

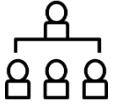
Water and Sewer Board

Regular Meeting

City Council Chambers – City Center South

1001 11th Ave January 21, 2026 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





Water & Sewer Board

January 21, 2026 at 2:00 PM

1001 11th Avenue, City Center South, Greeley, CO 80631

Agenda

1. Roll Call: _____ Chairman Harold Evans _____ Vice Chairman Mick Todd
 _____ Ms. Cheri Witt-Brown _____ Mr. Fred Otis
 _____ Mr. Joe Murphy _____ Mr. Tony Miller
 _____ Mr. Matt Anderson _____ Mayor Dale Hall
 _____ Mr. Brian McBroom _____ Mr. Kirk Jones
2. Approval of Minutes
3. Approval of the Agenda
4. Election of Board Officers
5. Welcome New Employees and Promotions
6. Approve and Recommend to Council of State Land Board Lease Amendment
7. Approve and Recommend to Council of Graywater Prohibition Ordinance
8. Approval of 2nd Amendment to the Wingfoot Master PSA
9. Terry Ranch Project Update
10. Water Court Update
11. Legal Report
12. Director's Report
13. Such Other Business That May Be Brought Before the Board Added to This Agenda by Motion
 of the Board
14. Adjournment



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 December 17, 2025
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:03 p.m. on Wednesday December 17, 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 Dale Hall, Deputy City Manager Bret Nabor on behalf of Interim City Manager Brian McBroom, Interim Deputy Director of Finance Kirk Jones

Water and Sewer Department Staff:

Director Sean Chambers, Deputy, Deputy Director of Utility Finance and Customer Service Erik Dial, Deputy Director of Water and Wastewater Operations and Maintenance Rebecca Andrus, Chief Engineer Adam Prior, Executive Assistant Gigi Allen, Administrative Assistant IV Tracy Simon, Water Resource Administrator II Morgan Effrein, Water Resource Operations Manager Brian Von Seggern, Water Resource Administrator I Eric Clark, Deputy Chief Engineer Cadee Oakleaf, Water Resource Administrator III Travis Gilbertson, Utility Finance Manager Virgil Pierce, Long Range Utility Planner Derek Hannon, Instrument and Control Supervisor Mat Finch, Project Manager II Beau Doran, Civil Engineer III John Goin, Civil Engineer IV Jim Paulson, Water Enterprise Financial Analyst Crystal Sanchez, Water Resource Administrator III Will Ettema, Water Efficiency Manager Dena Egenhoff

Legal Counsel:

Senior Environmental and Water Resources Attorney Dan Biwer, Environmental & Water Resources Attorney Jessie Raybon, Counsel to Water and Sewer Board Attorney James Noble

Guests:

James Sutherland, Wingfoot Water, City Budget Analyst II Brandon McEldowney

2. Approval of Minutes

Mr. Otis made a motion, seconded by Mr. Murphy to approve the November 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 Ex-Officio Members

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

5. Approval of 2026 Board Meeting Dates

The Board reviewed the 2026 W&S Board meeting dates. Mr. Murphy moved that the Board adopt the proposed schedule of regular meetings for 2026. Ms. Witt-Brown seconded the motion. The motion passed 7 to 0.

6. Approval of 2026 W&S Rates and Fees

Virgil Pierce discussed that the water and sewer rates and fees were developed in response to the 2026 budget that the Board recommended to the City Manager at the August 2025 meeting.

Residential water rates are increasing 5.5% and residential sewer rates are increasing 5%. Residential water customers inside the city and in the service area formerly served by North Weld Water District are the only customers on a tiered water budget rate structure.

Plant investment fees are updated annually for water and sewer. The water plant investment fee is increased to \$16,900 for a ¾" tap, an increase from the 2025 fee of \$15,000. The sewer plant investment fee is increasing to \$9,050 for a ¾" tap an increase from the 2025 fee of \$8,650.

Using the pricing method presented to Board in the November 2024 meeting, the cash-in-lieu of raw water fee will increase from \$56,500 to \$57,000 per acre-foot. The new cash-in-lieu price will take effect on March 1, 2026. Water and Sewer Board Resolution 2, 2020 allows the cash-in-lieu fee to be recalculated as necessary, but no less than once per year. Staff will bring forward future adjustments to the cash-in-lieu fee for Board review if necessary, in 2026.

Virgil will supply a spreadsheet showing other City's specific rate increases to the Board and Mayor Hall per the request of the Board.

Vice Chairman Todd moved that the Board approve the Resolution to Adopt Rates, Fees, and Charges for Water and Sewer Services in 2026. Mr. Otis seconded the motion. The motion carried 7 to 0.

