severe they will be.
- Also, difficult to predict how customers will respond and thus, how much water will be saved by different drought measures.

Important to have a variety of tools for customers to use



Need flexibility in the drought plan to adapt to changing circumstances

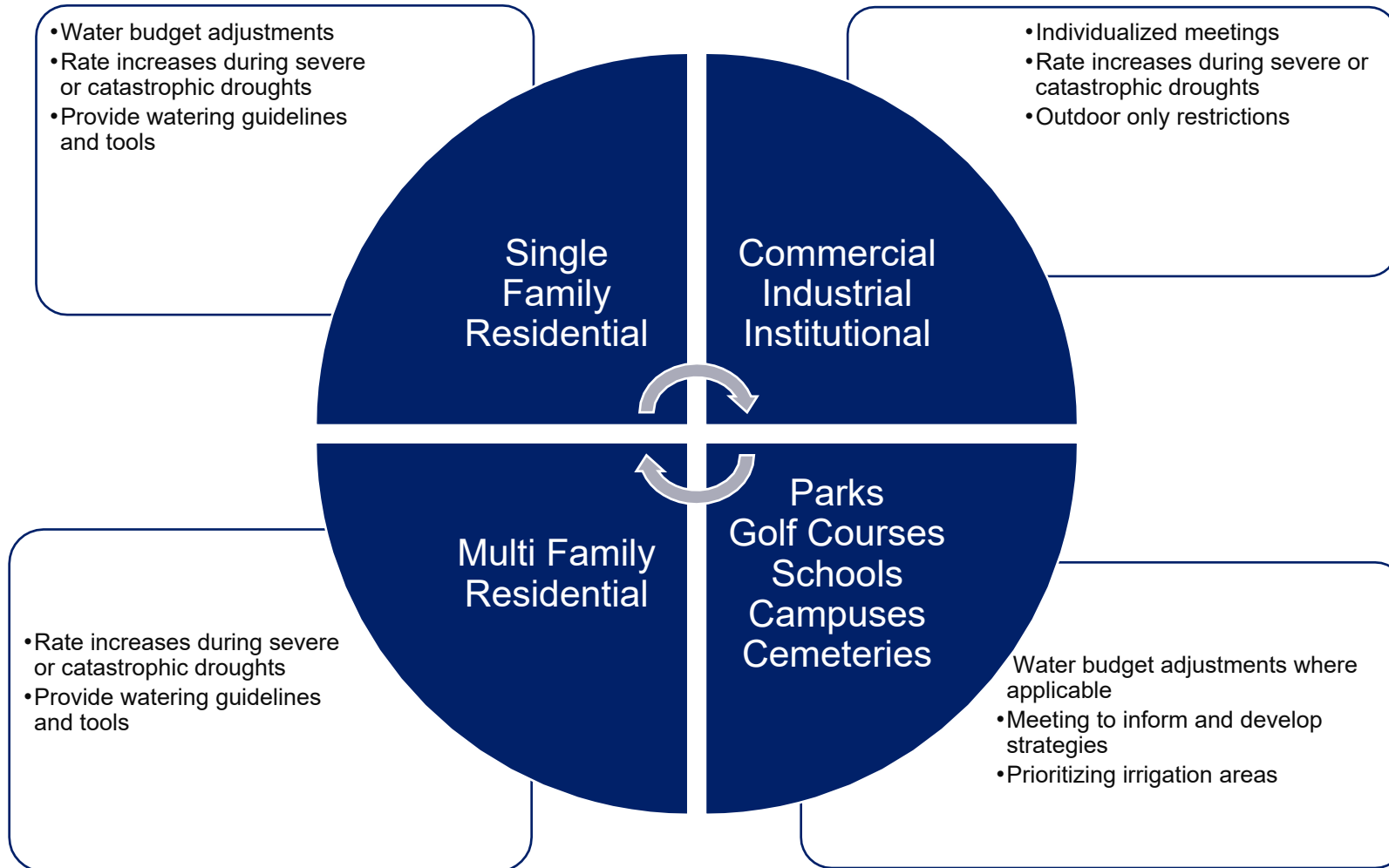
Drought Response Strategies

| GREELEY DROUGHT RESPONSE PROGRAM 2020 | | | | | |
|--|---------------------------|---|-----------------------------|-------------------------------------|----------------------------|
| With a two year recovery period | Adequate Yr | Mild | Moderate | Severe | Catastrophic |
| LEVEL OF RESPONSE | no drought | 1 | 2 | 3 | 4 |
| Target Storage | 100% | 85% to 99% | 75% to 84% | 60% to 74% | Less than 60% |
| Target Reduction (outdoor) | 0% | 15% | 25% | 50% | 70% |
| Target Storage (in AF) | 21,300 | 18,100 | 16,000 | 12,800 | 10,700 |
| Annual Outdoor Reduction Goal | normal conservation | 1,530 | 2,560 | 5,130 | 7,170 |
| MEASURES | | | | | |
| Water Budget and Restrictions | | | | | |
| Single Family Residential on Water Budget | | 15% | 25% | 50% | 70% |
| Proposed Water Budget Reduction | 0% | 15% | 25% | 50% | 70% |
| Recommended Schedule Suggested Days | | max 3 days/week | 2 days/week | 1 day/week | |
| Multi Family & HOA Not on Water Budget | mand. 3/wk | max 3 days/week | 2 days/week | 1 day/week | no watering |
| Reductions in Use | 0% | 15% | 25% | 50% | 70% |
| Commercial Industrial Institutional (ICI) | mand. 3/wk | 3 days/week | 2 days/week | 1 day/week | no watering |
| Reduction on Landscape Water Same as SFR | Normal conservation | 15% | 25% | 50% | 70% |
| Restrictions Landscape (Non Water Budget) | | | | | |
| Lawns/Turf | set day /week 3 days/week | no irrigation until May1 or after Sept. 30 | irrigation May-Oct; 1"/week | no watering in July; let go dormant | no watering June 15-Aug 15 |
| Non-watering Hours | 10am-6pm | 10am-6pm | 10am-6pm | 8am-8pm | 8am-8pm |
| Installing New Lawns & Watering Permits | yes w/soil prep | yes w/soil prep | not June-Aug | not June-Aug | none |
| Multi Family | 3 days/week | 3 days/week | 2 days/week | 1 day/week | no watering |
| Large Properties with > 4 acres of Turf Need to Submit a Water Budget to Get a Watering Variance | 3 days/week | 1.5"/week WB | 1.0"/week WB | only enough to keep it alive | not allowed |
| Trees and Shrubs | | on days or drip or by hand | | | |
| Vegetable Gardens | | on days or drip or by hand | | | |
| Flower Gardens | | on days or drip or by hand | | | |
| Non Potable Ditch Water (city system) | | follow restrictions or restrictions due to delivery | | | |
| Non Potable Ditch Water (private) | | cannot regulate | | | |
| Well Water | | cannot regulate | | | |

Drought Response Strategies

| GREELEY DROUGHT RESPONSE PROGRAM 2020 | | | | | |
|---|-------------------------|--|------------------------------------|------------------------------------|------------------------------------|
| With a Two Year Recovery Period | Adequate Yr | Mild | Moderate | Severe | Catastrophic |
| LEVEL OF RESPONSE | No drought | 1 | 2 | 3 | 4 |
| Other outdoor Uses (hosing and washing) | | | | | |
| Home Car Washing | with BMPs and no runoff | bucket & shut off | bucket & shut off | commercial car wash | commercial car wash |
| Frequency | | 1x/week | 1x/month | not allowed | not allowed |
| Washing Sidewalks, Driveways, Garages or Other Pavement | | prohibited except for health or safety | | | not allowed |
| Siding on Houses, Patios, Decks | | only in prep. for painting/staining 1 x per year with power washer | | | not allowed |
| Fleet Washing at Auto Dealerships/Mobile | | 1x/week | 1x/month | not allowed | not allowed |
| Car Washes -Fundraising | | prohibited except at commercial carwashes | | | |
| Commercial/restaurant/fast food | | | | | |
| Drive Thru/Sidewalk | | prohibited except for health or safety | | | only with a bucket & broom |
| Parking Lot | | prohibited | | | |
| Fountains/Ponds/Spas | | | | | |
| Water Fountains (w/o fish) | | unrestricted | no topping off | no water | no water |
| Public | | unrestricted | no topping off | no water | no water |
| Private | | unrestricted | unrestricted | no topping off | no topping off |
| Ponds with Fish or Plants | | unrestricted | unrestricted | unrestricted | topping only to preserve fish |
| Swimming Pools and Spa's Private | | unrestricted | Unrestricted | not allowed | not allowed |
| Semi-Private Neighborhoods | | unrestricted | Unrestricted | not allowed | not allowed |
| City Pools | | unrestricted | Unrestricted | no topping off | no topping off |
| City Uses | | | | | |
| City Parks /Athletic Fields | | water budget | water budget cut | prioritize athletic fields only | |
| Golf Courses | | 10-20% cut back | 10-20% cut back no watering roughs | max 1"/wk for tees and greens only | max 1"/wk for tees and greens only |
| City Facilities & Around Buildings | | 3 days/wk | 2 days/week | 1 day/week | no watering |
| Street Cleaning/Parking Lots with Trucks | | unrestricted | unrestricted | restricted to essential situations | |
| Hydrant Flushing & Testing | | unrestricted | limited to critical situations | | |
| Washing Fleet Vehicles & Mobile Washers | | 1 x /week | every other week | 1 x /month | none |

Messaging Strategy



Summary

- After a major overhaul to Greeley's drought plan in 2020-21, this update does not call for substantial changes
- The most significant developments since 2021 are:
 - Completion of the first phase of the Terry Ranch Project which will provide additional drought reserves
 - Adoption of new AMI and CIS systems which allow for better monitoring of water use and tailored communication with customers



2025 Greeley Drought Emergency Plan Update

FINAL REPORT

Final Report

September 24, 2025

2025 Greeley Drought Emergency Plan Update

Prepared for

Greeley Water and Sewer Department

Prepared by

BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com



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SECTION I.

Introduction and Background

Greeley Water and Sewer (Greeley or Greeley Water) currently supplies about 21,300 acre-feet (6.9 billion gallons) of water per year to more than 112,000 people, along with many commercial and industrial operations. Greeley continues to grow each year, and its population is projected to increase to between 182,000 and 311,000 people by 2070. Under average weather conditions, about one-half of the total annual water use by Greeley’s customers is for outdoor irrigation (including non-potable deliveries for irrigating parks, schools and other large outdoor areas). Absent intentional measures to reduce demand, outdoor water use increases under hot and dry conditions.¹ During the peak irrigation season from June through September, outdoor water use typically makes up about 70% of total use. That percentage increases under hot and dry conditions.

Greeley’s water system includes a diversified portfolio of water rights and storage facilities and has a high degree of reliability and resiliency. However, Greeley is located in a semi-arid climate where severe droughts occasionally occur. No water supply system is completely drought proof. The cost of acquiring water rights and developing water supply facilities that would only be used once in many decades would not be a prudent use of public funds. But being able to provide adequate water supplies to Greeley’s residents and businesses under any future climatic and hydrologic conditions is critical to the continued growth and prosperity of the City.

Changes Since the 2021 Drought Management Plan

Greeley has successfully navigated previous droughts, including the most severe drought during the past few decades which was experienced in 2001-2003 as well as hot and dry conditions during 2012. Greeley implemented a new Drought Emergency Plan in 2021 and updated the city municipal code to provide an update every five years.

- During the past 20 years, Greeley’s total annual water use has remained relatively consistent – despite substantial growth in the number of customers – but water use per account has declined substantially as Greeley’s customers have become more efficient.
- Greeley is implementing a new Customer Information System (CIS) and has installed Advanced Metering Infrastructure (AMI) for most of its customers.
 - These systems will allow customers water demands to be tracked more accurately, provide better reporting on water use and revenue data, and a better customer platform. The new CIS Program will also enhance the ability to track

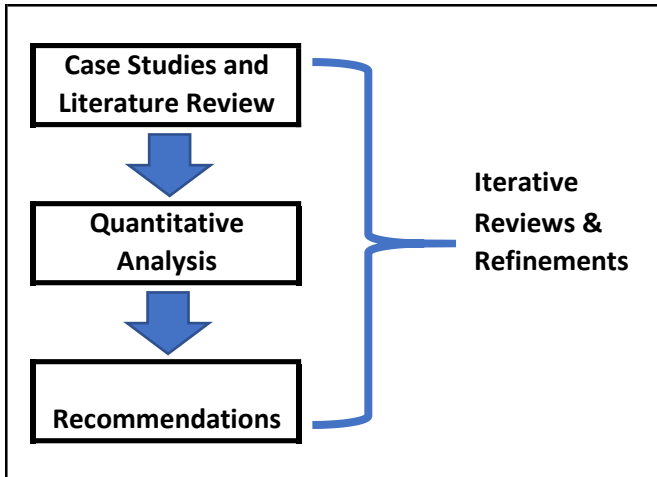
¹ City of Greeley Water Demand and Population Projections. BBC Research & Consulting. 2018.

water usage at city owned properties which will result in better tracking of unbilled usage.

Process of Developing the 2021 Drought Plan

Greeley’s 2021 drought emergency plan was developed over a 12-month period, beginning in the Fall of 2019. The basic process of developing the 2021 plan is illustrated in Figure I-1.

Figure I-1. New Drought Emergency Plan Development



The study team conducted a literature review of studies concerning the price elasticity of water demand, or the extent to which water use can be expected to decline if prices (e.g. rates) are increased during drought conditions. While that literature review did not uncover any studies specific to utilities with water budget-based rates, it did provide information from studies which compared the elasticity of water demand under different types of rate structures, including inclining block rate (sometimes called conservation rate) structures. This information indicates that customers appear to be more responsive to changes in rates under these types of structures, and that heightened responsiveness likely applies to water budget-based rates as well.

Quantitative analysis. Potential financial impacts of drought response measures on Greeley’s customers, as well as financial impacts on the utility itself, were important considerations in developing the updated drought response plan. The study team examined the potential financial effects from temporary changes to customers’ outdoor water budgets under the various drought emergency levels, as well as the potential financial impacts from temporary changes in water rates (or drought surcharges) under drought conditions. The team also examined the potential effects on Greeley’s revenues when the emergency drought plan is implemented.

Iterative reviews and refinements. The study team, including both the consultants and Greeley Water & Sewer Department staff, met in person and virtually (due to the Coronavirus pandemic) on numerous occasions during the 12-month period while the new drought emergency plan was being developed. Preliminary results and recommendations were discussed with the City's Executive Leadership Team in June 2020 and with the Greeley Water & Sewer Board (the Board) during August and October 2020 to receive feedback on the proposed drought plan recommendations.

SECTION II.

Identifying and Classifying Drought

Determining the need to implement emergency drought response measures, and which measures should be implemented, depends on both the projected availability of water supplies for Greeley's customers and the anticipated level of water use by those customers.

Greeley's Water Supplies

As one of the oldest cities in Northern Colorado, Greeley has a relatively robust water supply portfolio and continues to acquire new supplies to meet forecasted growth within its service area. The "firm yield"² of Greeley's water supply portfolio is currently estimated to be about 38,000 acre-feet (AF) per year, substantially more than the current annual demand from Greeley's customers which has averaged about 21,300 AF per year since 2010.³ However, like other water providers, Greeley needs to maintain sufficient water supplies in storage to guard against the potential for severe and prolonged droughts.

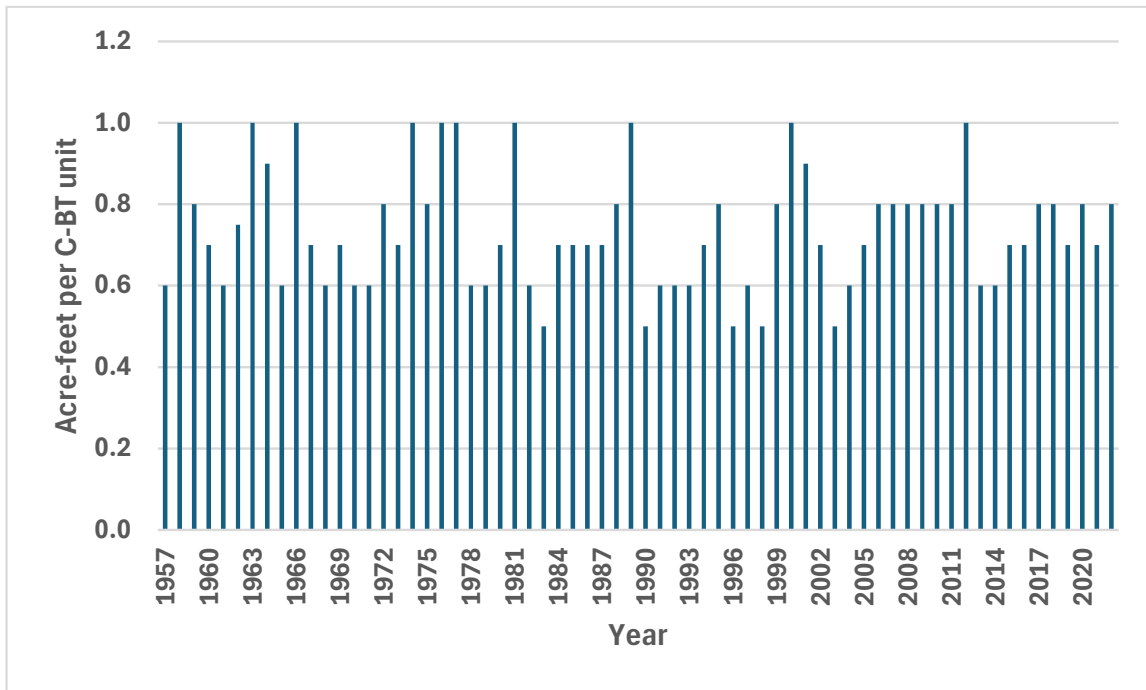
The single largest component of Greeley's treatable water supplies is the more than 22,800 units Greeley owns in the Colorado-Big Thompson Project (C-BT project). The amount of water that these units will yield is determined annually by the quota set by the Northern Colorado Water Conservancy District (Northern Water) which manages the C-BT project. In general, the C-BT project is intended to provide a supplemental water supply to northern Colorado to complement native, east slope water supplies of agricultural irrigators, cities and towns. To that end, Northern Water has traditionally sought to set a higher quota during dry years when east slope water supplies have lower yields and a lower quota during wet years when less supplemental water supply is needed. Since water deliveries began in 1957, the C-BT quota has averaged about 0.74 acre-feet per unit per year.

As shown in Figure II-1, the quota can vary substantially from year to year. During the most recent exceptionally dry year (2012), Northern Water was able to set the C-BT quota at the maximum of 1 acre-foot per unit. However, during the previous exceptionally dry year in 2002, Northern set the quota at 0.7 acre-feet per unit. Quotas during the following two wetter years were lower, at 0.5 acre-feet per unit in 2003 and 0.6 acre-feet per unit in 2004. From Greeley's perspective, the difference between a quota of 0.5 and a quota of 1.0 is more than 11,000 acre-feet of water supply per year.