7. Watershed Health and Wildfire Recovery 2025 Projects Update

Will Ettema reviewed the purpose of doing work in the watershed and also a timeline of activities since the 2020 Cameron Peak Fire, including use of NRCS EWP money to mitigate post-fire debris flows and other damage to life and property, post-fire mulching work, point mitigation projects focused on restoring stream and culvert functions, and Low-Tech Process-Based Restoration (LTPBR) work. This year involved the completion of the Bennett Creek Post-Fire Mitigation project in November and the planning and design of another project, Beaver Creek, a project located downstream of two Greeley-owned high mountain reservoirs and is tributary to the South Fork Poudre River. Also discussed was the purpose and work involved with project monitoring on our watershed and wildfire recovery projects, the partnerships involved in doing this type of work, as well as some lessons learned, and an outlook of doing work in the future.

8. SCADA Master Plan Completion

Jim Paulson discussed that the City of Greeley Water and Sewer Department developed a new Supervisory Control and Data Acquisition (SCADA) System Master Plan. The SCADA system was in dire need of upgrades in both physical hardware and software. Recent and pending regulatory requirements necessitate an upgraded system for cyber security. Furthermore, the department desires to have a more comprehensive real-time and historical data archive for access to evaluate system operations and upgrades and make operational decisions.

The SCADA MP includes a review of the state of the system at the beginning of the plan development, development of the vision and goals for the system, gap analysis and identification of projects to upgrade the system including impacts to the CIP.

9. Advanced Metering Infrastructure (AMI) Update

John Goin discussed that the City of Greeley Water and Sewer Department has over 30,000 water meters ranging in size from ¾ to 12-inch diameter. These meters started experiencing reduced accuracy, battery failure and communications issues in the 2019-2020 timeframe. The Department started replacing these aging water meters throughout the city in 2020 after receiving a Water Smart Grant for \$1.5 million. The Phase I & II water meter replacement project was completed by City staff and contractors (Utility Metering Solutions), with 14,500 new meters installed by end of 2022.

In October of 2022, the City received a second \$2.0 million WaterSmart grant to replace another 11,193 meters and began Phase III of the replacement project. UMS was once again utilized to complete the project by June 30, 2025. Currently, 97% of the water meters in the City's system have been replaced and the two WaterSmart Grants have been closed, with all goals and requirements met. The City Meter Shop is continuing to replace the remaining water meters and has less than 900 left.

10. Legal Report

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

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

- **Case No. 25CW3151:** This case concerns an application by East Larimer County Water District (“ELCO”) for a change of 4.5 shares of the Water Supply and Storage Company, or “WSSC.” The application includes changes to alternate points of diversion and storage, and exchange rights. Mr. Noble recommended filing a statement of opposition to protect Greeley’s water rights from injury and to ensure that any terms and conditions are acceptable in light of Greeley’s portfolio of WSSC shares.
- **Case No. 25CW3147:** This case concerns an application by Fort Collins-Loveland Water District for a change of 11.25 shares of the Water Supply and Storage Company, or “WSSC.” The application includes changes to alternate points of diversion and storage, and exchange rights. Mr. Noble recommended filing a statement of opposition to protect Greeley’s water rights from injury and to ensure that any terms and conditions are acceptable in light of Greeley’s portfolio of WSSC shares.
- **Case No. 25CW3152:** This case concerns an application by Front Range Land and Cattle and WC Family Ranches, for nontributary underground water rights in the Upper Laramie Aquifer. Applicant claims an annual average amount of 4,359 acre feet per year from the aquifer. The overlying land for this claim consists of 5,328 acres, located in Townships 9, 10, and 11 North, Range 66 West. This is south 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.

Vice Chairman Todd moved that the Board authorize filing statements of opposition in Case Nos. 25CW3151, 25CW3147, and 25CW3152, 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 passed 7 to 0.

Mr. Noble also provided an update on status of the Laramie River Pipeline Purchase and Sale Agreement which is currently in the due diligence process for resolving issues prior to closing.

Dena Egenhoff left the meeting at 3:05 pm

Crystal Sanchez and Mat Finch left the meeting at 3:21 pm

11. Director’s Report

The Director provided 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 3:55 pm.

13. Executive Session

Chairman Evans moved that the Board adjourn the public portion of this December 17, 2025 Water and Sewer Board meeting and hold an executive session to address the following matters as provided by C.R.S. § 24-6-402(4)(b) and (e) and Greeley Municipal Code § 2-151(a)(2) and (5):

1. For the purposes of obtaining legal advice, determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators on matters related to a second amendment of the Master Purchase, Sale, and Raw Water Credit Administration Agreement with Wingfoot Water Resources.

Roll call was taken and those present were:

Chairman Evans, Vice Chairman Todd, Fred Otis, Cheri Witt-Brown, Matt Anderson, Joe Murphy, Bret Naber on Behalf of Interim City Manager Brian McBroom, Kirk Jones, Mayor Dale Hall

Others Present during Executive Session:

Director Sean Chambers, Deputy Director of Utility Finance and Customer Service Erik Dial, Long Range Utility Planner Derek Hannon

Legal Counsel present during Executive Session:

Interim Supervising Senior Environmental & Water Attorney Daniel Biwer, Environmental & Water Resources Attorney Jessie Raybon, Outside Counsel to Water & Sewer Board Attorney James Noble

14. Adjournment

The Executive session portion of the meeting ended at 4:45 pm

Harold Evans, Chairman

Brian McBroom, Board Secretary



Agenda Summary

January 21, 2026

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Election of Board Officers

Summary:

In accordance with carrying out its governmental duties, the Greeley Water & Sewer Board elects officers annually based upon guidance in the Greeley City Charter, Sec. 17-3. - Water and Sewer Board, organization.

There shall be a Water and Sewer Board which shall consist of ten (10) members. The Mayor, City Manager and Director of Finance shall be nonvoting members of said Board. There shall be seven (7) members appointed by the City Council for terms of five (5) years. Any vacancy shall be filled for the unexpired term of any member whose place has become vacant. The Board shall annually elect one (1) of the appointive members as chair, and one (1) as vice chair. The City Manager shall serve as secretary to the Water and Sewer Board.

Recommended Action:

None

Recommended Motion:

None

Attachments:

None



Agenda Summary

January 21, 2026

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Welcome New Employees and Promotions

Summary:

New Hires:

Brenden Spears –Maintenance Mechanic II - Wastewater

Kyle McCarty - Maintenance Technician I – Wastewater

Courtney Stewart - Civil Engineer III – Wastewater Collections and Treatment

Promotions:

Rhett Scott -Operator B to Operator A at Boyd WTP

Jarret Widick - Water Systems Technician II to Water Systems Technician III

Dan Araiza - Water Technician to Operator II at T&D

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. New Hires and Promotions (2)

Promotions and New Employees

Welcome New Employees

PROMOTIONS:

Rhett Scott - Operator B to Operator A at Boyd WTP
Jarret Widick - Water Systems Technician II to Water Systems Technician III
Dan Araiza - Water Technician to Operator II at T&D

NEW HIRES:

Brenden Spears – Maintenance Mechanic II - Wastewater
Kyle McCarty - Maintenance Technician I – Wastewater
Courtney Stewart - Civil Engineer III – Wastewater Collections and Treatment



January 21, 2026



Agenda Summary

January 21, 2026

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

Title:

Approve and Recommend to Council of State Land Board Lease Amendment

Summary:

Through the Terry Ranch acquisition, the City of Greeley inherited a groundwater production lease agreement with the State Land Board (SLB). This lease was originally executed between the State Land Board and Wingfoot Water Resources, LLC.

Greeley has drilled 16 wells on the SLB parcels through 2025 to meet the terms of the lease. It was determined alongside SLB that the lease should be amended to better represent a municipal government needs, additional parcels added to the lease under new contract terms, and to perpetually cement that the well drilling obligation has been completed by Greeley.

Recommended Action:

Staff Recommends that the Board approve and recommend to City Council the State Land Board Lease Amendment.

Recommended Motion:

“I move that the Board approve and recommend to City Council the Lease Amendment between State Land Board and the City of Greeley in the form presented, and delegate authority to the Director of Water and Sewer or their designee to: (1) approve minor revisions to the agreement before execution, provided the material substance remains unchanged and (2) enter into subsequent amendments, including but not limited to amendments that relate to the financial assurances or the development, production, operation, and maintenance of the leased water and related infrastructure determined to be necessary to administer the Lease Amendment over time.”

Attachments:

1. State Land Board Amendment Presentation_SLB
2. SLB Groundwater Production Lease_LMH

State Land Board Lease Amendment

Leah Hubbard, Deputy Director of Water Resources
Greeley Water & Sewer Board
January 21, 2026

Justin Bieri, Water Program Manager
State Land Board



Agenda & Purpose

Agenda:

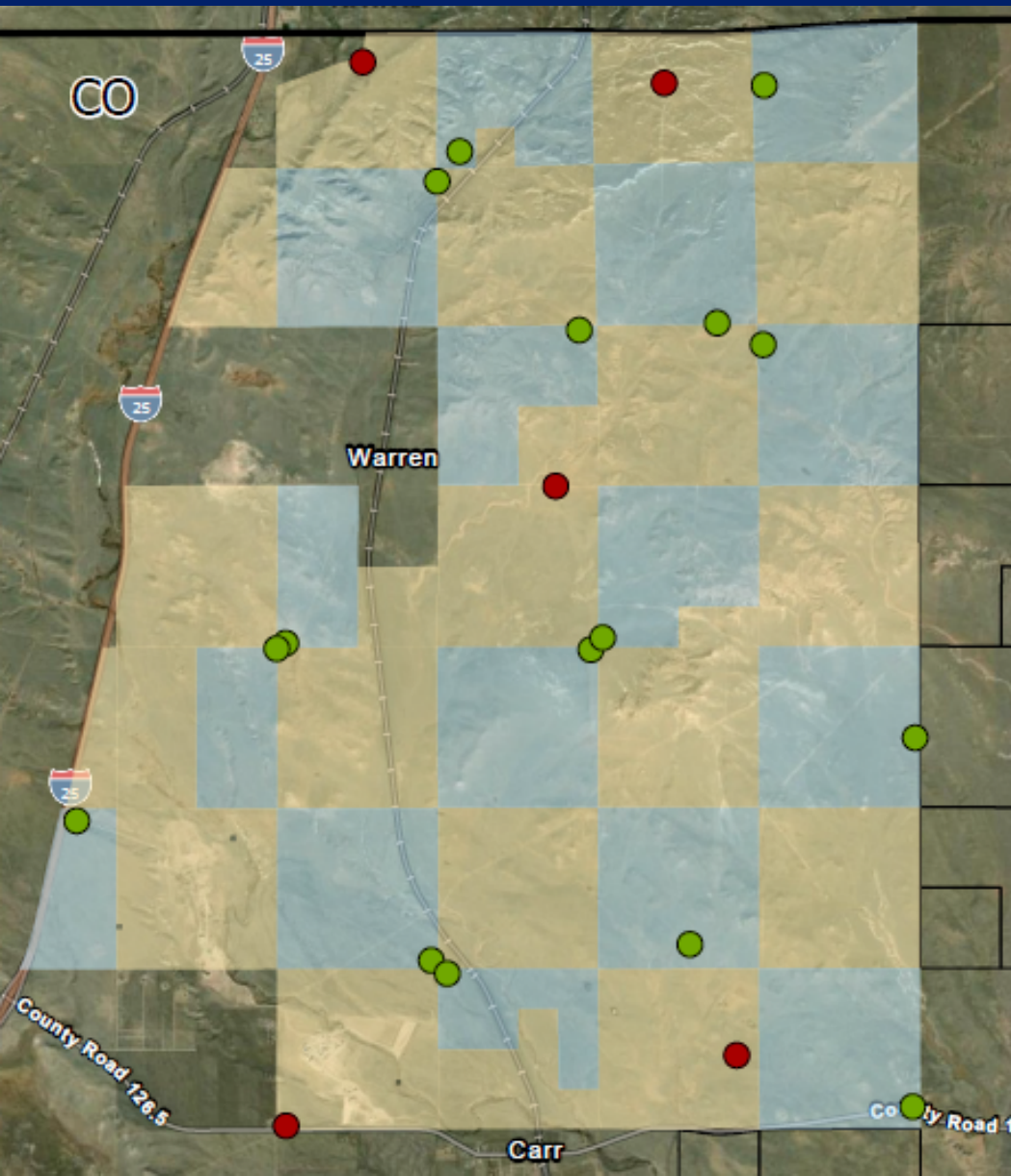
- Background
- State Land Board Purpose
- Lease Amendment