² Firm-yield is an estimate of the maximum amount of annual demand that can be served by the city's water supplies under a repeat of historic drought of record hydrologic conditions. However, long-term historical climate analyses indicate that more severe droughts than the drought of record have occurred in the past and will likely occur again in the future.

³ Based on annual water use by customer class tables produced by Greeley, excluding wholesale deliveries to customers which provide their own water supplies for treatment and distribution by Greeley (the cities of Evans, Johnstown, Milliken and Windsor).

Figure II-1. Annual C-BT Quotas 1957-2022



Note: Includes initial quotas set in November, April quotas and supplemental quotas where applicable.

Source: Northern Colorado Water Conservancy District, 2024.

Drought Response Trigger and Declaration Process

Each April, shortly after the C-BT quota for the year has been established, Greeley’s Water Resources staff will project the storage volume that will be available on April 1st of the following year under “conservative” assumptions of high outdoor irrigation demands from Greeley’s customers (as has been typical under hot and dry conditions during years such as 2002 and 2012) and low yields from Greeley’s water supplies.

If the storage volume on the following April 1st is projected to be greater than or equal to Greeley’s average annual water demands (currently estimated to be 21,300 AF), Greeley’s staff will recommend that the Board declare an “adequate water year” and allow water rentals at volumes that continue to maintain a projected target volume available for Greeley’s customers at or above 21,300 AF.

If the storage volume on the following April 1st is projected to be less than Greeley’s average annual water demands (21,300 AF), staff will recommend that the Board declare a drought and implement the drought emergency plan.

Drought Levels and Drought Response Goals

The severity of the drought, and the water savings goals from the drought response measures, will generally be based on the projected volume of water in storage on the following April 1st. For each drought level, the drought response goals will be to 1) avoid the drought condition worsening and Greeley’s water supplies falling to a more severe drought level, 2) strive to

recover to adequate water conditions within a two-year period, and 3) recovery of minimum financial reserves within a five-year period.

Level 1 – Mild Drought

Generally, Greeley will declare a mild drought when the projected volume of water in storage on the following April 1st is ***less than 100%, but greater than 85%*** of average annual water demands.

The goals of the drought response effort will be to **reduce outdoor water use by up to 15 % (currently about 1,530 acre-feet⁴) per year.**

Greeley may also decide to invoke the drought response measures discussed later in this plan for other reasons – such as other adverse events that affect Greeley’s water supplies (for example if wildfires affect the watersheds that Greeley relies on), or in times when a regional drought response in Northern Colorado is deemed appropriate by the Board.

Level 2 – Moderate Drought

The projected volume of water in storage on the following April 1st is ***between 75% and 85%*** of average annual water demands.

The goals of the drought response effort will be to **reduce outdoor water use by up to 25 % (currently about 2,560 acre-feet) per year.**

Level 3 – Severe Drought

The projected volume of water in storage on the following April 1st is ***between 60% and 75%*** of average annual water demands.

The goals of the drought response effort will be to **reduce outdoor water use by up to 50 % (currently about 5,130 acre-feet) per year.**

Level 4 – Catastrophic Drought

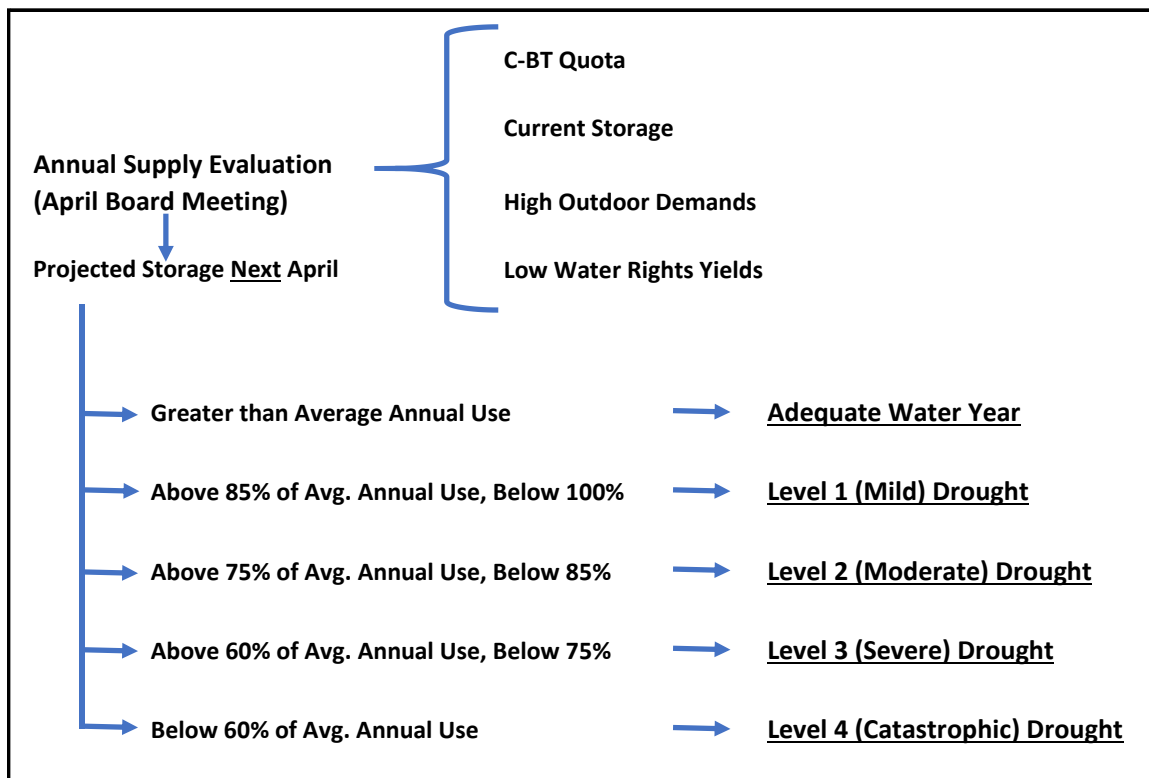
The projected volume of water in storage on the following April 1st is ***less than 60%*** of average annual water demands.

The goals of the drought response effort will be to **reduce outdoor water use by up to 70 % (currently about 7,170 acre-feet) per year.**

The annual water supply evaluation and drought declaration process is summarized in Figure II-1.

⁴ All potential savings estimates are based on projected outdoor demands under hot and dry conditions – estimated to be 17 percent greater than outdoor demands under average conditions.

Figure II-1. Annual Greeley Water Supply Evaluation and Drought Declaration Process



SECTION III.

Drought Response Strategies

Uncertainty is one of the defining characteristics of drought. When a city enters a drought, it is impossible to accurately predict how long the drought may last, or how severe it may become. It is also difficult to project exactly how much water will be saved by individual drought response measures, such as outreach to customers, voluntary or mandatory restrictions on outdoor irrigation, reductions in water budgets, increases in rates or other policies and practices. Consequently, it is prudent to have an array of measures available for each drought level and flexibility to adapt as conditions change.

Fundamentally, Greeley can respond to drought in two overall ways – by seeking to increase its available water supplies and by encouraging customers to reduce their water usage.

Water Supply-related Measures

Historically, several of the water districts and rural communities within the region that do not have water supply portfolios as robust as Greeley’s have leased water from Greeley during periods of water shortage. Greeley also typically leases available water to provide a supplemental supply for local agricultural operations.

Consistent with Greeley’s long-standing policies dating back to its 1998 drought plan, leases of water supplies to other entities during a mild or moderate drought will require approval of the Board.

Water Demand-related Measures

In order to identify and recommend potential measures for reducing water demand during drought, the study team reviewed Greeley’s previous drought experience. We also gathered information from other water suppliers using water budget-based rates similar to those Greeley adopted in 2017. Finally, we considered a number of other priorities important to Greeley and its customers, including:

- Flexibility and adaptability to changing conditions;
- Avoiding or minimizing long-term damage to landscaping;
- Sharing the burden between customer classes;
- Minimizing financial impacts on customers; and
- Minimizing financial impacts on the water utility.

Greeley’s previous drought experience. Greeley’s most severe extended drought on record occurred during the 1950s. Given the tremendous changes over the past 60 years in Greeley’s development, and its water supply portfolio, the more relevant experience for current drought response planning is the 2000-2003 drought. The year 2002, in particular, was the worst year

for water supply in Greeley’s region during the past 300 years, according to tree ring studies, and included the lowest snowpack ever recorded.⁵

The primary tools that Greeley used to reduce demand during the drought of the early 2000s were an extensive public awareness and education effort, time-of-day and number of days-per-week watering restrictions. Greeley also considered implementing “conservation rates” in 2003 which included a 20 % increase for outdoor use up to normal irrigation volumes and another 20 % increase for usage above normal irrigation volumes⁶, but appears to have been able to avoid taking this step – likely due to the major snowstorm in the Spring of 2003.

Figure III-1 provides a summary of the history of watering restrictions in Greeley from 2000 through 2020. As shown in the figure, Greeley began increasing its restrictions in 2002, and then further restricted use during 2003 before beginning to ease restrictions from 2004 forward. It is notable that Greeley has a much longer history of restricting outdoor water use, having invoked a policy limiting watering to every other day that dates back to 1907.

⁵ Greeley’s 2003 Drought Plan. PowerPoint Presentation.

⁶ Ibid.

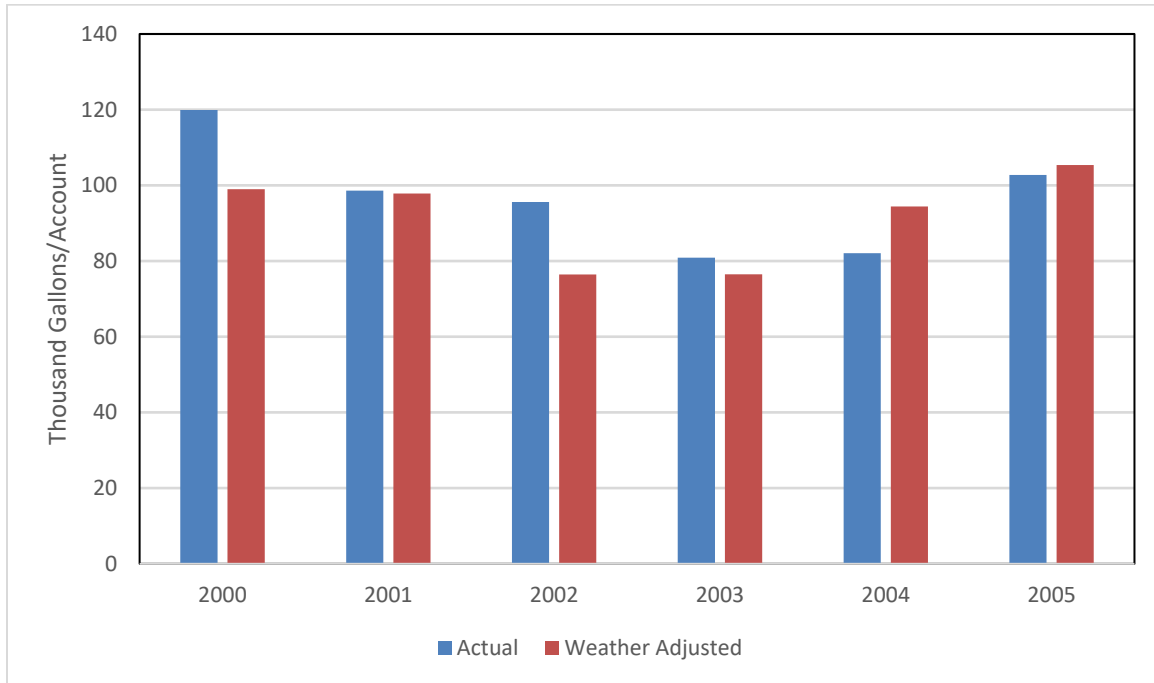
Figure III-1. Summary History of Watering Restrictions in Greeley, 2000-2020

| Time Period | Watering Limitations (Changes shown in Bold) |
|-------------|---|
| 2000-2001 | All Customers: Every other day All Customers: No watering 1 PM to 5 PM |
| 2002 | All Customers: Voluntary, once every three days, July 13 to end of season All Customers: No watering 1 PM to 5 PM |
| 2003 | All Customers: No watering Jan 1. to April 15 All Customers: 1 day per week April 16 through May 15 All Customers: 2 days per week May 16 through September 15 All Customers: 1 day per week September 16 through October 15 All Customers: No watering after Oct. 15 All Customers: No watering 10 AM to 6 PM |
| 2004 | All Customers: No watering Jan 1. to April 15 All Customers: 1 day per week April 16 through May 15 All Customers: 2 days per week May 16 through June 14 All Customers: 3 days per week June 15 to end of season All Customers: No watering 10 AM to 6 PM |
| 2005-2017 | All Customers: 3 days per week, No watering Noon to 5 PM |
| 2017-2019 | Single Family Residential: Water Budgets Other Classes: 3 days per week, No watering Noon to 5 PM |
| 2020 | Single Family Residential: Water Budgets Other Classes: 3 days per week All Customers: No watering 10 AM to 6 PM |

Source: Greeley Water & Sewer Department, 2020.

The combination of outreach, restrictions and rate increases during the early 2000s was effective in reducing water use. As shown in Figure III-2, when adjusted for year-to-year weather variation, outdoor water use by Greeley’s single-family residential customers declined from an average of nearly 100,000 gallons per household per year in 2001 to less than 80,000 gallons per year during 2002-2003. After the drought ended and restrictions were eased, Greeley’s average outdoor residential water use gradually returned to about 100,000 gallons per year by 2005. (Note that average outdoor use has declined substantially since 2005 due to Greeley’s water conservation program and other factors).

Figure III-2. Average Outdoor Annual Single-Family Residential Water Use per Account, 2000-2005



Source: BBC Research & Consulting based on data from 2018 Greeley Water Demand Model files.

While Greeley was able to reduce demand during the early 2000's drought, the region was also fortunate that the drought was substantially mitigated by a large snowstorm in the Spring of 2003 which helped replenish reservoirs and increase stream flows. The earlier 1950s drought-of-record demonstrates that droughts can be much more persistent than the early 2000s experience.

Other water providers with water budget-based rates. As noted in Section I, the study team collected and analyzed drought plans from other utilities with water-budget rate structures. The objective of the review was to examine how the drought plans of other municipal utilities use their water-budget rate structures, along with other measures, to reduce water use during times of drought.

In total, drought plans for 17 utilities with water budget-based rates were reviewed including four utilities in Colorado and 13 utilities in California (Figure III-3). More in-depth interviews were conducted with eight utilities to explore drought management topics in further detail.

Figure III-3. Utilities with Drought Plans and Water-Budget Rate Structures

| Utility | Drought Plan Reviewed | Interview Conducted |
|--------------------------------|-----------------------|---------------------|
| Colorado Utilities | | |
| City of Boulder | Yes | Yes |
| Castle Pines N. Metro District | Yes | |
| Town of Castle Rock | Yes | Yes |
| Centennial WSD | Yes | Yes |
| California Utilities | | |
| Western Municipal WD | Yes | Yes |
| Santa Margarita WD | Yes | |
| City of Santa Cruz | Yes | |
| Rancho WD | Yes | Yes |
| Palmdale WD | Yes | |
| Moulton Niguel WD | Yes | |
| Las Virgenes WD | Yes | |
| Irvine Ranch WD | Yes | |
| Elsinore Valley MWD | Yes | Yes |
| El Toro WD | Yes | |
| Eastern Municipal WD | Yes | Yes |
| City of Corona | Yes | |
| Coachella Valley WD | Yes | Yes |

The California utilities we interviewed have experienced drought since adopting their water-budget rate structures. They consistently cited reductions in their customers' water budgets as important factors in reducing their overall water use during drought conditions.

While most utilities decrease the water budgets of their customers during droughts, our interviews also indicated that the selection of water use reduction measures are influenced by a number of other considerations. In particular, utilities emphasized the importance of including a variety of water use reduction measures in each drought stage to provide water managers with the flexibility they need to achieve pre-defined water use reduction targets.

During droughts, utilities need to achieve rapid reductions in municipal water use. This creates a trade-off between the effectiveness and timeliness of measures. Measures like offering rebates for the installation of efficient fixtures or drought-tolerant landscaping are effective at reducing water use over the medium and long terms, but are less effective at reducing water use in the short term, which is why utilities do not use these types of measures in their drought plans.

Many utilities consider public awareness to be the most timely and effective measure to reduce water use. Changes to water budgets – and the corresponding water rates – are also considered to be effective in reducing water use. Initially, reductions in the water budgets can reinforce the utility's public awareness effort by communicating the specific reduction in water use needed from each individual single-family household. The financial signal from changes in water budgets is less timely since there is generally a lag of at least a month between the time the water budget is reduced and the time when the customer sees the impact in an increased water bill. As a

result, many utilities use a combination of public awareness and changes to water budgets to reduce the lag.

When utilities reduce water budgets, they typically begin by reducing the outdoor portion in an effort to limit impacts on their customers. Like Greeley, outdoor water use is generally the largest and most discretionary component of municipal water use for the other utilities we examined. Outdoor irrigation is the easiest water use to curtail without having large impacts on customers lifestyles and their perceptions of utility performance. Generally, utilities will fully curtail outdoor use before reducing indoor water budgets.

In addition to reducing customers' water budgets, many utilities also use non-water-budget measures to reduce water use during droughts. Figure III-4 shows a sample of the water use reducing measures we noted from the drought plans of other utilities under increasingly severe drought stages. Notably, the severity of the measures increases with the severity of the drought stage. As noted above, preserving flexibility by including multiple measures at each drought stage was important to each of the utilities we contacted.

Figure III-4. Examples of Non-Water-Budget Measures to Reduce Water Use During Drought

| Stage 1 | Stage 2 | Stage 3 | Stage 4-5 |
|---|---|---|---|
| Public information campaign | Public information campaign | Public information campaign | Public information campaign |
| Charges, fees, and fines for violating water use code | Charges, fees, and fines for violating water use code | Charges, fees, and fines for violating water use code | Charges, fees, and fines for violating water use code |
| Outdoor conservation efforts | Drought surcharges on rates | Drought surcharges on rates | Drought surcharges on rates |
| Leak audits | Voluntary restriction of certain outdoor uses | Mandatory restrictions of certain outdoor uses | No new potable water connections |
| Outdoor watering time restrictions | Irrigation audits | Eliminate municipal uses like street cleaning | No new landscape |
| Postpone landscape changes | No proactive water service by restaurants | No personal car washing | No irrigation for municipal facilities |

Source: Drought plans and interviews with other providers using water budget-based rates.

Important considerations in developing Greeley’s drought response strategies.