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

This lease will also be at the State Land Board meeting on 1/22/26



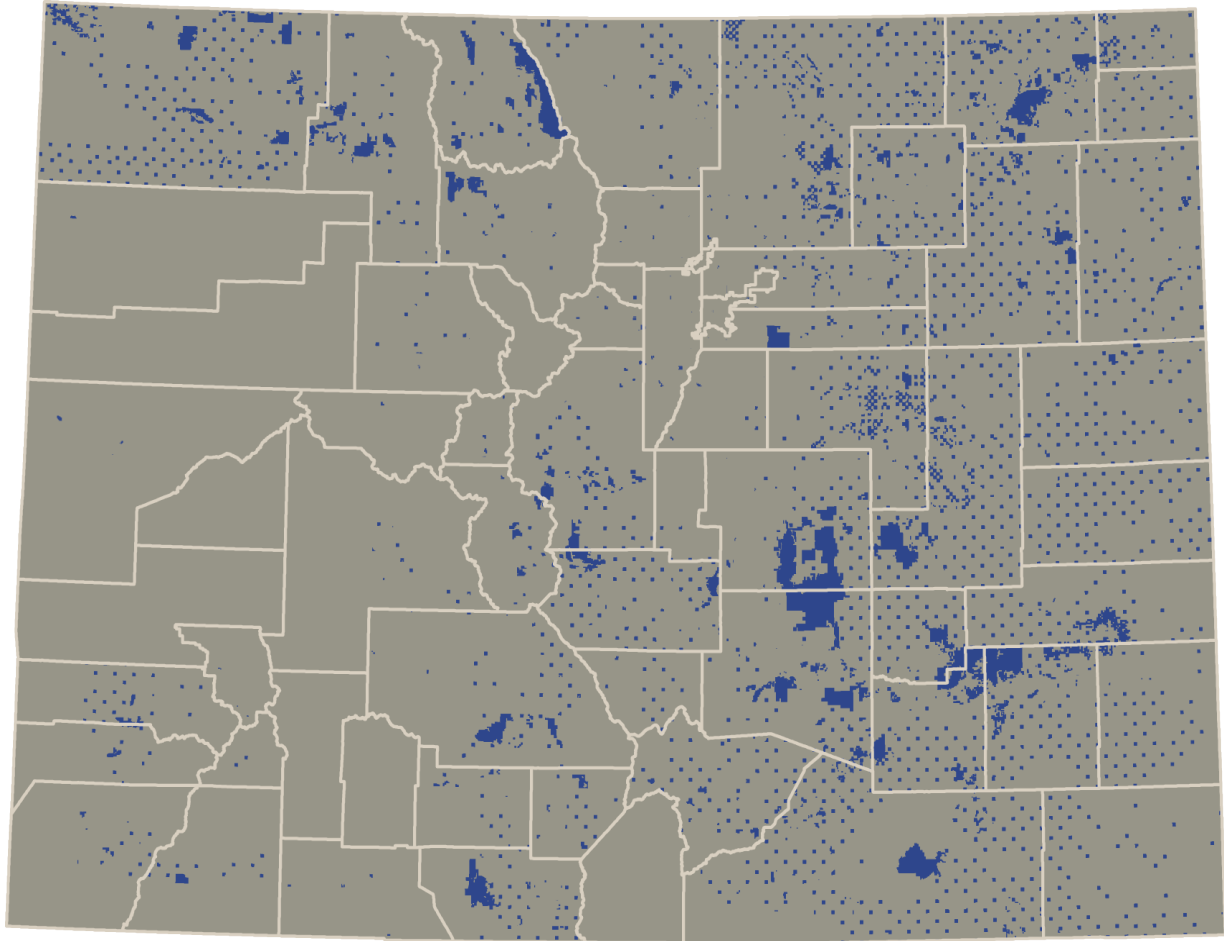
Background



Original SLB Lease:

- Between SLB and Wingfoot Water Resources, LLC
- Compensation structure for all water eventually used from drilled wells on SLB parcels
 - Including pipe easements and land use
- Greeley has been paying Water Opportunity Charge since 2021
- Drilled 16 wells in 2025 to meet the lease
- Contract not written for a municipal entity and contained terms and conditions that Greeley could not agree to.

State Land Board, Justin Bieri



State Land Board

- Constitutionally created agency
- Dual mission:
 - Generate reasonable and consistent income
 - Provide sound stewardship of the assets
- Leverages assets for trust beneficiaries
- Statewide portfolio of water resources
- Water Program
 - Generates trust revenue
 - Buys, sells, and manages water assets
 - Protects water rights and other assets

State Land Board Amendment

Adding Parcels

- Greeley has interest in 4 additional parcels for future groundwater development
- These parcels will be included in the water court application, but will not have wells drilled yet

Compensation

- Would like to sell the water as “raw water” a.k.a rented water from the site before the Terry Ranch pipeline is completed.
 - This could be for rentals or other needs within the area
- “Treated Water”; any water that goes down the future Terry Ranch pipeline will be treated due to it entering our treated water system. This will be water for future municipal demands.



State Land Board Amendment



Terms and Conditions for Municipal Government

- Legal teams have updated agreement to match a municipal water providers legal requirements
- Additional protections for Greeley's investment in infrastructure
 - Includes mediation requirements and notice periods
- Insurance and Bonding
- Paragraph 23 to be negotiated after entry of the water court decree

Staff Recommendation

Staff Recommends that the Board approve and recommend to City Council the State Land Board Lease Amendment and to allow staff to further negotiate the bond requirements after entrance of the decree



Questions?





**STATE OF COLORADO
STATE BOARD OF LAND COMMISSIONERS**

Groundwater Production Lease No. OT-111631

1. **PARTIES** - THIS LEASE (the "Lease") is entered into on , 2026, (the "Effective Date") by and between the State of Colorado, acting through its State Board of Land Commissioners ("the Board" or the "Lessor"), whose address is 1127 Sherman Street, Room 300, Denver, CO 80203, and the City of Greeley, acting by and through its Water and Sewer Board, whose address is 1001 11th Ave., Suite 200, Greeley CO 80631 ("Greeley" or "Lessee") (each separately, a "Party" and, collectively, the "Parties"). This Lease supersedes the original lease dated January 18, 2018, between the Board and Wingfoot Water Resources, LLC, which was assigned to Greeley on January 28, 2021, and which assignment was approved by the Board on March 23, 2021.

2. **CONSIDERATION** - The Parties acknowledge that the mutual promises and covenants contained in this Lease and other good and valuable consideration are sufficient and adequate to support this Lease.

3. **DESCRIPTION OF THE LEASED WATER** - Lessor, in consideration of the term, conditions and agreements herein and of the payments and royalties reserved herein, to be kept and performed by Lessee, its successors and assigns, does hereby lease to Lessee the exclusive right and privilege of developing and using nontributary ("NT") groundwater from the Upper Laramie aquifer ("Leased Water"), underlying the lands herein described below, situated in the County of Weld, State of Colorado, to-wit:

<u>ACRES</u>	<u>SUBDIVISION</u>	<u>SEC-TWP-RGE</u>
498.36	Lots 1-4, S2N2, N2S2, SWSW, S2SE	22-T12N-R67W, 6th P.M.
533.07	Lots 1-4, S2N2, S2	24-T12N-R67W
640.00	ALL	26-T12N-R67W
640.00	ALL	28-T12N-R67W
480.00	N2, SW	34-T12N-R67W
640.00	ALL	36-T12N-R67W
559.76	Lots 1-2, S2N2, N2S2, S2SW	2-T11N-R67W
322.93	Lot 2, S2NW, SW	4-T11N-R67W
320.00	E2	8-T11N-R67W
640.00	ALL	10-T11N-R67W
640.00	ALL	12-T11N-R67W
640.00	ALL	14-T11N-R67W
640.00	ALL	16-T11N-R67W
210.00	THAT PORTION E OF W BDY OF 1-25	18-T11N-R67W
320.00	N2NE, SENE, NW, NESE	22-T11N-R67W
640.00	ALL	24-T11N-R67W

The 16 parcels listed above are hereinafter referred to as the "Original Leased Land."

584.99	LOTS 1-4, S2N2, S2	20-T12N-R66W
160.00	SE	19-T12N-R66W
651.24	E2, E2W2, LOTS 1-2	30-T12N-R66W
640.00	ALL	36-T11N-R67W

The four (4) parcels listed above are hereinafter referred to as the "Additional Leased Land." Where this Lease refers to "Leased Land," the reference shall be considered to include both the Original Leased Land and the Additional Leased Land.

Lessee contemplates developing an aquifer storage and recovery ("ASR") project on the Leased Land which would inject water supplies into the Upper Laramie Aquifer using injection wells on the Leased Land for later withdrawal and use by Lessee. The Parties agree that an ASR project on the Leased Land is not expressly permitted by this Lease. The Parties agree in good faith to negotiate terms for potentially authorizing an ASR project at a later date and that this Lease may be amended to include an ASR project in the future.

4. **USE OF THE LEASED WATER** –The use of the Leased Water shall be limited to and controlled by the terms of all well permits and water court decrees to be obtained by the Lessee at the Lessee's sole expense. Lessee shall be responsible for developing and implementing any augmentation plans or substitute water supply plans required by any well permits or water court decrees at Lessee's sole expense. Lessee shall submit all proposed plans for development of the Leased Water, including augmentation plans or substitute water supply plans, to Lessor for Lessor's approval prior to submitting to other government agencies, which approval shall not be unreasonably withheld. Lessor shall be listed as a Co- Applicant on any water court or well permit application and shall be provided with copies of all proposed court filings, with an opportunity to review and comment on all such filings before they are filed with the water court. Lessee shall have the exclusive right to use, successively use, recapture, and reuse all Leased Water produced and to take credit for any and all return flows generated by the use of produced groundwater during the Term (defined below) of this Lease pursuant to the water court decree to be obtained for the Leased Water as provided in this Paragraph (the "Decree"). Lessee may not take any actions or fail to act in a manner which could violate the terms of any well permits, water court decrees, augmentation plans, or substitute water supply plans applicable to the Leased Water.

5. **LEASE TERM** - This Lease shall have a "Term" beginning with the effective date first written above and ending on January 18, 2038 (unless extended pursuant to Paragraphs 8 or 9 below), subject to the payment of compensation and compliance with covenants and agreements contained herein.

6. **COMPENSATION**

A. Lessee will pay a minimum annual payment of \$125,000, payable regardless of annual water production volumes ("Water Opportunity Charge"). The Water Opportunity Charge allows Lessee to produce the first 250 acre feet ("Base Amount") per year of Leased Water without additional charge. If less than 250 acre feet of water is produced during the lease year, the Lessor will retain the full amount of the Water Opportunity Charge, and the payment shall not carry over into the next lease year. The Parties agree the lease year shall begin on January 1 of each year and end on December 31 of each year.

B. If Lessee produces more than the Base Amount in any lease year, Lessee will pay the following:

i. If the water is sold to customers as "raw water" (as opposed to treated water customers), Lessee will pay the greater of \$200.00 per acre foot or 12.5% of the gross sales price, for each acre foot of Leased Water produced above the Base Amount, as measured at the wellheads ("Raw Volumetric Charge").

ii. If the water is sold to customers as "treated water" from Lessee's municipal system, Lessee will pay \$200.00 per acre foot for each acre foot of Leased Water produced above the Base Amount, as measured at a location mutually agreed by the Parties ("Treated Volumetric Charge").

C. Lessee will pay \$500 per acre per year, rounded up to the nearest acre, for those portions of the Leased Land occupied by surface facilities on Leased Lands.

D. Temporary Above Ground Piping - Lessee will pay \$1,000 per mile per month for temporary above ground piping located on Leased Lands. Lessee will pay for temporary above ground piping located on land owned by Lessor other than the Leased Lands in accordance with the appropriate then-current Board policy and pricing.

E. Underground Piping - Lessee will pay for each right-of-way for underground piping prior to installing piping in each right-of-way, at the then-current right-of-way ("ROW") pricing per the schedule published on the Board website for any piping located on any land owned by Lessor, including the Leased Lands. The term of such ROWs shall also be based on the Board's current policy.