During the development of Greeley’s 2021 drought emergency plan, the Board and the members of the City’s Executive Leadership Team emphasized several objectives for the plan. These important objectives included:

- **Focus on education, particularly during level one and level two drought emergencies.**
Greeley believes that its customers will respond appropriately to drought emergencies if they are provided with the information to understand the situation and how they can contribute to the solution. As discussed later in this report, that type of response was demonstrated during the drought of the early 2000s.
- **Equity among Greeley’s customers.** While outdoor water use by single family customers must be a focus for drought emergency water use reductions, other customer classes need to contribute their share to the City’s water savings.

- **Minimize impacts to landscapes.** Although drought-related water use reductions are likely to stress lawns in Greeley, modifications to water budgets and watering restrictions should be designed to avoid long-term damage to trees and other non-turf vegetation as much as possible.
- **Minimize financial impacts to customers and the water utility.** Potential financial impacts are discussed further at the end of this section.

Response Strategy for Each Drought Level

Greeley has identified a set of measures that can be used in response to each different level of drought emergency. As noted at the beginning of this section, every drought is different and the water savings from emergency drought measures can be difficult to predict – so Greeley will maintain the flexibility to modify the measures it puts in place based on evolving drought conditions and the degree of success achieved in reducing water use by its customers.

Single-family residential customers, and newer dedicated irrigation accounts, are on water-budget based billing. Those customers will be notified of specific changes to their individual outdoor water budgets and provided with recommendations about how to reduce their outdoor water use to remain within their budget. Examples include changes in the number of days per week and/or changes in the duration of irrigation for lawns, trees and other landscape.

Greeley will rely on the same types of restrictions on outdoor irrigation and other outdoor water uses that it has successfully used in the past for other customer groups.

Figures III-5, on the following page, identifies Greeley’s recommended response measures for water budgets and landscape irrigation restrictions for each of the potential drought levels. Greeley’s philosophy in developing these response measures was to build on what has worked in the past (including the use of watering restrictions similar to those implemented during the drought of the early 2000s), while taking advantage of the new opportunities presented by its water budget-based billing for single family residential customers. The objectives described previously also helped define the selection of appropriate measures.

Figure III-5. Greeley Drought Response Measures – Water Budgets and Landscape Restrictions

| GREELEY DROUGHT RESPONSE PROGRAM 2020 | | | | | |
|--|---------------------------|---|-----------------------------|-------------------------------------|----------------------------|
| With a two year recovery period | Adequate Yr | Mild | Moderate | Severe | Catastrophic |
| LEVEL OF RESPONSE | no drought | 1 | 2 | 3 | 4 |
| Target Storage | 100% | 85% to 99% | 75% to 84% | 60% to 74% | Less than 60% |
| Target Reduction (outdoor) | 0% | 15% | 25% | 50% | 70% |
| Target Storage (in AF) | 21,300 | 18,100 | 16,000 | 12,800 | 10,700 |
| Annual Outdoor Reduction Goal | normal conservation | 1,530 | 2,560 | 5,130 | 7,170 |
| MEASURES | | | | | |
| Water Budget and Restrictions | | | | | |
| Single Family Residential on Water Budget | | 15% | 25% | 50% | 70% |
| Proposed Water Budget Reduction | 0% | 15% | 25% | 50% | 70% |
| Recommended Schedule Suggested Days | | max 3 days/week | 2 days/week | 1 day/week | |
| Multi Family & HOA Not on Water Budget | mand. 3/wk | max 3 days/week | 2 days/week | 1 day/week | no watering |
| Reductions in Use | 0% | 15% | 25% | 50% | 70% |
| Commercial Industrial Institutional (ICI) | mand. 3/wk | 3 days/week | 2 days/week | 1 day/week | no watering |
| Reduction on Landscape Water Same as SFR | Normal conservation | 15% | 25% | 50% | 70% |
| Restrictions Landscape (Non Water Budget) | | | | | |
| Lawns/Turf | set day /week 3 days/week | no irrigation until May1 or after Sept. 30 | irrigation May-Oct; 1"/week | no watering in July; let go dormant | no watering June 15-Aug 15 |
| Non-watering Hours | 10am-6pm | 10am-6pm | 10am-6pm | 8am-8pm | 8am-8pm |
| Installing New Lawns & Watering Permits | yes w/soil prep | yes w/soil prep | not June-Aug | not June-Aug | none |
| Multi Family | 3 days/week | 3 days/week | 2 days/week | 1 day/week | no watering |
| Large Properties with > 4 acres of Turf Need to Submit a Water Budget to Get a Watering Variance | 3 days/week | 1.5"/week WB | 1.0"/week WB | only enough to keep it alive | not allowed |
| Trees and Shrubs | | on days or drip or by hand | | | |
| Vegetable Gardens | | on days or drip or by hand | | | |
| Flower Gardens | | on days or drip or by hand | | | |
| Non Potable Ditch Water (city system) | | follow restrictions or restrictions due to delivery | | | |
| Non Potable Ditch Water (private) | | cannot regulate | | | |
| Well Water | | cannot regulate | | | |

Figure III-6, on the following page, highlights Greeley's recommended response measures for other outdoor uses.

Figure III-6. Greeley Drought Response Measures – Other Outdoor Water Uses

| GREELEY DROUGHT RESPONSE PROGRAM 2020 | | | | | |
|---|-------------------------|--|------------------------------------|------------------------------------|------------------------------------|
| With a Two Year Recovery Period | Adequate Yr | Mild | Moderate | Severe | Catastrophic |
| LEVEL OF RESPONSE | No drought | 1 | 2 | 3 | 4 |
| Other outdoor Uses (hosing and washing) | | | | | |
| Home Car Washing | with BMPs and no runoff | bucket & shut off | bucket & shut off | commercial car wash | commercial car wash |
| Frequency | | 1x/week | 1x/month | not allowed | not allowed |
| Washing Sidewalks, Driveways, Garages or Other Pavement | | prohibited except for health or safety | | | not allowed |
| Siding on Houses, Patios, Decks | | only in prep. for painting/staining 1 x per year with power washer | | | not allowed |
| Fleet Washing at Auto Dealerships/Mobile | | 1x/week | 1x/month | not allowed | not allowed |
| Car Washes -Fundraising | | prohibited except at commercial carwashes | | | |
| Commercial/restaurant/fast food | | | | | |
| Drive Thru/Sidewalk | | prohibited except for health or safety | | | only with a bucket & broom |
| Parking Lot | | prohibited | | | |
| Fountains/Ponds/Spas | | | | | |
| Water Fountains (w/o fish) | | unrestricted | no topping off | no water | no water |
| Public | | unrestricted | no topping off | no water | no water |
| Private | | unrestricted | unrestricted | no topping off | no topping off |
| Ponds with Fish or Plants | | unrestricted | unrestricted | unrestricted | topping only to preserve fish |
| Swimming Pools and Spa's Private | | unrestricted | Unrestricted | not allowed | not allowed |
| Semi-Private Neighborhoods | | unrestricted | Unrestricted | not allowed | not allowed |
| City Pools | | unrestricted | Unrestricted | no topping off | no topping off |
| City Uses | | | | | |
| City Parks /Athletic Fields | | water budget | water budget cut | prioritize athletic fields only | |
| Golf Courses | | 10-20% cut back | 10-20% cut back no watering roughs | max 1"/wk for tees and greens only | max 1"/wk for tees and greens only |
| City Facilities & Around Buildings | | 3 days/wk | 2 days/week | 1 day/week | no watering |
| Street Cleaning/Parking Lots with Trucks | | unrestricted | unrestricted | restricted to essential situations | |
| Hydrant Flushing & Testing | | unrestricted | limited to critical situations | | |
| Washing Fleet Vehicles & Mobile Washers | | 1 x /week | every other week | 1 x /month | none |

Financial Impacts

Apart from concerns about maintaining adequate water supplies, reducing water use during drought conditions can also adversely affect the financial condition of municipal water providers. Absent modifications to water rates or drought surcharges, utility revenues typically decline much more during drought emergencies than is offset by any reductions in operating costs from providing less water.

Temporary increases in water rates or drought surcharges can serve two purposes. These measures help reduce the water provider’s financial vulnerability during droughts. They also can send important financial signals to customers that reinforce the need to conserve water. A study of the drought experience of California and Texas water providers recommended: “Adopt surcharges early. Increasing rates is often the most effective tool for achieving water savings.”⁷

As noted earlier, Greeley’s leadership is concerned about the financial impacts of droughts on the water system but also is concerned about the financial impacts on Greeley’s customers. In order to balance these concerns, Greeley may implement a “weather impact fund” when it is necessary to implement this drought management plan. The fund is most likely to be implemented if rate surcharges are assessed during Level 3 and Level 4 drought conditions.

⁷ Use and Effectiveness of Municipal Irrigation Restrictions During Drought. Alliance for Water Efficiency. January 2020.

Public Awareness and Messaging

One of the most important elements of any drought response plan is timely and effective communication with customers to explain the situation and motivate the necessary changes in water use behavior. The last time Greeley issued a formal drought declaration was in 2002. Improved technology, social media and other recent changes — in particular including Greeley's recent adoption of AMI and CIS — provide additional avenues for reaching and educating customers.

Communication during the 2002 drought. During Greeley's last significant drought, Greeley Water successfully used a number of techniques to reach its customers, including:

- Bill stuffers to educate customers and provide updates;
- Direct mail to every household;
- Regular updates to the Greeley Water website;
- Social media posts (Facebook, X/Twitter, NextDoor);
- Media outreach including the local newspaper, radio spots and Greeley TV;
- Photos to tell the story of the drought;
- Public meetings; and
- Participation in existing community events.

New opportunities. Greeley now has, or soon will have, a number of additional tools and means to educate customers and encourage water savings during droughts. These include:

- A new and improved Customer Information System, where billing and water use information will be available for the customer;
- Single-family residential water budget-based billing which will provide more specific and frequent updates on progress in reducing water use;
- Advanced Metering Infrastructure (AMI) which will make real-time water use information available to Greeley’s customers through the new CIS. AMI can also be used to help identify customers that are not complying with water restrictions or other drought response measures;
- Social media presence on outlets such as Facebook, Twitter and NextDoor;
- An improved website with E Newsletters; and
- A simplified and accessible executive summary of Greeley’s new drought emergency plan.

Messaging. Tailored messaging to different types of customers is at least as important as the vehicles for communication. Greeley will provide:

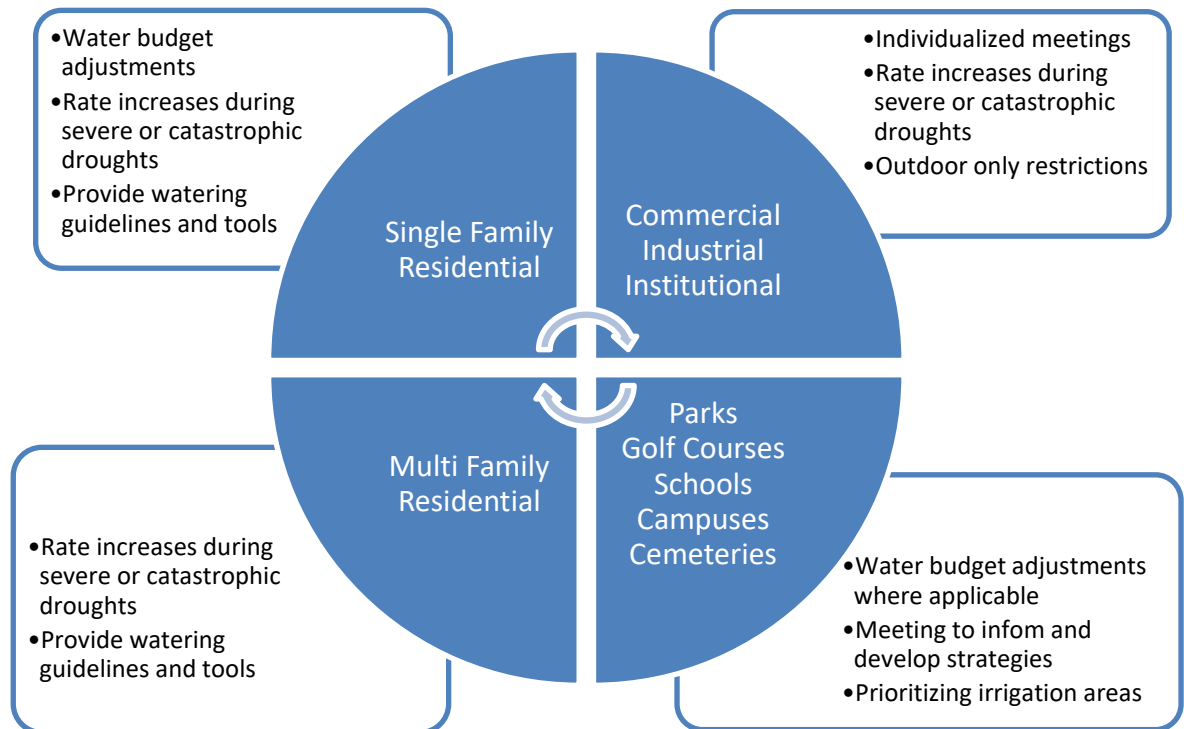
- Clear and timely communication;
- Updates as situation evolves;
- Watering restrictions and/or guidelines;
- Rebates on water efficient products; and
- Audits-indoor and out.

Leak Detection

- AMI metering information

The following graphic summarizes the messaging strategies for different customer groups.

Figure III-7. Summary of overall messaging strategies for Greeley’s different customer groups



Specific messaging to Single Family Residential Customers. Greeley’s key messages for single family water users will include:

- Water budgets will be used as a tool by giving each customer a consumption target to aim for:
 - Indoor budget will not be affected; and
 - Reduced outdoor water use will save the customer money if they stay within their outdoor budget.
- Guidance regarding the number of days per week/hours per day to water and stay within the outdoor water budget:
 - These will be similar to the recommendations for non-water budget customers; and
 - It is anticipated that drip irrigation for trees can continue, at least under the more moderate drought levels (e.g., level one and level two).
- Explanation of effects on outdoor landscaping that can be expected

- Other tools to achieve reduction goals:
 - Adjusting sprinkler controllers;
 - Alternative landscaping; and
 - Audits/rebates.

Messaging to Multi-family Residential and Commercial Customers. Key messages for these customers will include:

- Days of the week watering restrictions;
- Solutions to help businesses cut back on water use where possible;
- Availability of audits and leak detection programs;
- Potential rate increases only under level 3 and level 4 droughts to incentivize savings; and
- Future commercial customers will receive an outdoor tap and a water budget.

Communication with Large Industrial Customers. Greeley will work with its large industrial customers, including:

- Scheduling meetings to understand water use processes and find ways to conserve use;
- Providing incentives;
- Offering audit; and
- Outdoor watering restrictions, if applicable.

Communication with Parks, Golf Courses, Schools and Campuses. Greeley will also communicate with these large outdoor water users, including:

- Providing reduced water budgets for parks and golf courses;
- Describing potable and non-potable watering restrictions for each of these customer groups;
- Messaging that watering restrictions will become progressively more restrictive for more severe drought levels; and
- Holding meetings to develop solutions for adjusting watering practices, such as prioritizing irrigation areas.

SECTION IV.

Implementation, Monitoring, Plan Review and Updates

Greeley’s drought emergency plan will be implemented when necessary based on current and anticipated water supply conditions. When droughts occur, ongoing monitoring of water supply and demand conditions will be critical for managing Greeley’s drought response.

Implementation

Greeley has traditionally evaluated its water supply each April by making a forward-looking assessment of future water storage volumes for the following April. This assessment is based on conservative assumptions of low yields from its water supply portfolio and high demands associated with potential hot and dry conditions during the oncoming irrigation season. This process of declaring an “adequate water year” if future supplies appear sufficient – as indicated by a projected storage volume greater than average annual water use – will continue under this new drought plan. However, if future water supplies do not appear to be sufficient based on the projected future storage criteria, Greeley will declare a drought emergency and identify the appropriate drought level as described in Section II.

Monitoring

During a drought emergency, Greeley’s staff will provide monthly updates to the Executive Leadership Team and the Board. Those updates will include:

- Updated information regarding Greeley’s water supplies and storage;
- Identification of all drought response measures that have been invoked during the past month;
- Description of steps taken to communicate with Greeley’s customers, and a summary of public comments to date;
- Estimated reductions in water use as a result of the drought management effort; and
- Recommendations regarding any change in the drought status based on the preceding information.

Quantifying reductions in water use during drought can be challenging. Often, as during the 2002 drought, low snowpack and streamflow due to dry winter conditions are followed by hot and dry weather conditions during the following irrigation season. Absent drought management efforts such as those described in this drought plan, those weather conditions would typically result in larger than normal outdoor water use.

The effects of the drought emergency plan should be measured against baseline water use estimates that account for increased outdoor demand under hot and dry conditions. Because Greeley already calculates weather-specific daily irrigation water requirements to modify its single-family residential customers' outdoor water budgets based on weather conditions, it has the tools necessary to estimate what outdoor water use would have been had the drought management measures not been in place.

Plan Review and Updates

The study team recommends Greeley continue to review and update this plan once every five years. Continued implementation of AMI and CIS may present additional opportunities for communicating with customers during drought conditions.

Apart from regular reviews and potential updates, the drought emergency plan should be closely scrutinized following any period during which Greeley has to declare a drought emergency. Actual experience with the measures described in this plan will undoubtedly help inform refinements and revisions that can improve the plan's effectiveness.



Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Brian Von Seggern, Water Resources Operations Manager

Title:

Water Supply and Runoff Update

Summary:

Staff report Greeley’s water supply status to the Water and Sewer Board each April, July, and November. The 2025 irrigation season was marked by hot, dry conditions with limited, localized rain, leading to mild drought conditions across Boulder, Larimer, and Weld Counties. Despite this, reservoirs remain near average levels, and snowpack levels currently range from 18% to 30% of the median in both the Colorado and South Platte basins. In total, Greeley leased about 34,239 acre-feet of water to agriculture in the annual rental program and 12,800 in the agriculture lease back program. Storage projections for April 2026 are approximately 29,958 acre-feet—well above the 21,300 acre-foot target needed to supply Greeley for 12 months. Staff will update projections and confirm an adequate water year following Northern Water’s quota declaration in April 2026.