F. The Water Opportunity Charge payment is due annually on the last day of January. The Volumetric Charge shall be due and payable on or before the last day of January for Leased Water produced during the previous July through December, and the last day of July for Leased Water produced during the previous January through June during the term of this Lease.

G. On each anniversary of the Effective Date, the flat portion of the Volumetric Charge (i.e. \$200/ acre foot) and the Water Opportunity Charge shall be increased by two percent (2%).

7. **SURFACE ACCESS** - Lessee has the right to use as much of the Leased Land as may be reasonably required in the exercise of the right to develop and produce the Leased Water, including the right to enter upon the surface to construct wells, install water storage tanks, install and maintain pumps, conduct environmental monitoring, surveying, and assessments and the right to reasonable ingress and egress; the right to construct buildings, pipelines, and other improvements as may be reasonably necessary in producing the Leased Water, to the extent Lessor has the authority to grant such rights subject to Paragraph 9 of this Lease. However, this grant is subject to all existing easements and rights-of-way of third parties, the rights of surface lessees and surface patentees, the rights of existing mineral lessees, and the terms, conditions and agreements set out in this Lease. Lessee shall utilize existing roads where possible and minimize surface disturbance. Lessee shall submit plans for use of the surface to Lessor for Lessor's approval prior to any disturbance or construction, the approval of which shall not be unreasonably withheld. No later than ninety (90) days following completion of any disturbance or construction, Lessee shall submit to Lessor final as built drawings showing all completed construction, including but not limited to buildings, pipelines, wells, and other improvements. Lessee also has the right to reasonable ingress and egress in, on, through, over, and across the Leased Lands as may be reasonably required in the exercise of Lessee's right to develop, produce and maintain water originating from wells on adjacent property or elsewhere in Lessee's system. Notwithstanding the foregoing, if Lessee desires to use the Leased Land to transport water originating from wells on adjacent property or elsewhere in Lessee's system, Lessee must obtain from Lessor a separate right-of-way agreement, approval of which shall not be unreasonably withheld. The right of way application process shall be in compliance with Lessor's Right-of-Way Policy No. 300-002 (Rev. June 2024), as revised, and the then-current right-of-way pricing per the schedule published on the Board's website.

A. Lessee contemplates that it may need to construct and operate a water treatment plant on the Leased Land for treatment of Leased Water and Lessee's other water supplies in the future. This Lease does not specifically authorize such future facility. The Parties agree to negotiate in good faith for this facility in the future as a separate surface lease or an amendment to this Lease.

B. Lessor authorizes Lessee to locate a maximum of two trailers, for the purpose of temporary occupancy for Lessee's staff or consultants, on the Leased Land in connection with activities under the Lease, under the conditions stated herein. Such authorization is only permitted during phases of construction of infrastructure projects related to the Lease being placed on, under, or through the Leased Land.

i. Lessor authorizes Lessee to stage one vehicle within 100 yards of the trailer(s) during periods when the Lessee is not present on the Leased Land performing activities under or in connection with the Lease.

ii. Lessee agrees to maintain a portable toilet, in sanitary condition, within 100 yards of the trailers(s) at all times while the trailer(s) is/are occupied.

iii. Lessee agrees to maintain any generator in connection with the trailer(s) in a safe and workmanlike condition.

iv. Lessee acknowledges and agrees that any third-party personnel servicing the portable toilet, generator, or any item associated with the trailer(s) shall first obtain a Temporary Access Permit from the Board's District Manager before entering the Leased Lands.

v. No later than 30 days after completion of the construction infrastructure project on the Leased Lands, Lessee shall promptly remove the trailer(s), portable toilet, generators, and any other associated personal property. Lessee shall proceed with due diligence to repair, restore, replace, or rebuild so as to make the Leased Land previously burdened by the trailers(s) and any associated property at least equal or substantially similar in quality to the original condition. These obligations shall not terminate upon the assignment, termination, surrender or expiration of the Lease, but shall continue until any affected land is returned to at least the same or substantially similar quality as its original condition prior to any activity under this Lease.

C. Nothing in this Lease authorizes third party surface access to the Leased Lands without prior authorization by Lessor. Lessor authorizes Lessee to create a pullout from a county road or public highway on Leased Land where Lessor may construct a storage tank or other appropriate truck or tank filling station. Lessee agrees to design and build the filling station and pullout to minimize the impact on the Leased Land. Lessee must provide plans and specific location to Lessor and obtain Lessor's approval prior to constructing the filling station in

accordance with this Lease. Upon approval and construction, Lessee's filling station customers may access the filling station pullout with Lessee's consent without obtaining separate consent from Lessor. Nothing in this Paragraph authorizes Lessee to establish a filling station anywhere in the Leased Land not bordered by or touching a county road or public highway.