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Water Supply Update 2025



Water Supply Update

November 2025



November 19, 2025

Agenda and Purpose

1. Ag Water Rental Summary
2. Temperature and Precipitation
3. Temperature and Precipitation Outlook
4. Current Drought Conditions
5. Drought Outlook
6. Snowpack
7. System Storage



Purpose: Provide the Board a clear understanding of the current 2026 water outlook

Lease Back



| Leasebacks | AF |
|------------|-------|
| GLIC | 7,340 |
| WSSC | 1,808 |
| L&W | 2,874 |
| New Cache | 813 |

- Greeley purchased a water right but leases it back to the farmer for continued use over a defined period. This allows the city to secure ownership of the water right while providing the farmer longer term contract to the water.
- Water must be put to beneficial use every single year, this keeps water rights active and in use annually

Annual Ag Water Rental

| Rentals | 2025 AF to AG | 2025 AF | Notes |
|--------------|---------------|---------|-----------------------|
| CBT | 6,548 | 17,103 | 70% quota - 38% to AG |
| GLIC | 3,907 | 9,742 | 40% to AG |
| WSSC | 517 | 517 | 100% to AG |
| NPIC | 194 | 194.4 | 100% to AG |
| HMR | 3,000 | 3,000 | 100% to AG |
| Total | 14,166 | 34,239 | 41% to AG |



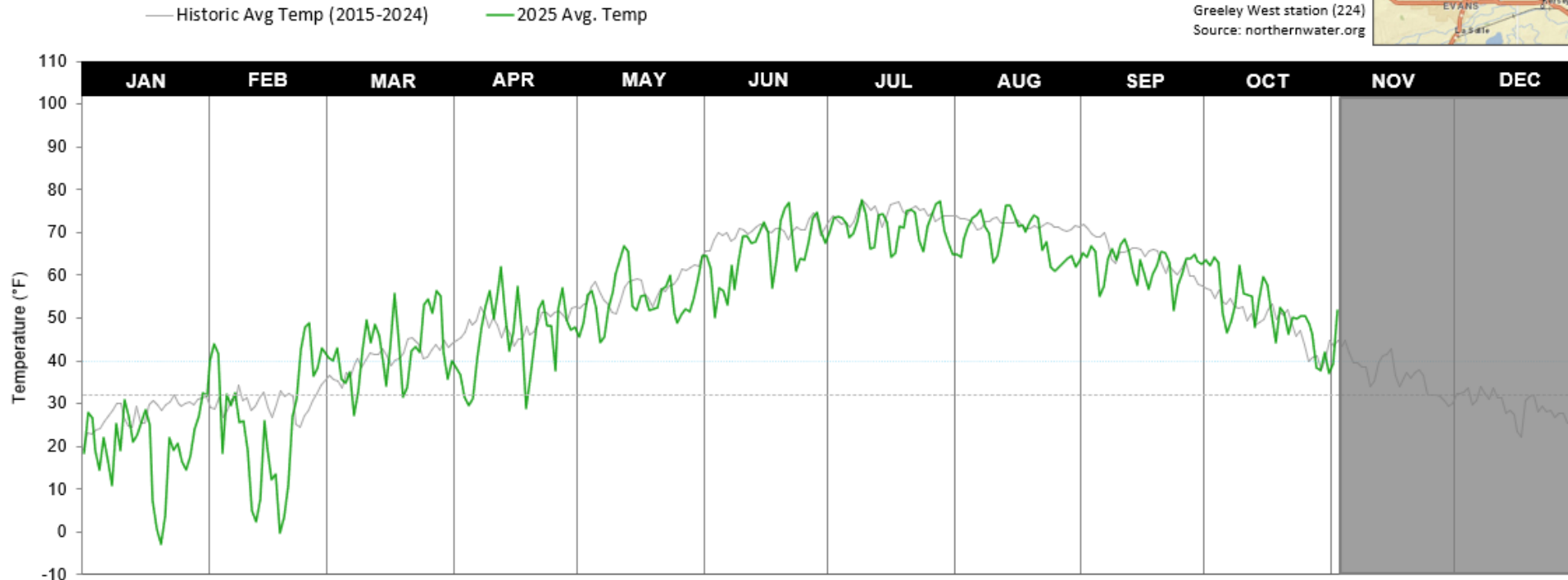
Supports local agriculture by leasing Greeley's excess water on a first come first serve basis

Temperature and Precipitation

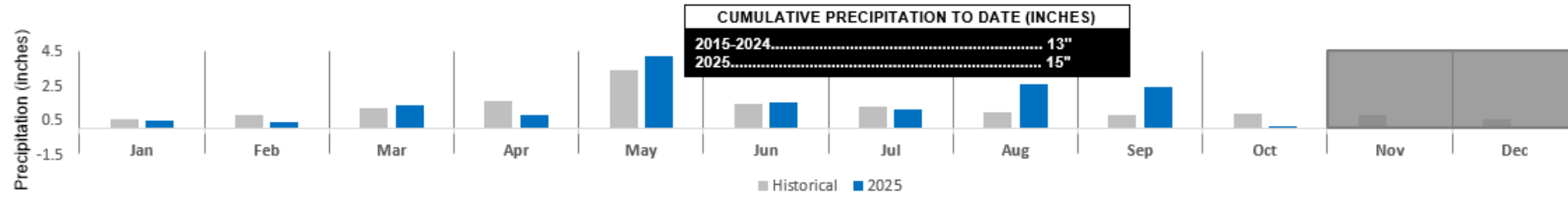
City of Greeley: Temperature (°F) and Precipitation 2025



Greeley West station (224)
Source: northernwater.org



| | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2015-2024 | 27.9° F | 30.0° F | 40.8° F | 48.6° F | 56.9° F | 70.0° F | 74.4° F | 71.9° F | 64.6° F | 49.4° F | 37.3° F | 28.3° F |
| 2025 | 19.9° F | 25.9° F | 42.6° F | 46.0° F | 54.6° F | 65.7° F | 71.4° F | 68.5° F | 62.4° F | 51.5° F | 45.7° F | 0.0° F |

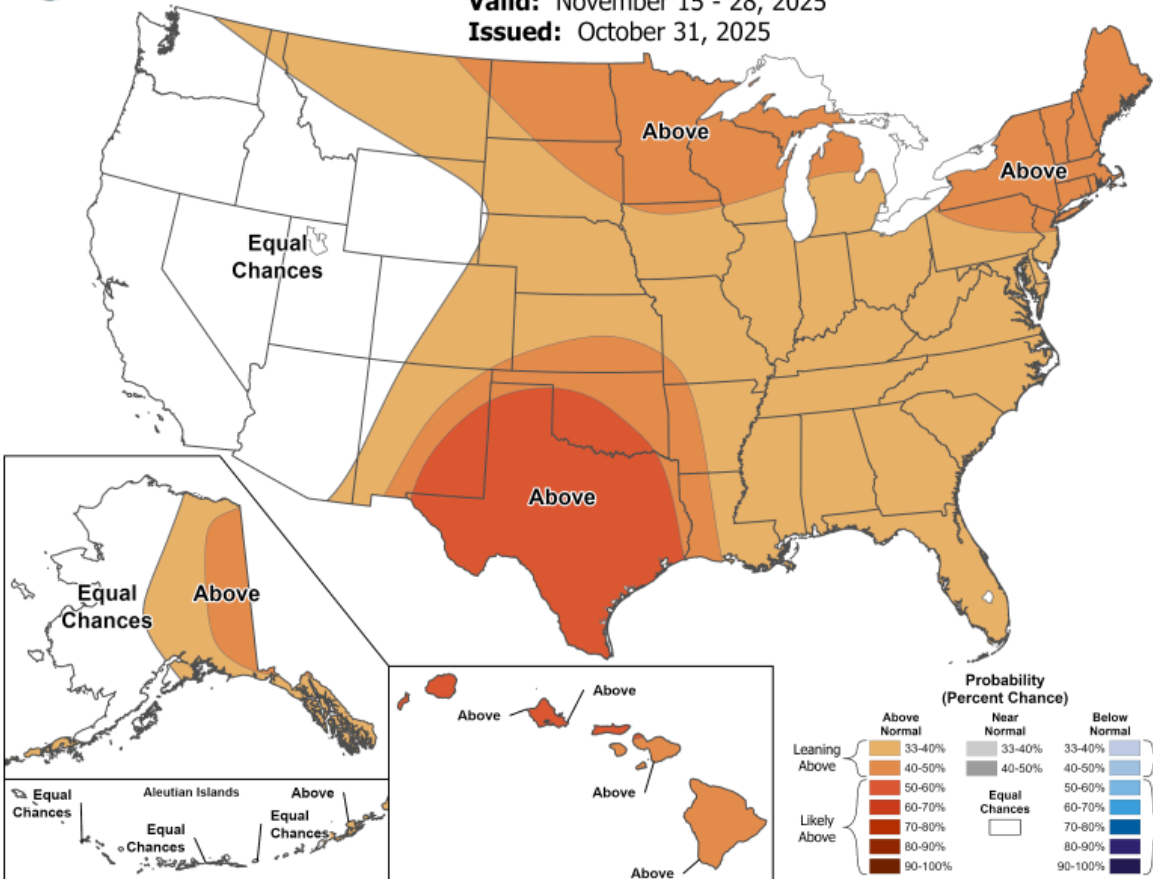


Temperature and Precipitation Outlook



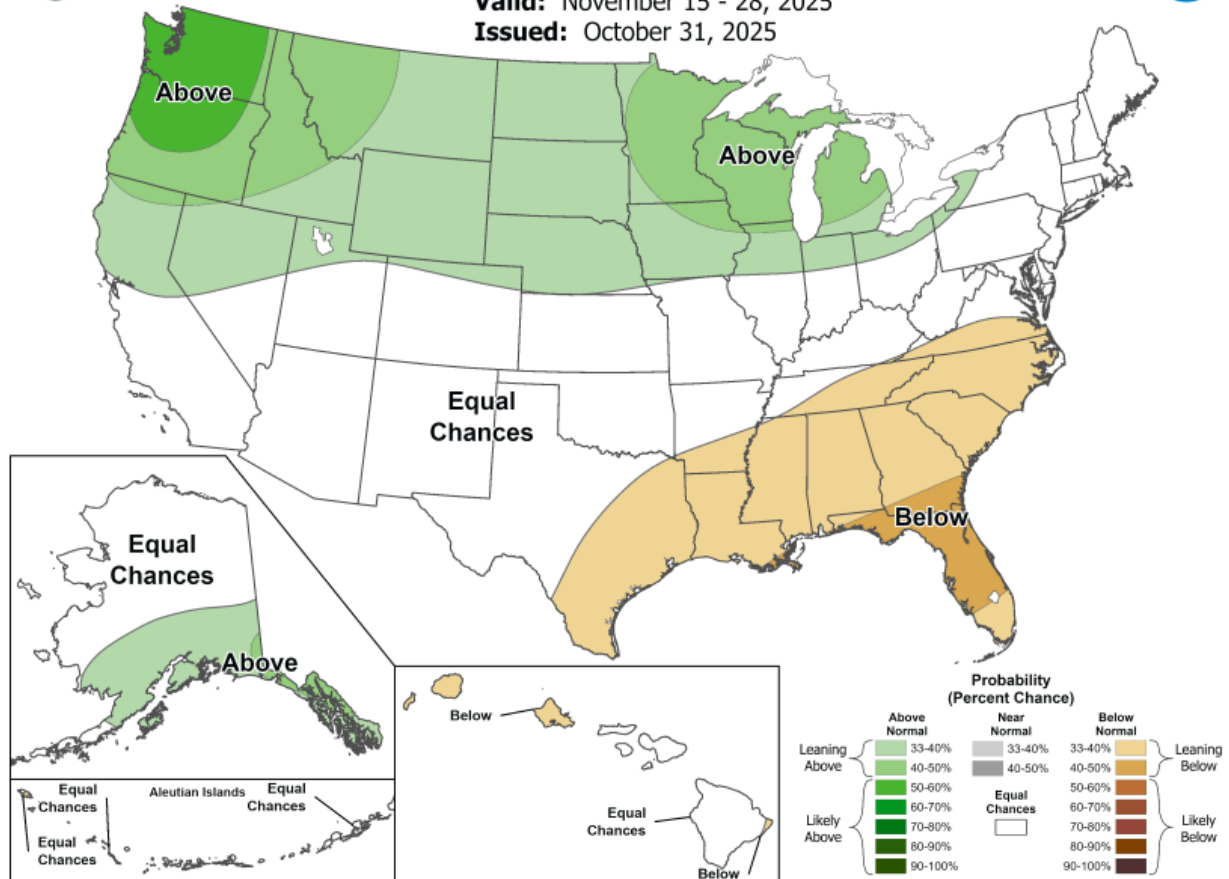
Week 3-4 Temperature Outlook

Valid: November 15 - 28, 2025
Issued: October 31, 2025



Week 3-4 Precipitation Outlook

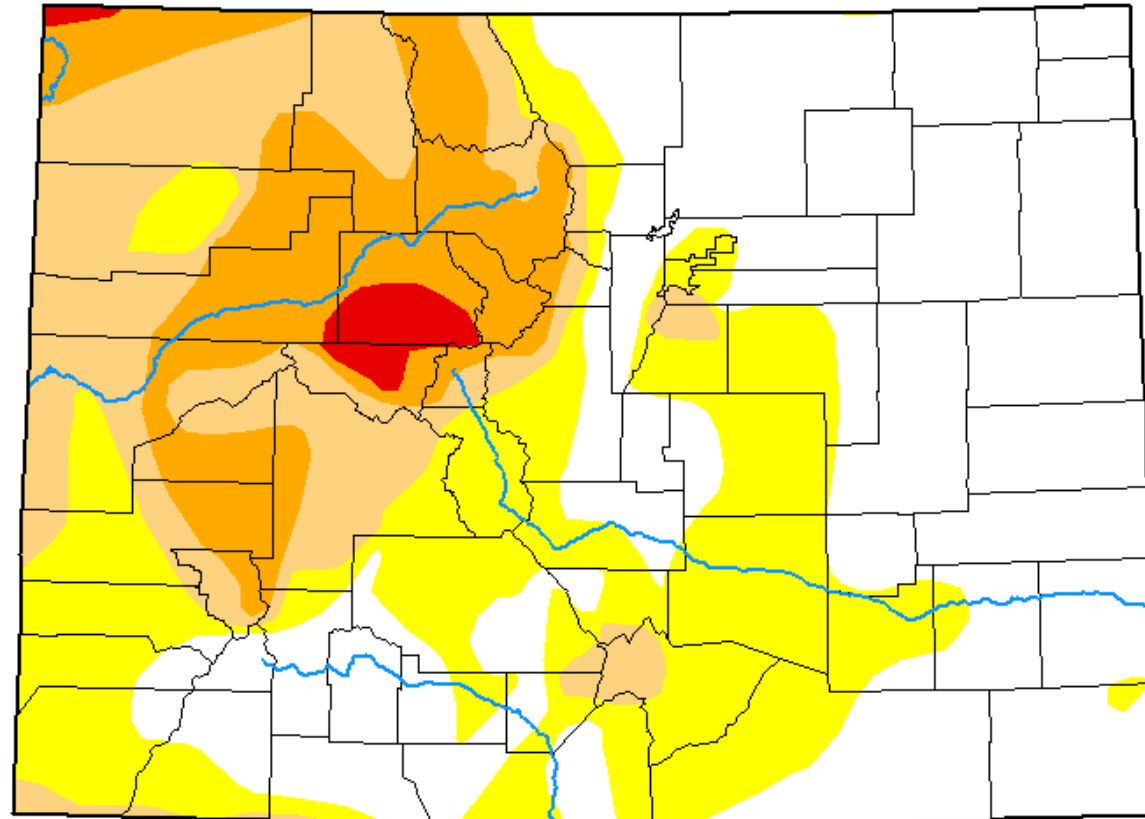
Valid: November 15 - 28, 2025
Issued: October 31, 2025



Drought Conditions

U.S. Drought Monitor Colorado

November 4, 2025
(Released Thursday, Nov. 6, 2025)
Valid 7 a.m. EST



Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Richard Tinker
CPC/NOAA/NWS/NCEP



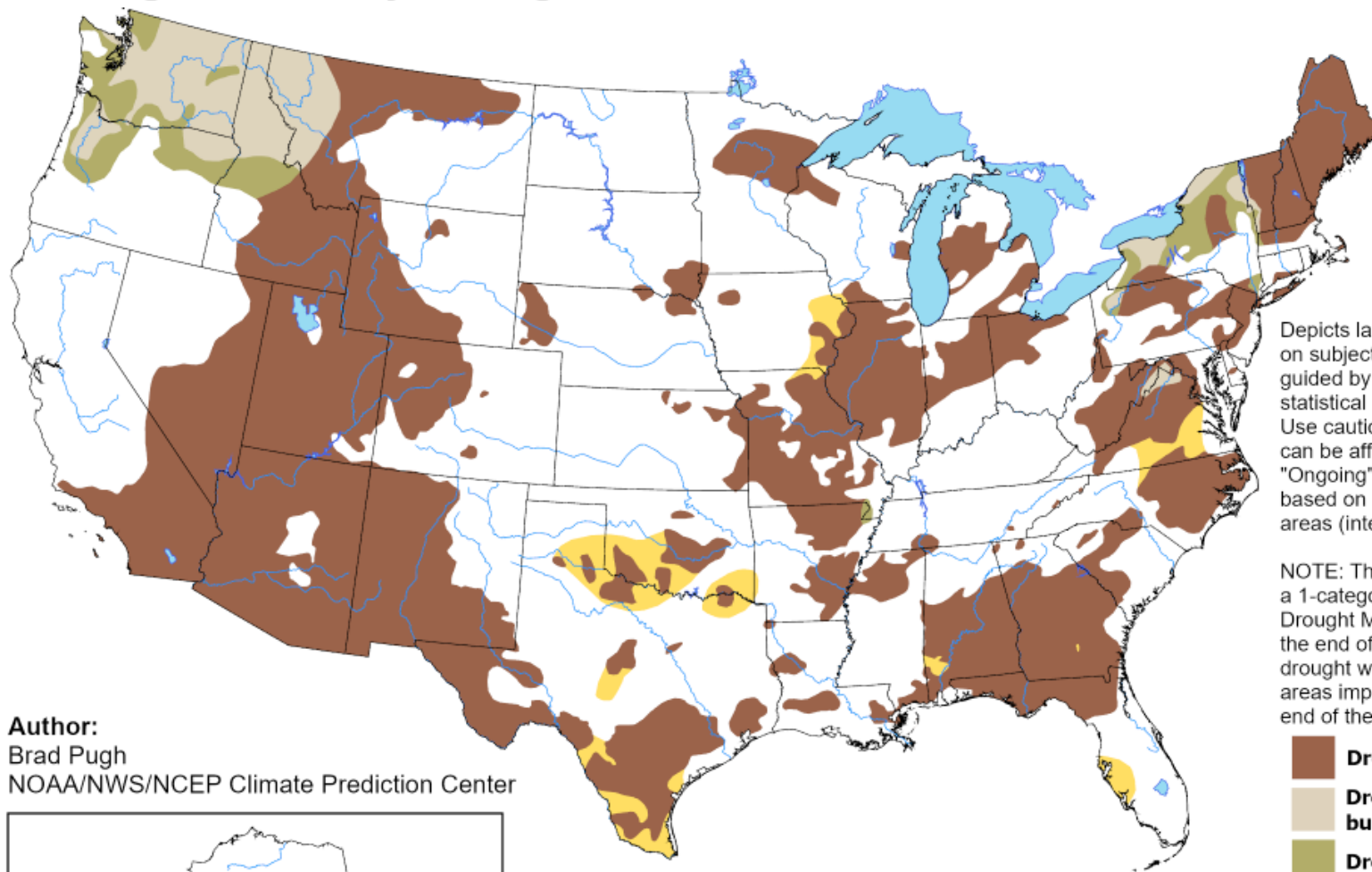
droughtmonitor.unl.edu

U.S. Monthly Drought Outlook

Drought Tendency During the Valid Period

Valid for November 2025
Released October 31, 2025

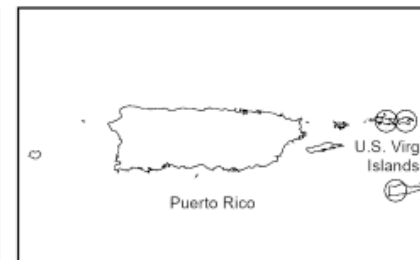
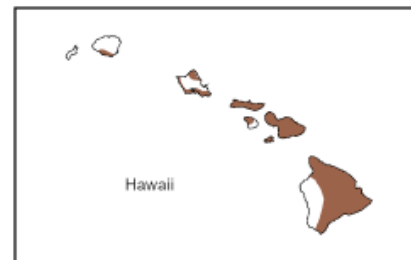
Drought Outlook



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

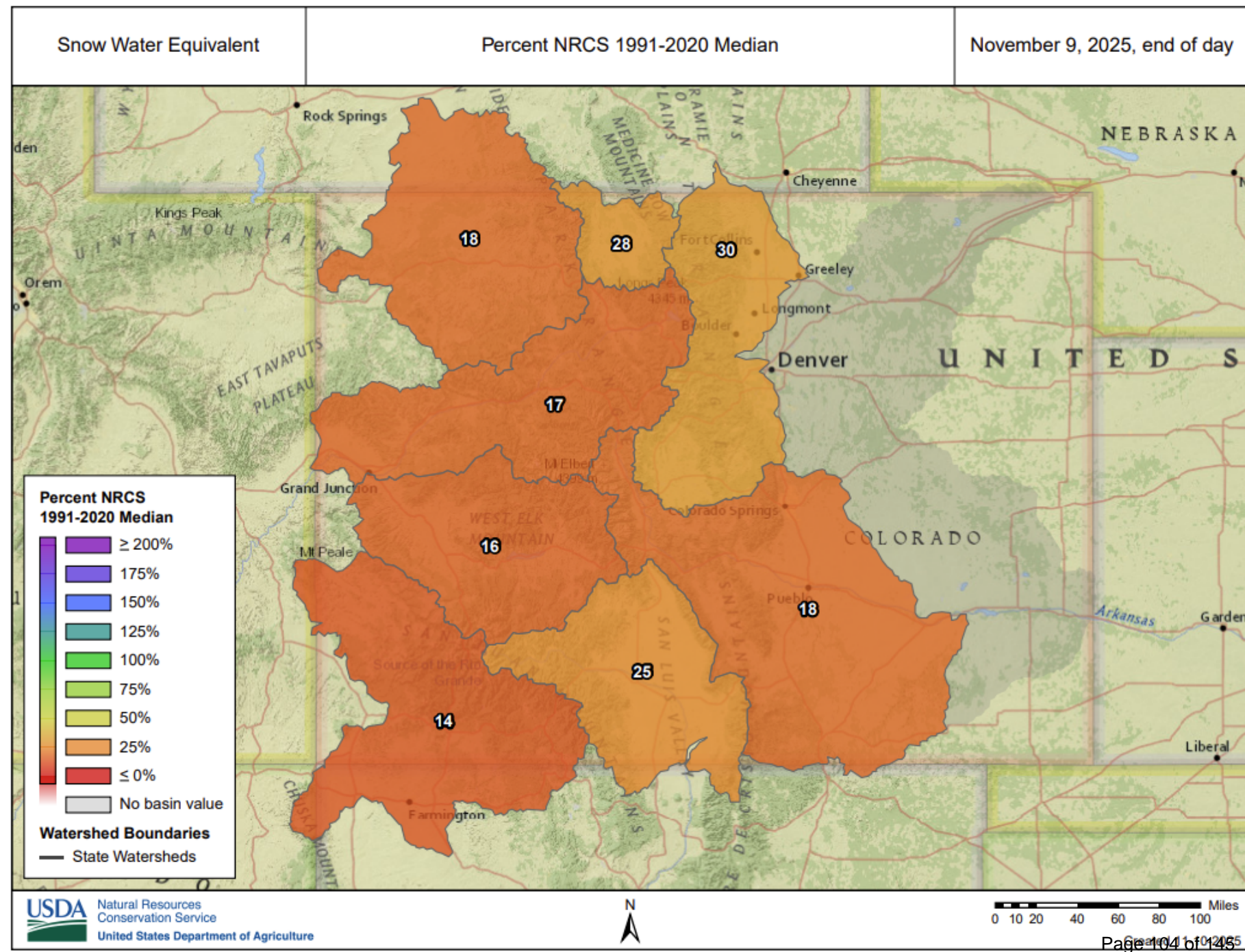
Author:
Brad Pugh
NOAA/NWS/NCEP Climate Prediction Center



- Drought persists
- Drought remains, but improves
- Drought removal likely
- Drought development likely
- No drought



Current Snowpack



System Storage

| Source | April 2026 Storage (acre-feet) | Demands/ Losses (April 2026 - March 2027) (acre-feet) | Yields (April 2026 - March 2027) (acre-feet) | April 2027 Projected Storage (acre-feet) |
|--------------|--------------------------------|---|--|--|
| | (1) | (2) | (3) | (4) |
| NCWCD (C-BT) | 19,510 | 19,700 | 15,963 | 15,773 |
| WINDY GAP | 3,700 | 3,700 | 0 | 0 |
| GLIC SYSTEM | 12,000 | 9,750 | 9,935 | 12,185 |
| TUNNEL | 2,000 | 1,000 | 1,000 | 2,000 |
| TOTAL | 37,210 | 34,150 | 26,898 | 29,958 |

- Initial CBT Quota of 50%
- Boyd Lake Reservoir storage low for maintenance
- Lake Loveland nearly full
- High Mountain Reservoirs in good shape for winter deliveries

Summary

- No drought expected in South Platte River basin through January '26
- Soil moisture is very low statewide
- Seasonal drought persisting on west slope
- Snowpack well below average



Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: David Cummings, Civil Engineer III

Title:

Lead Protection Program Update

Summary:

In 1991, the EPA published regulations to control lead and copper in drinking water. This regulation is known as the Lead and Copper Rule (also referred to as the LCR). The LCR implements monitoring requirements and action levels for lead or copper exceedances in drinking water.

On January 15, 2021, the EPA published the Lead and Copper Rule Revisions (LCRR) which further strengthen the protections against lead in drinking water. The LCRR specified a deadline of October 16, 2024 for water systems to comply with the revised requirements.

In October 2024, EPA finalized the Lead and Copper Rule Improvements (LCRI), which revise and/or delay many of the LCRR requirements. LCRI compliance date is currently November 1, 2027.

This presentation covers a high-level end-of-year project status, including updated timelines for Greeley's Lead Protection Program, associated with LCRI compliance. Explicitly the overview will include:

1. Regulatory timeline and overview
2. Greeley's phased project approach
3. Project budget status and overview of the state administered drinking water revolving fund (DWRF) loan applied to this project.
4. Project status and project highlight slides
5. Water quality objective overview
6. Project team highlights and 2025 end of year summary

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Lead Protection Program



Lead Protection Program Update

(Lead Service Line Inspection and Replacement Project)

David Cummings, P.E. - Civil Engineer III
David.cummings@greeleygov.com C: 970-999-2868
Water and Sewer Board – November 19, 2025



Infrastructure a Mobility

Agenda



1. Introduction
2. Phased Project Approach (Timeline)
3. Budget Status
4. Inspection Status
5. Replacement Status
6. Water Quality Status
7. 2025 Project Team
8. 2026 Lookahead and Project Summary – **No Board**
Action Required



History of Lead & Copper

1991, 2000, and 2007

Original Lead and Copper Rule (LCR) was issued by EPA in 1991.

- Mandated water quality testing and action levels for both lead and copper
- Focus on treatment techniques and corrosion control

January 15, 2021

Lead and Copper Rule Revisions (LCRR)

- Requires a service line inventory (SLI) and lead service line replacement planning (LSLRP)
- Updated health effects language for public notifications

November 1, 2027

Lead and Copper Rule Improvements (LCRI)

- Water systems must comply with retained elements of LCRR.
- Reduces 90th percentile drinking water action level from 15 parts per billion (ppb) to 10 ppb for lead.

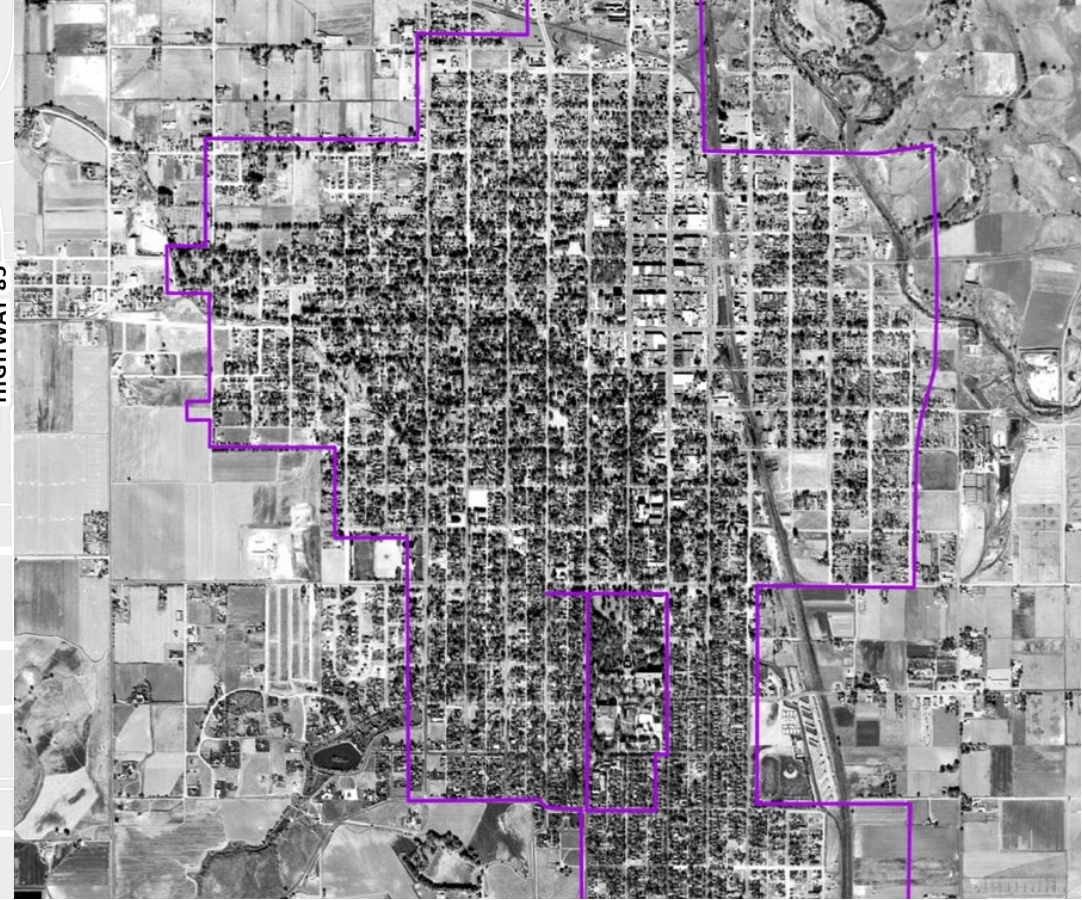
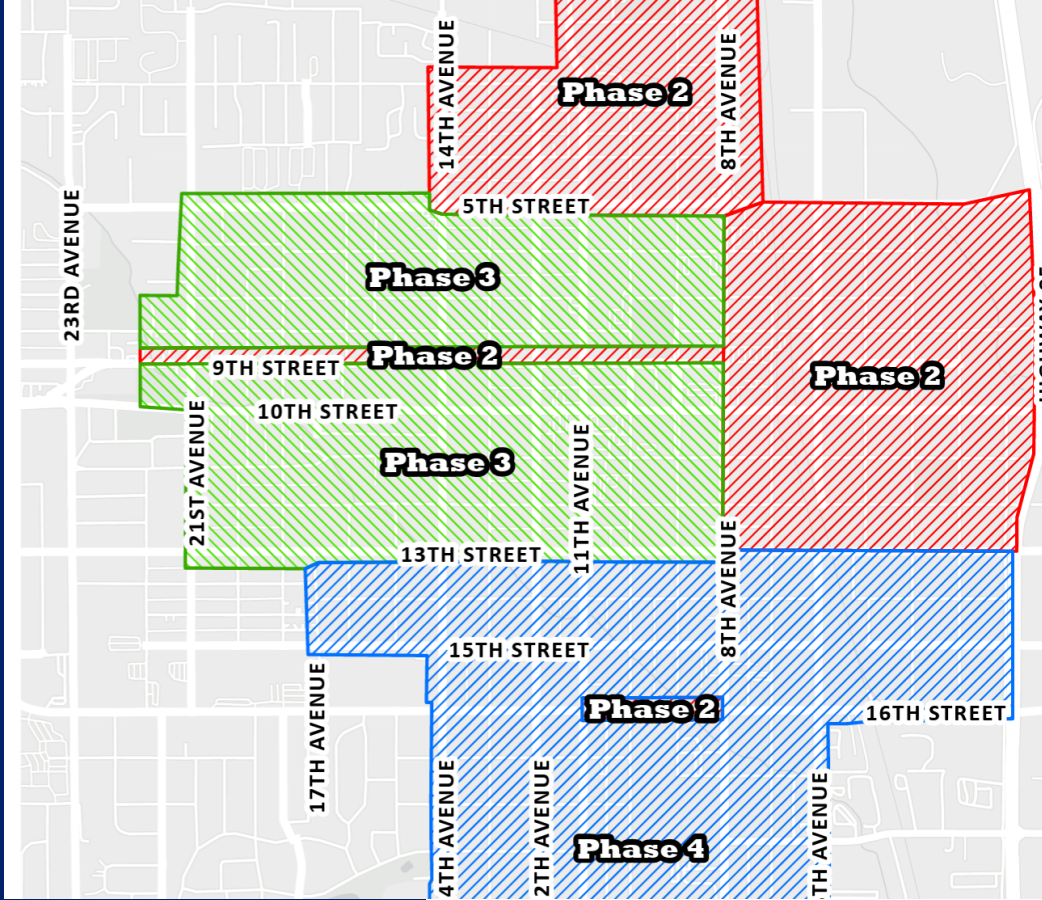


More Regulatory Background



- Greeley Water & Sewer must comply with all retained elements of LCRR
- LCRI effective November 1, 2027. Rulemaking hearings are scheduled for August 2026.
- **LCRI mandates the full replacement of all lead and GRR* service lines within 10 years**

Phased Project Areas

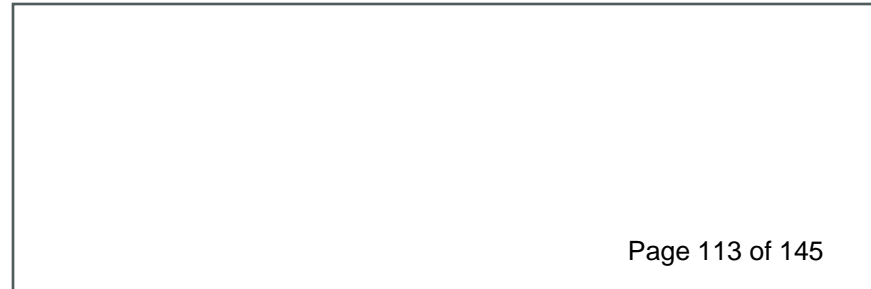


- 1948 image identified highest risk area
- Phase 05 extends outward in all directions

Greeley's LSLIR Project Timeline

| Phase 01 | Phase 02 | Phase 03 | Phase 04 | Phase 05 |
|---|---|--|---|--|
| <p><u>2022</u></p> <ul style="list-style-type: none"> - Planning and lead service line identification - Replacement completed at 56 properties - Verification scoping | <p><u>2024</u></p> <ul style="list-style-type: none"> - Scoped to meet State DWRP loan requirement - 129 Lead or GRR Replaced - 924 service lines potholed | <p><u>2025</u></p> <ul style="list-style-type: none"> - Inventory complete for Phases 01 - 03 - 220 service lines Replaced - 890 service lines potholed | <p><u>October 2025</u></p> <ul style="list-style-type: none"> - SHPO clearance received <p><u>2025 - 2026</u></p> <ul style="list-style-type: none"> - Service line verifications at over 1,700 properties | <p><u>2025</u></p> <p><u>2026</u></p> <ul style="list-style-type: none"> - Verification scoping and potholing |

- Phase 05 completion goal by December 31, 2026.
- LCRI compliance date is November 1, 2027.



Budget Status

Budget History

- 2022 – \$10.6 MM estimate
- 2023 – \$28+ MM estimate
- 2024 – \$20.9 MM DWRF loan
 - *\$17.57 MM allocated to Lead Protection Project*
 - *~\$3.33 MM allocated towards 23rd Ave. Reservoir Rehab Work*
- 2025 onward – Cost efficiencies, accelerated timeline

Project Budget to Date

- 2022 Project No. 12736 (non-DWRF)
 - \$1,388,302.00 budget
 - **\$796,485.00** or 57% remaining
- 2024 DWRF Project No. 13037
 - \$17,570,106.00 budget
 - **\$12,370,3301.75** or 70% remaining

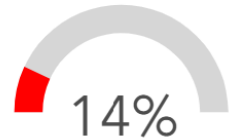
Service Line INSPECTION Status

Lead/GRR as a percent of total number of service lines in phase area

Lead/GRR

Potholing

Phase 1 & 2 Lead/GRR Found

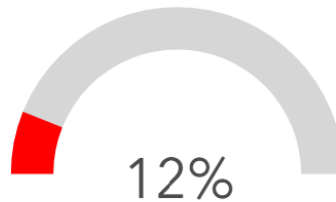


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Phase 1/2 Lead/GRR

Phase 1/2 Potholing

Phase 3 Lead/GRR Found

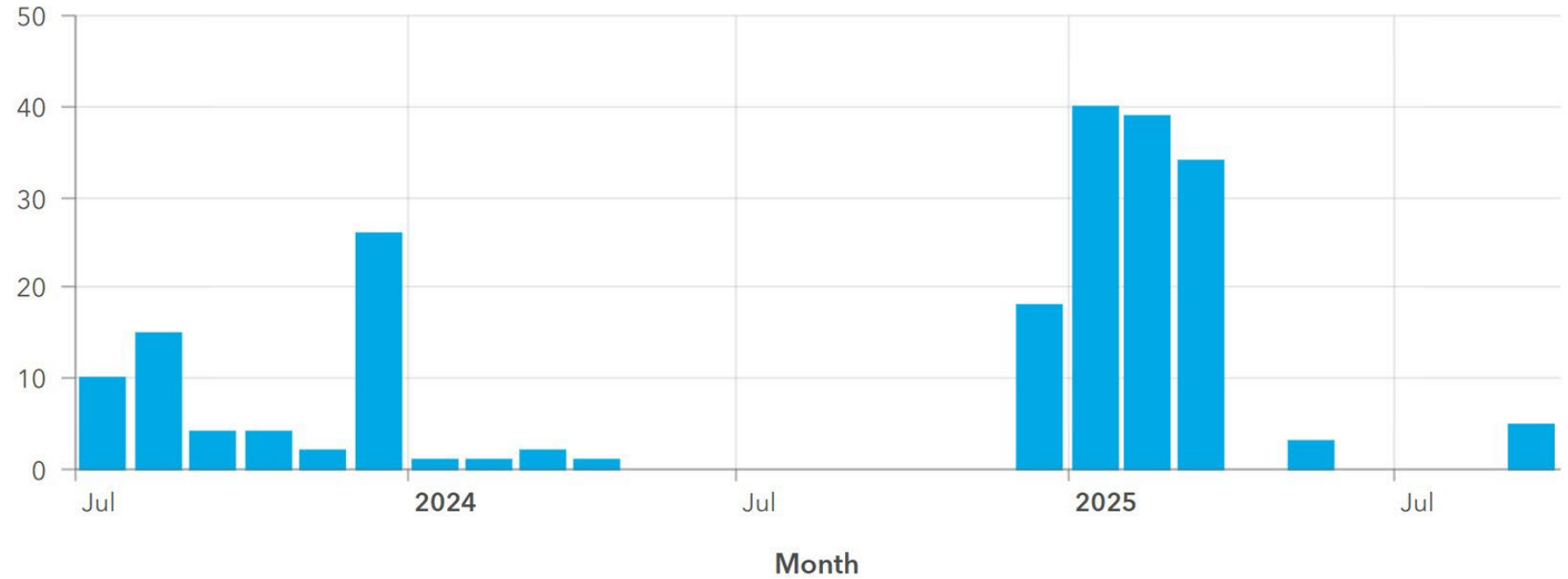


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***Galvanized requiring replacement (GRR)** – Is a galvanized water service line that is or may have historically been downstream of a lead service line.

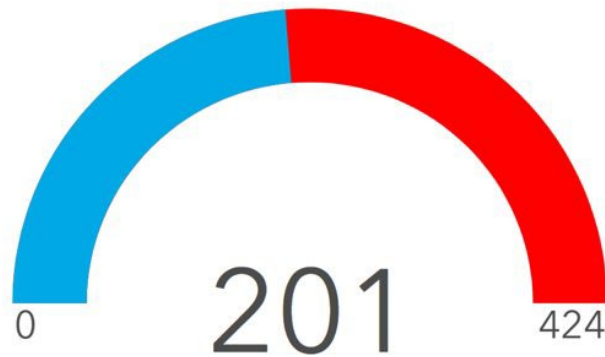
Service Line REPLACEMENT Status

Replacements Completed By Month



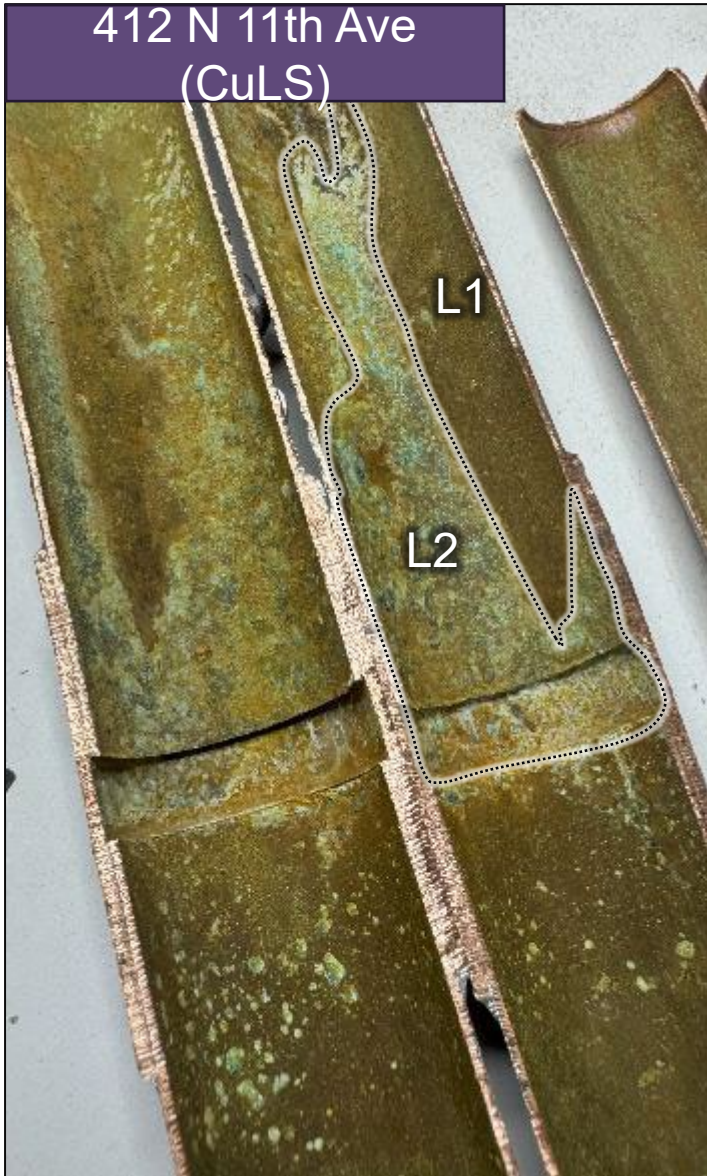
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Replacements Completed on Lines Identified as Lead/GRR

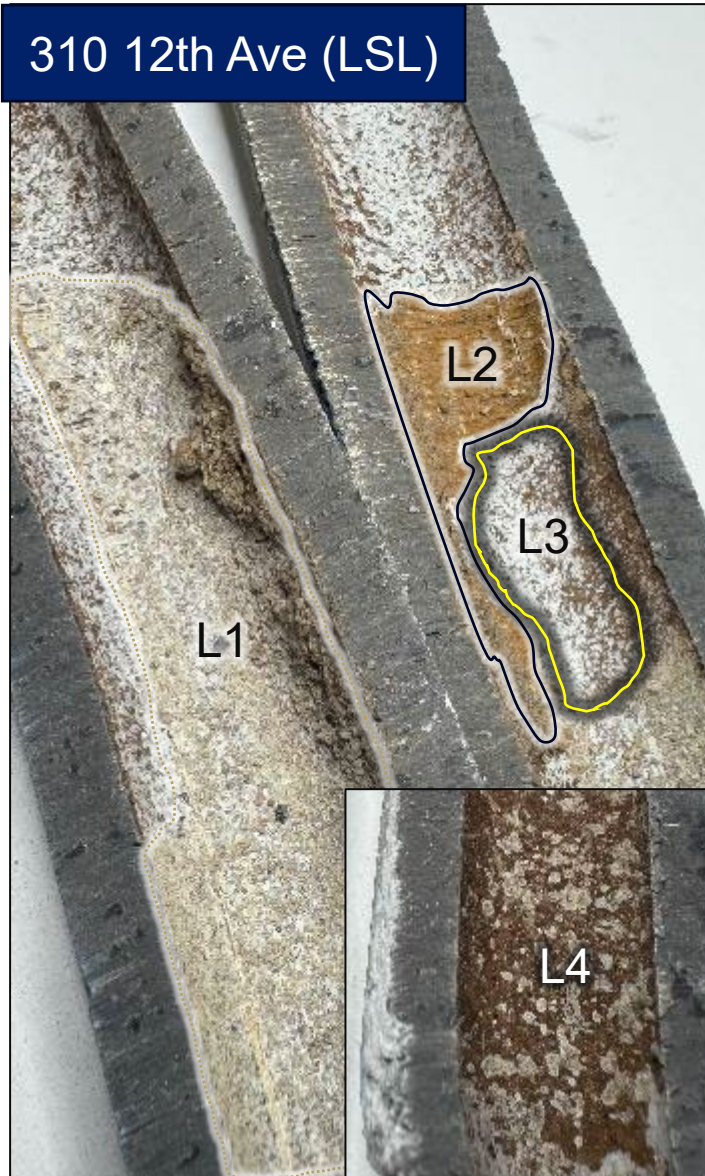


Water Service Line Evaluation

412 N 11th Ave
(CuLS)



310 12th Ave (LSL)



1. Analyzing water chemistry effects on lead pipe scale types.
2. Goal to minimize treatment costs and maintain optimized corrosion control.

Project Team and Values

1. Safety. Takes precedence over all else. Both public safety and job site safety.
2. Quality. Identification accuracy, and quality customer service.
3. Productivity and Schedule. Focus on productivity, efficiency, and maintaining project schedule and budget.
4. Continuous Improvement Model - Plan, do, act, check.





Safety – Project protects community health & water quality

Quality – Project adheres to high standards for accuracy

Proactive Compliance Schedule – Goal to complete All Replacements by December 2026... well ahead of LCRI compliance date

Mission to provide high quality, safe, and reliable drinking water

Summary

Thank you





Water & Sewer Agenda Summary

Date: Nov. 19, 2025

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

Title: Outside Counsel Legal Report

Summary: This report has been provided by Carolyn Burr, outside counsel for the Greeley Water & Sewer Board.

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

Recommended Action: None

Attachments: None



Water & Sewer Agenda Summary

November 19, 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 resources and utility policy events, and an update Board on notable utility activities. Update Items include the following:

1. Water Industry Education and Advocacy Events
2. Sprypoint CIS Go Live and Utility Billing Portal Update
3. 2026 High Mountain Reservoir (HMR) Joint Operations Plan (JOB) Update
4. Windy Gap Firming, Chimney Hollow Project Status Update
5. Terry Ranch Pipeline Update
6. Colorado River Update on Negotiations towards Interim Operating Guidelines for Shortage

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Directors Report
2. States are likely to miss Colorado River deadline_ Here's what's next
3. Board Charts



Directors Report Water & Sewer Utilities

Water & Sewer Board

November 19, 2025

Presented by:

Sean P. Chambers, Water & Sewer Utilities Director

Agenda

November 2025



Director's Report Agenda

1. Water Industry Education and Advocacy Events
2. CIS Go Live and Greeley Utility Portal Update
3. 2026 High Mtn. Reservoirs Joint Operations Plan Update
4. Windy Gap Firming: Chimney Hollow Project Status Update
5. Terry Ranch Pipeline Project Update – Nov. 2026
6. Colorado River Update on Negotiations on Interim Guidelines for Shortage

Purpose:

To share relevant and timely information with the W&S Board

Winter '25-'26 Water Industry Events

CSU Spur Water in the West Symposium

November 13, 2025 at CSU Spur, Denver – www.csupur.org/witw

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 Meetings - December 16 – 18th 2025

Colorado Water Congress Annual Meeting

Jan. 28th – 30th in Denver CO - <https://coloradowatercongress.growthzoneapp.com/ap/Events>

CSU Water Center 60th Anniversary and Water Archive Fundraiser

March 26, 2026 at CSU Ft. Collins - <https://watercenter.colostate.edu/water-center-60th-anniversary/>

Northern Water Spring Water User Symposium and Quota Meeting

April 7, 2026 – Loveland, CO - <https://www.northernwater.org/about/education-and-outreach/events>

American Water Works Association – ACE-2026 Conference

June 21-24, 2026 – Washington, D.C. <https://ace.awwa.org/schedule-at-a-glance/>

Rocky Mountain Section AWWA Conference and Best Tasting Water Competition

Aug. 30th – Sept 2nd 2026 - <https://www.rmsawwa.org/page/RMWC>



CIS Go-Live and Utility Portal Update

- Week of Nov. 10th: Completed final Spry integration testing and bill validation
- CIS project team and vendor team will be on-site cutover weekend of Nov 15 & 16
- Current CIS shuts down end of day Thursday Nov 13th
- Project Go-Live: Monday, November 17th
- Extensive communication efforts - ongoing



Joint Operations Plan (JOP) – Overview & 2025 Update

Background

- Initiated in 1995
- **Participants:** Greeley, Fort Collins, WSSC
- **Purpose:** Enhance winter flows and aquatic habitat via controlled releases from Barnes Meadow, Peterson Lake, Joe Wright, and Chambers Lake Reservoirs

Water Management

- Water Exchanges:
 - In a normal year, Greeley and Fort Collins exchange 3,000 AF to Chambers Lake Reservoir (summer)

Water Releases:

- Up to 3,000 AF annually (~10 cfs, Nov–Mar)
- **Greeley:** 2,000 AF (1,000 AF CBT, 1,000 AF WG/Tunnel): 7 cfs released daily
- **Fort Collins:** 1,000 AF: 3 cfs released daily
- Flexibility for drought or operational limits



2025 Update

- **Normal Ops:** Greeley (2,000 AF) & Fort Collins (1,000 AF) exchange to Chambers; releases October 31 – March by HMR staff
- **2025 Change:** Chambers outlet under maintenance. Greeley exchanges shifted to Barnes Meadow & Peterson Lake Reservoirs
- **Water Shifts:**
 - 2,000 AF to Barnes/Peterson
 - Windy Gap, Tunnel and C-BT
- **Peterson Lake:** First winter operation since 1995 dam rebuild; releases end early January
- **Access:** Greeley staff using snowcat/snowmobiles for winter operations

Chimney Hollow Water Quality and Operations

FOR IMMEDIATE RELEASE

Wednesday, Nov. 12, 2025

Contact: Amy Parks, Communications and Digital Strategist

Phone: 720-534-9162

Email: aparks@northernwater.org

Initial Water Delivery into Chimney Hollow Reservoir Delayed

CHIMNEY HOLLOW RESERVOIR – Northern Water and the Chimney Hollow participants have decided to allow more time to gather additional water quality data before initial delivery of water into Chimney Hollow Reservoir. As a result, the initial delivery of water into the reservoir that was scheduled for November 2025 has been postponed. This initial delivery of water into Chimney Hollow is now expected in early 2026; Northern Water will update the public once the delivery is scheduled.

After the discovery of naturally occurring uranium at Chimney Hollow Reservoir, many avenues of data collection have been initiated to learn more about this situation and inform mitigation decisions. In mid-October, Northern Water announced that a small amount of water (less than two percent of the total capacity) would be moved into the reservoir to allow time for real-time data collection and investigations to advance. Once additional data has been collected and further evaluations have been completed, those plans will resume. Project participants have not expected or planned for delivery of water to occur for several years, and this postponement will not affect community water supplies.

While the discovery of mineralized uranium has caused Northern Water and the Chimney Hollow participants to modify its plans, uranium is an issue that can be safely managed. The new reservoir remains an important part of securing future water supply needs for

- Greeley W&S Staff remain engaged in and providing NCWCD feedback on resolution of Water Quality issue.
- Alternatives for water quality treatment and management are being evaluated in preparation for communicating such to CDPHE - WQCD and DNR/CWCB
- Greeley remains committed to providing water with no detectable uranium



Terry Ranch Treated Water Pipeline Construction Project Update

November Project Update: Terry Ranch Treated Water Pipeline

Work Underway or Completed:

- Reynolds continued to rip and replace topsoil in preparation for fiber work.
- Jorge with Reynolds second crew completed tie into MK 1 on Varra. Will start on south Honn property next week.
- Lorenzo with Reynolds first mainline crew installing Welded steel pipe to STA 4351+32.
- Mountain Man Welding continued welding behind pipe install for both crews, including the butt straps at tie in point.
- Fiber Optic conduit installation continues.

Upcoming Work:

- Ripping subgrade and replacing topsoil behind both headings.
- Holiday testing ahead of Jorge's crew when it moves to the area south of WCR 84.
- Welding and inspection of pipe joints.
- Installation of the last pipes of the two current headings.

Issues Encountered, Potential Delays:

- N/A

Project Statistics:

- 32,453 LF of 35,275 LF of 36" steel waterline installed, 92% complete.
- 35,275 LF of 35,275 LF of 36" steel waterline delivered, 100% complete.
- Fiber Optic Conduit installation, 25% complete
- 4 of 4 butterfly valve vaults, 100% complete.
- 4 of 5 Combination Air/Vacuum Vaults, 80% complete.



Colorado River Negotiations on Interim Guidelines for Shortage

- The Post-2026 process is a multi-year NEPA process to determine long-term operations for Lake Powell and Lake Mead after the expiration of existing operating agreements in '26.
- BoR / Dept. of Interior Deadline of Nov. 11th has passed, the parties continue to work toward negotiated solutions, and some political leaders are calling for a governmental or court imposed solution.
- Hydrology is limiting to all users, and a new interim agreement that is guided by the River's limited hydrology is important.
 - UCRC position focus on supply-based management



Questions ?

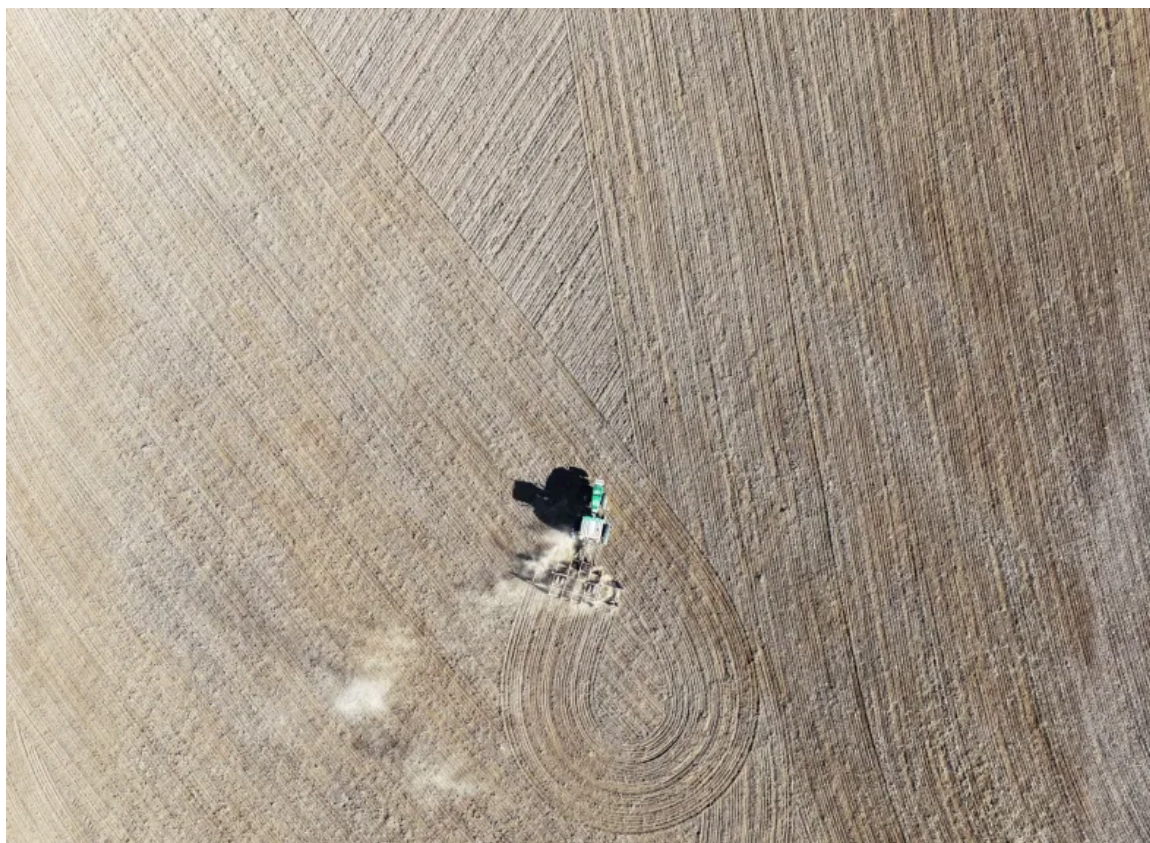
Thank you



LATEST HEADLINES

Amid 'a transparency desert,' states look likely to blow past Colorado River deadline. What's next?

Concept of management plan is due to feds by Tuesday, but Upper and Lower basins have been far apart



Farmer Jeep Studt uses a tractor to plow a field before planting winter wheat in Loma, Colorado, on Oct. 1, 2025. Water from the Colorado River irrigates farmland in the area. (Photo by RJ Sangosti/The Denver Post)



Negotiators tasked with hammering out the future of the shrinking Colorado River — and the 40 million people who rely on it — are [once again careening toward a deadline](#) imposed by federal authorities, with little progress to show publicly.

Federal officials gave the seven states in the river basin a deadline that arrives Tuesday to present the concept for an agreement on how to share the river after 2026. Then they'd have until Feb. 14 to submit a detailed plan.

The states' negotiators have remained mum in the days before the deadline. The silence has followed outbursts of public sparring in recent months, giving onlookers little hope that a deal is imminent. Negotiators previously failed to meet [a March 2024 deadline imposed by the Biden administration](#), instead submitting two separate proposals — one from the Lower Basin and one from the Upper Basin.

Nothing will change immediately if the states don't meet this week's deadline, as management of the river and its two major reservoirs will continue under the current operating plan. But that plan is expiring at the end of 2026. Every week without an agreement makes a federally imposed plan and subsequent litigation more likely — an outcome that would bring uncertainty to the water supply relied upon by millions of people as well as a massive agricultural economy and the diverse ecosystems supported by the river.

There's no roadmap for exactly what might follow.

"I see that as a lose-lose for both the Upper Basin and Lower Basin," said Jennifer Gimbel, a senior water policy scholar at Colorado State University.

For months, the closed-door negotiations have seemingly stalemated between the Upper Basin states — Colorado, Wyoming, Utah and New Mexico — and the Lower Basin states of Arizona, California and Nevada. While there are many technical details to any Colorado River plan, the fundamental question remains: How do the states divide up the water from a river that is providing less of it?

Upper Basin negotiators say their water supplies are already cut every year, depending on snowpack, and that they've never used their full legal water allotment. Lower Basin states — which sit downstream of the river's two massive reservoirs — say they have made significant water use cuts, and the pain of the shrinking river must be felt basinwide.

A [brief moment of seeming breakthrough](#) in July later devolved into a spate of cross-basin, [finger-pointing](#) commentary in news outlets across the West. Most recently, Arizona’s governor on Wednesday [called the Upper Basin states’ position “extreme”](#) and blamed them for “running down the clock.”

Colorado’s negotiator, [Becky Mitchell](#), declined a request last week for an interview about the negotiations’ progress and potential impacts in Colorado if there is no deal between the states.

“The Colorado River Basin States are focusing on negotiations,” Michael Elizabeth Sakas, a spokeswoman for the Colorado Department of Natural Resources, wrote in an email. “We will provide an update once there is one to provide.”

A spokeswoman for the Department of the Interior — which oversees the federal Bureau of Reclamation — declined an interview request but said in a statement last week that officials remained focused on a seven-state agreement being reached. Department leaders were optimistic that the states could meet Tuesday’s deadline, spokeswoman Elizabeth Peace said.

“Without consensus among all seven states, Interior’s management options would be more limited and less beneficial than what could be achieved through a collaborative approach,” she said.

What happens if there is no deal?

If Interior implements its own plan, that intervention could set off litigation between the states and the federal government or between the states, Gimbel said. Several plan concepts the Bureau of Reclamation presented publicly late last year would deliver large cuts in water supplies to the Lower Basin and also impact the Upper Basin reservoirs managed by the agency, like Blue Mesa Reservoir outside Gunnison.

“Basically, no matter what Reclamation does, there is going to be litigation challenging whatever the plan is,” said [Jim Lochhead](#), a former director of the state natural resources department who served for 20 years as Colorado’s representative on interstate Colorado River operations. “All of that puts the fate of the river out of the hands of the people who live in the basin and in the hands of the courts.”

Litigation could prompt a judge to halt the implementation of the Bureau of Reclamation’s proposed plan. The court could then order that the river be managed under previous plans or create its own stopgap management plan — like uniform cuts across the entire basin — while legal proceedings continue, said [Gage Zobell](#), a Utah-based water attorney with Dorsey and Whitney.

[Reverting to a prior management plan](#) — like those from 2007 or 1960 — could lead to Lake Powell and Lake Mead being drained very quickly because they were not designed with the concept of long-term drought in mind, he said.

“The problem is that courts aren’t experts,” Zobell said. “You risk them not fully understanding how to do it.”

Both of the two largest reservoirs on the river — Lakes Powell and Mead — are only about a third full. [Projections released by the bureau last month](#) show that water levels at Lake Powell could drop so low by next September that water would no longer flow through the dam’s hydroelectric turbines.



The Blue Mesa Dam spans the Gunnison River about 30 miles downstream from the city of Gunnison, seen on Oct. 1, 2025. The dam created Blue Mesa Reservoir, the largest body of water entirely within Colorado, as part of the Colorado River Storage Project to control river flows, store water and generate hydroelectric power. (Photo by RJ Sangosti/The Denver Post)

Any litigation over the river would take years and cost tens or hundreds of millions of dollars in legal fees, Lochhead said. That money could be better spent on finding long-term solutions to managing drought in the river basin, he said.

Regardless of court outcomes, the uncertainty created by litigation alone would destabilize economies, Lochhead said.

Water utilities across the basin rely on Colorado River water, including many Front Range cities and much of the state’s Western Slope. Companies looking to establish themselves in Denver — [where 50% of drinking water is sourced from the Colorado River](#) — would be more hesitant to do so if the long-term water supply is uncertain, said Lochhead, who also led Denver Water for 13 years, until 2023.

Oil and gas companies, mining operators, farmers and manufacturers across the basin rely on a steady water supply — and thousands rely on those industries for work, Zobell said.

“It’s easy to weigh in from the sidelines, and I’m not trying to cast aspersions,” Zobell said. “But I think what’s not being talked about is the real lives that are going to be implicated — you’re affecting millions of lives.”



Fly fishermen float the Colorado River near Burns, Colorado, on Sept. 30, 2025. (Photo by RJ Sangosti/The Denver Post)

‘A transparency desert’

The time crunch that would result from the lack of a deal this week would also shorten the amount of time for meaningful public input on the plan — and for federal regulators to take that input into account.

“There’s still time if we don’t reach that Nov. 11 deadline, but that will become tighter and tighter,” Gimbel said.

The development of the post-2026 plans is guided by the National Environmental Policy Act, which requires analysis of the environmental impacts of major projects and requires public comment.

The Bureau of Reclamation formally began the process in June 2023 and completed the first step — [mandatory solicitation of public comment](#) about the range of issues that should be considered — in August of that year. The agency received more than 21,000 comments on the future management of the river.



The Colorado River flows downstream near Burns, Colorado, on Sept. 30, 2025. (Photo by RJ Sangosti/The Denver Post)

Reclamation in January published a report [detailing five potential management plans](#).

The agency's next step under NEPA is to publish a draft environmental impact statement — a thorough analysis of the environmental impacts of each proposed plan. Federal law requires that the public have at least 45 days to submit comments on the draft document, which is likely to span hundreds of pages.

Scott Cameron, then the acting assistant secretary for water and science at Interior, [said at a conference in June](#) that the bureau was on track to release a draft environmental impact statement by the end of 2025 — and then a final decision no later than the “very early summer” of next year. The agency wants to have a plan in place before Oct. 1, when the new water year begins. The [water year](#) follows the water cycle, beginning as winter snowpack starts to accumulate and ending Sept. 30, as irrigation seasons end and water supplies typically reach their lowest.

After publishing the draft environmental impact statement, the bureau must consider the public comments it receives before publishing the final version of the EIS. That document kicks off a mandatory 30-day wait before the bureau can make a final choice, called a record of decision.

Bureau of Reclamation officials have not publicly provided an update on an expected timeline beyond Cameron's comments at the June conference. Peace, the Interior spokeswoman, did not respond to an email last week asking for a timeline for publication of the required documents.

The bureau's [webpage on post-2026 planning](#) has not been updated since Jan. 17, according to the site.

Without any information from federal authorities or negotiators, the public is left in the dark, said Kyle Roerink, the executive director of [the Great Basin Water Network](#). All that onlookers can do is surmise and pontificate about what appears to be a political snake den, he said.

“It really borders on a dereliction of duty, as it relates to upholding the standards that the public should expect from regulators dealing with one of the most important resource issues in the southwest United States,” Roerink said. “The fact that we’ve been in a transparency desert is really troubling.”

[Get more Colorado news by signing up for our Mile High Roundup email newsletter.](#)

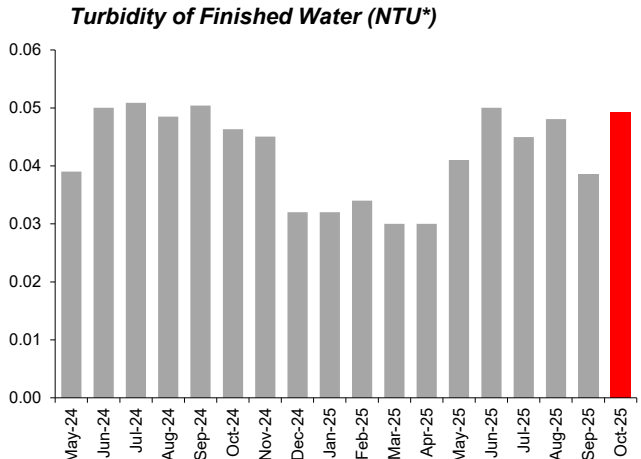
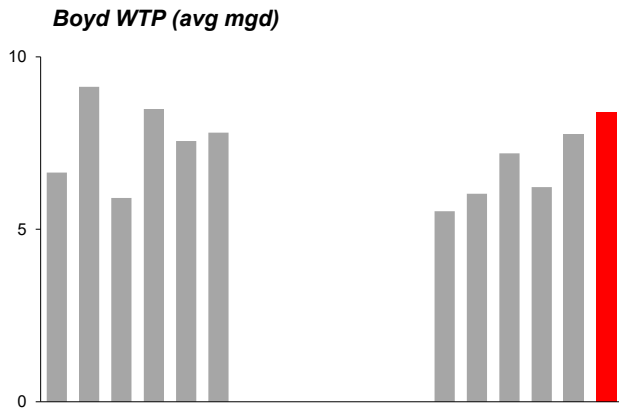
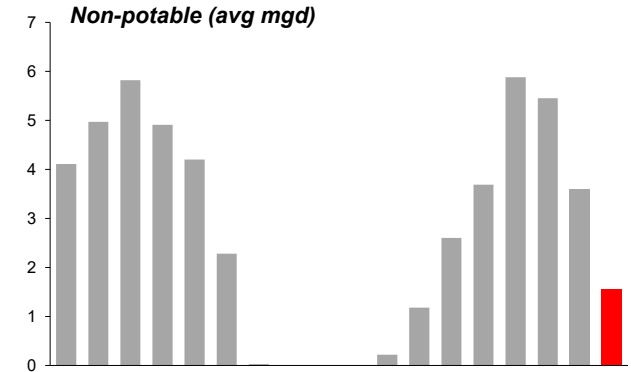
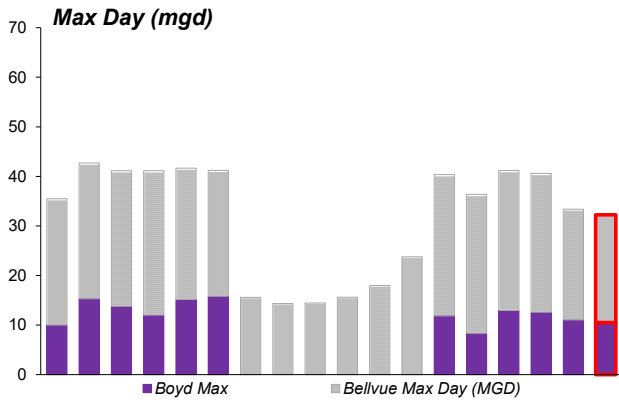
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Water Treatment

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.

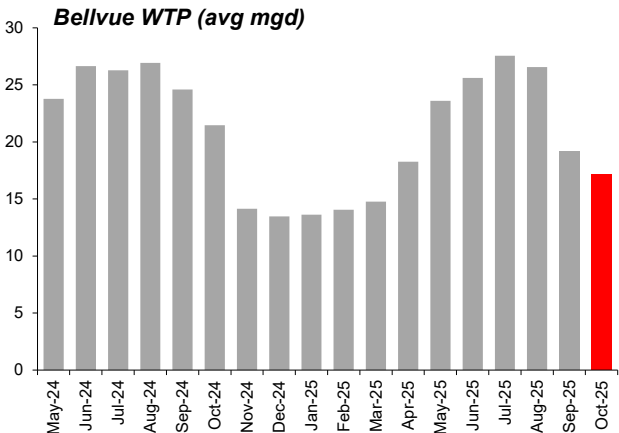
Combined, Bellvue and Boyd can treat a maximum of 70-73 million gallons per day.



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).

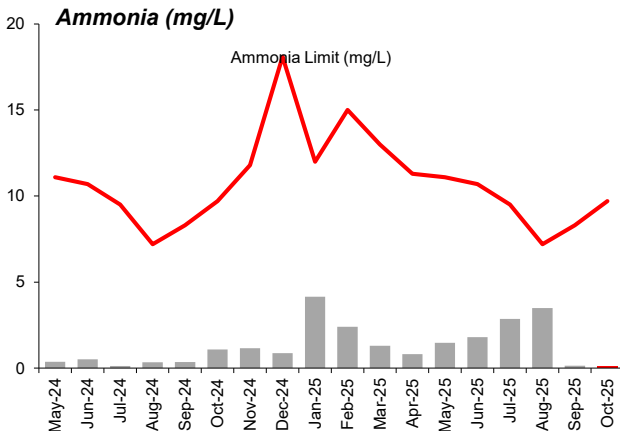
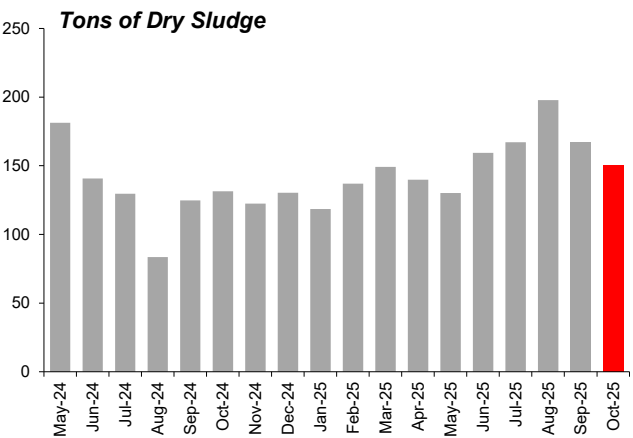
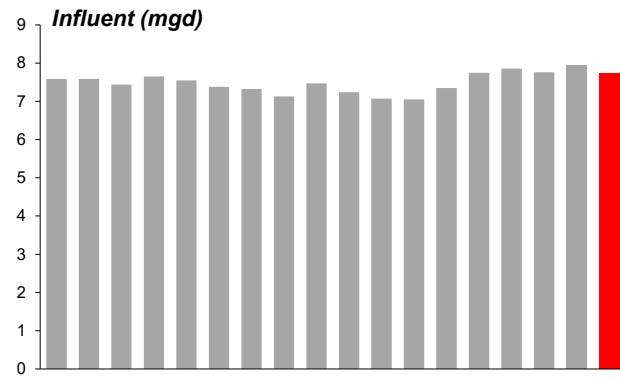
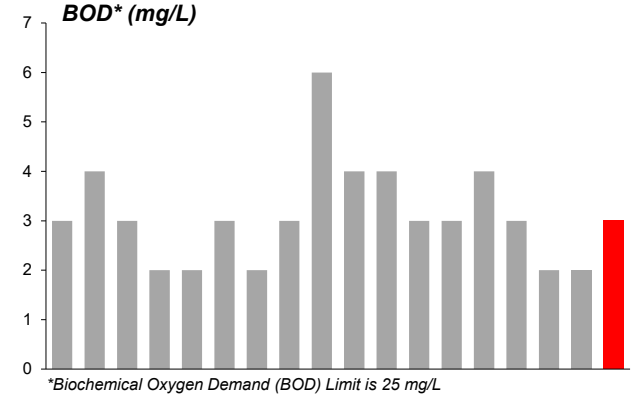
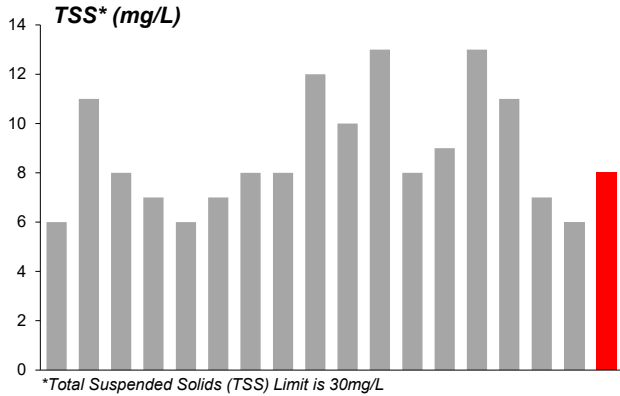


Wastewater Treatment

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.



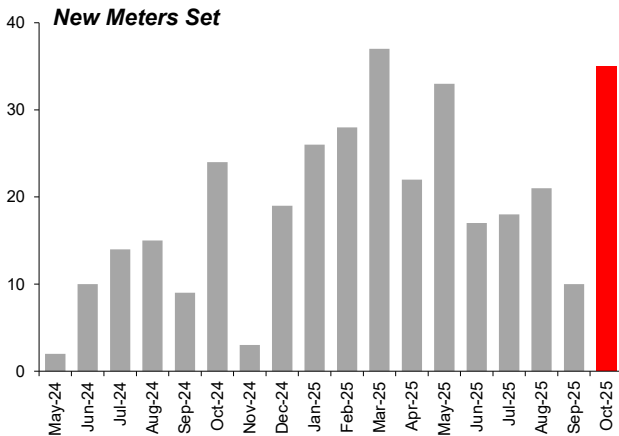
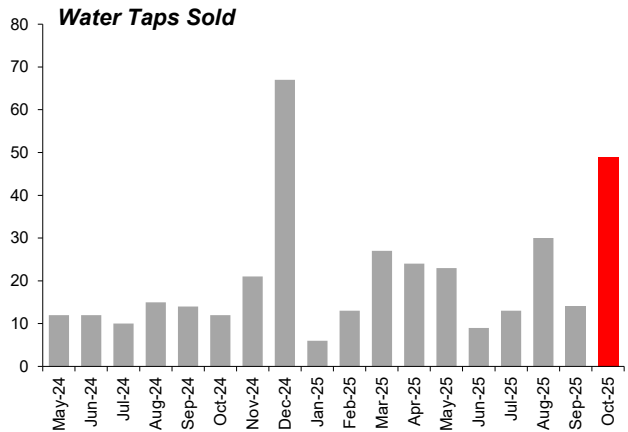
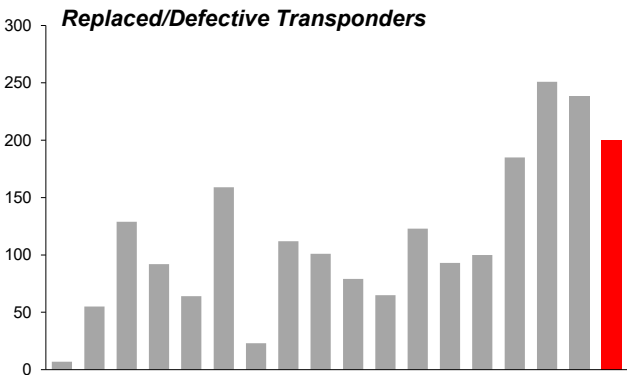
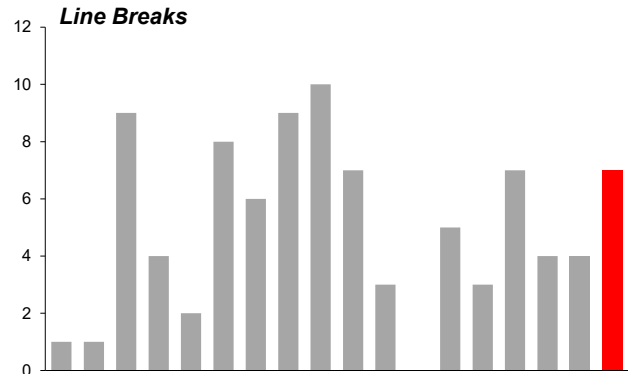
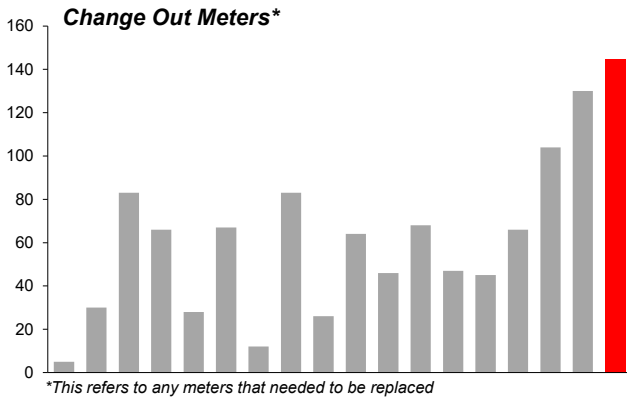
Water Distribution

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.

Note: the red column indicates the current month.



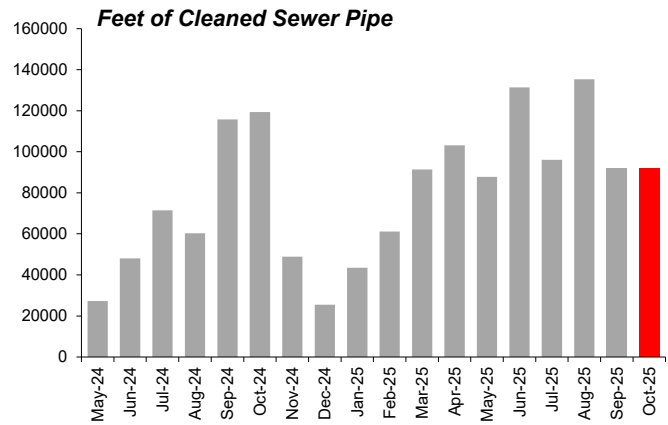
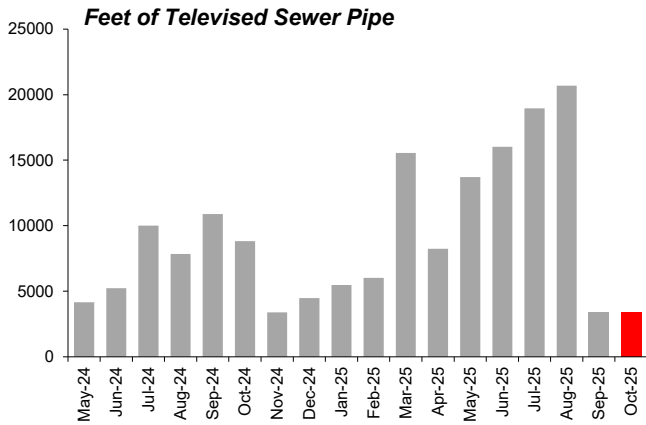
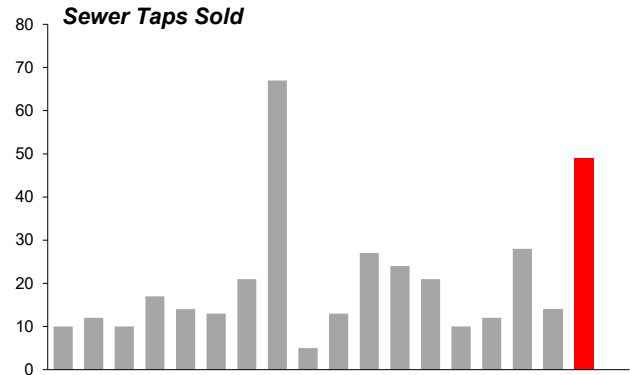
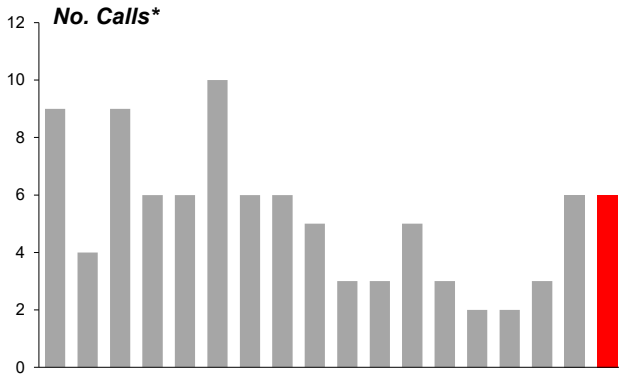
Wastewater Collection

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.

Note: the red column indicates the current month.

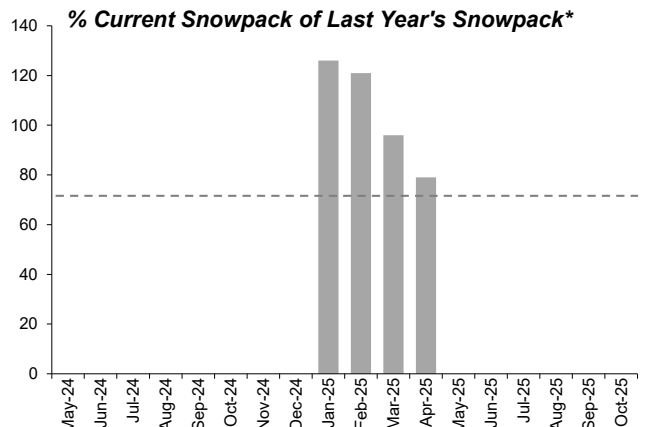
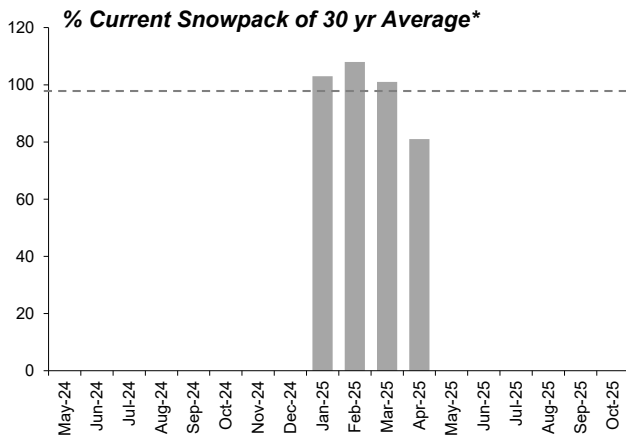
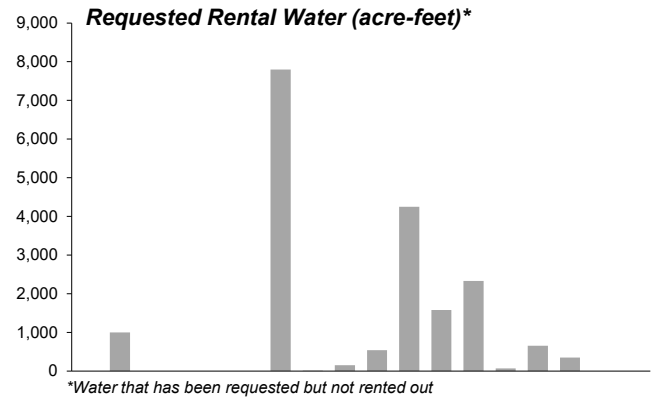
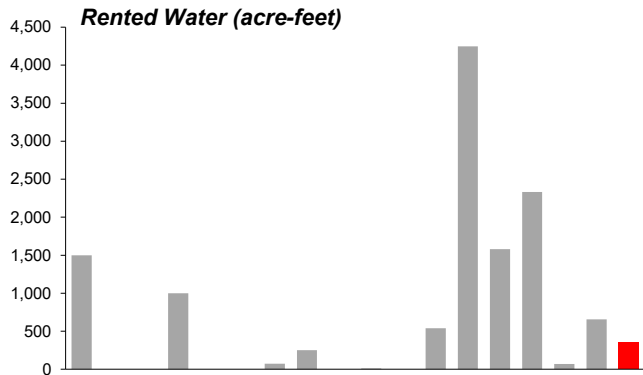
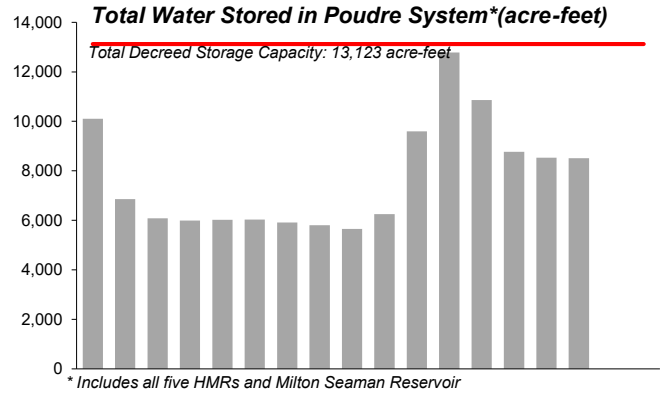
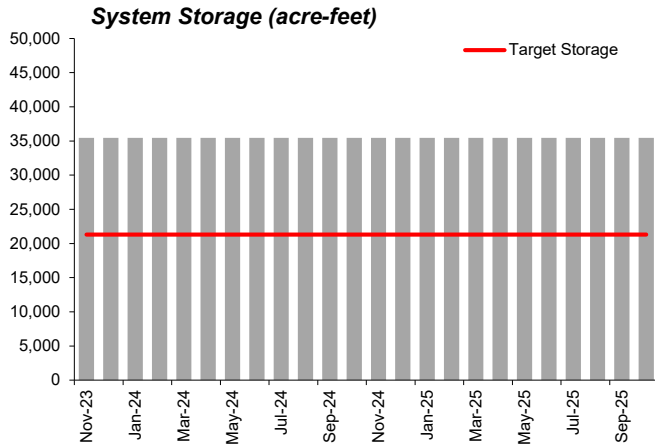


Water Resources

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.



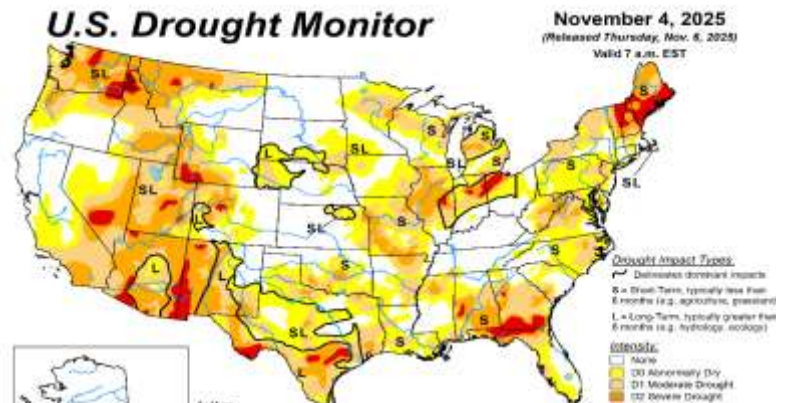
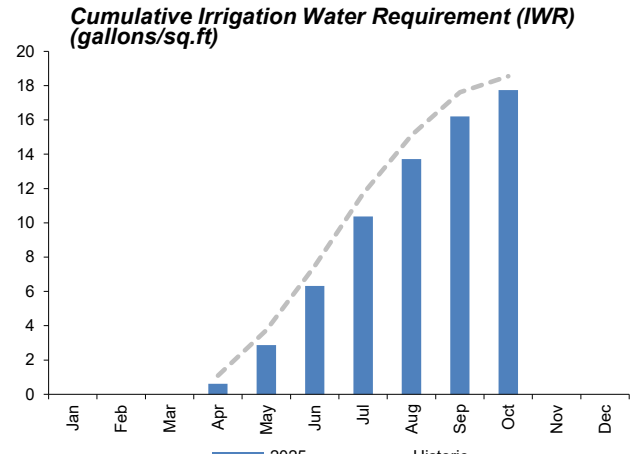
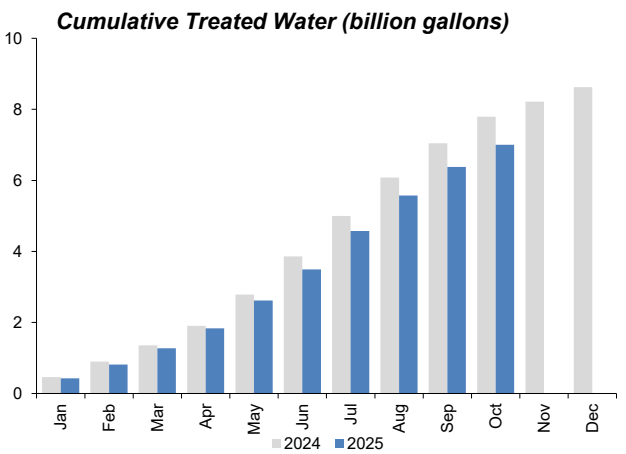
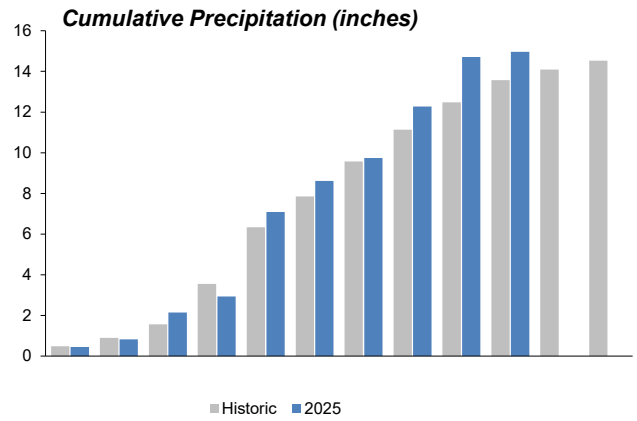
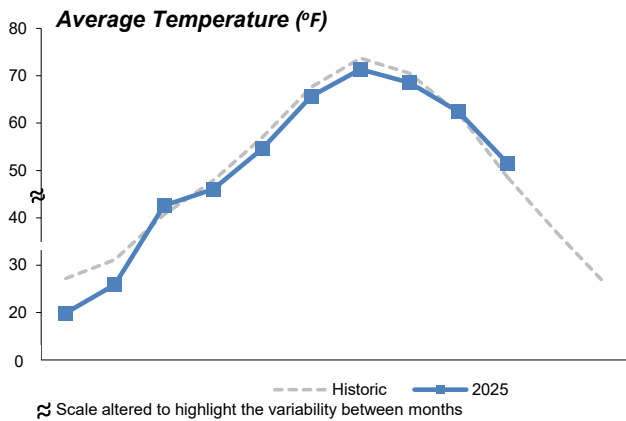
*Data is from the 1st of the month
 **Average of Deadman Hill and Joe Wright

*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. The average daily temperature in September was 62.41 °F which is about average. October temperatures averaged about 52.5 °F which is three degrees above 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. September precipitation was well above the historic average at 2.44 inches. Precipitation in October was well below average but cumulative annual precipitation remained above the historic average.





Water & Sewer Agenda Summary

November 19, 2025

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Executive Session

Summary:

The Director and key staff will provide overview of proposed Second Amendment of the Wingfoot Master Purchase and Sale Agreement between City of Greeley and Wingfoot Water Resources. on a prospective economic development project that as large raw water need. Greeley staff and Wingfoot Water principles believe there is mutual benefit to creating an Industrial Water Bank with Raw Water Credits that could be used as a tool to recruit or expand primary industrial or primary commercial development in Greeley that would grow jobs, economy and reliable water consumption. Additional industrial water consumption is desirable to rebalance municipal water use after major reductions in industrial uses by Kodak Alaris, water efficiencies employed at Leprino Foods, and with the closure of Carestream Health.

While staff and CAO are engaged in the negotiation of terms for a 2nd Amendment, staff seek to proved the Water & Sewer Board with access to legal advice and staff seek advice to negotiators from the Board.

Recommended Action:

None

Recommended Motion:

None

Attachments:

None