8. **EXTENSION** - Lessor is not obligated to issue a new lease or to renew this Lease upon the expiration of the Term. The Parties acknowledge that this Lease as it relates to the Original Leased Lands has been extended consistent with Paragraph 9 below. With respect to the Additional Leased Lands, this Lease shall be extended for a subsequent ten (10) year term, if the Lease has not already been extended pursuant to Paragraph 9 below, upon one (1) year's advance written notice from Lessee to Lessor that Lessee desires to extend the Lease. Lessee may have a preferential right to renew this Lease or to receive a new lease for the Additional Leased Lands, under the following conditions:

- a) Lessee shall furnish to Lessor satisfactory evidence of plans for developing beneficial uses of Leased Water during the term of the renewed lease or during the term of a new lease.
- b) A renewal of this Lease would, as determined by Lessor, be in the best interest of Lessor.
- c) A water opportunity charge, the amount to be negotiated at the time of the renewal, will be due and payable annually commencing on the effective date of the renewal lease and shall continue until the expiration of the renewed term.

9. **EXTENSION BY CONSTRUCTION OF WELLS AND PRODUCTION** - This Lease shall not be held in perpetuity. The Parties recognize that under Colorado Law, the nontributary water rights that are the subject of this Lease may be decreed to be developed from one or more wells potentially located anywhere within the Leased Land. The Term of this Lease may be extended beyond the Term stated in Paragraphs 5 and 8 as follows:

- A. Before the Division 1 Water Court issues the final, non-appealable Decree (the "Decree Date"):
 - i. Original Leased Land: The Parties acknowledge that the original lease provided that the Lease Term was perpetuated by installation of a well capable of producing Leased Water as to the Leased Water located within the Section where the well is located. The Parties acknowledge that Lessee has constructed a well capable of producing the Leased Water within each Section of the Original Leased Land. The Term of the Lease with respect to the Original Leased Land is hereby extended to the Decree Date, subject to further extension as provided in subparagraph 9.B below.
 - ii. Additional Leased Land: The Term with respect to the Additional Leased Land shall be as stated in paragraph 8 above unless Lessee constructs a producing well or well capable of producing Leased Water on the Section where the well is located or the requirements of Paragraph 9.B.i.a, below, are satisfied. If a water court decree has not been issued at the end of the Term, all Sections of Additional Leased Lands that do not contain a producing well or a well capable of producing will be eligible to be released from this Lease at the option of the Lessor to the extent of the Leased Water associated with the Section. The Term of the Lease with respect to the Additional Leased Land where a producing well or a well capable of producing is located shall be extended to the Decree Date subject to further extension as provided in subparagraph 9.B below.
- B. After the Decree Date:
 - i. If the Decree allows the Leased Water to be developed from one or more wells within the Leased Land, the Parties will consider the Leased Water to be separated from the Leased Land.
 - a) Leased Water: As of the Decree Date, the Term of this Lease shall be automatically extended for ten (10) years from the Decree Date so long as Lessee maintains no less than one well capable of producing some or all of the Leased Water anywhere on the Leased Land as decreed. Thereafter, the Term of this Lease shall be extended as to the Leased Water for so long as Lessee produces some or all of the Leased Water as decreed in at least one (1) year out of any consecutive ten (10) year period from one or any combination of wells located on the Leased Land. If Lessee fails to produce some or all of the Leased Water from one or any combination of wells for any consecutive ten (10) year period beginning ten (10) years after the Decree Date, the entirety of the Leased Water shall automatically revert to Lessor and this Lease shall be considered expired.
 - b) Leased Land: The Term of this Lease as related to the Leased Land shall be automatically extended for ten (10) years from the Decree Date for any Section of the

Leased Land where a well capable of producing the Leased Water, a water pipeline, or other water infrastructure, is located. Thereafter, the Term of this Lease shall be extended as to each Section of the Leased Land for so long as Lessee produces some or all of the Leased Water as decreed in at least one (1) year out of any consecutive ten (10) year period from such Sections. Lessee shall notify Lessor no later than ten (10) years after the Decree Date of which well or wells Lessee intends to maintain for future production of Leased Water. Upon receipt of the notice, all Sections of Leased Lands that do not contain the well or wells in the notice shall be eligible to be released from this Lease at the option of the Lessor to the extent of the surface interest of this Lease. Any reduction of the Leased Land pursuant to this subparagraph shall not result in a reduction of the amount of the Leased Water.

ii. If the Decree does not allow the Leased Water to be developed from one or more wells within the Leased Land and rather requires the Leased Water associated with each Section to be developed from a well located on that Section, the Parties will not consider the Leased Water and Leased Land to be severed for purposes of the Term of this Lease. In this case, the Term will be extended for ten (10) years from the Decree Date for any Section of Leased Land upon which a well capable of producing Leased Water lies. Following the initial ten (10) year extension, the Term shall only be extended as to a Section if the Section contains a well capable of producing the Leased Water associated with the parcel and Leased Water is actually produced at least one (1) year out of any consecutive ten (10) year period.

C. The terms and conditions of this Paragraph shall control the Term of this Lease regardless of whether Lessee continues to pay any and all fees due under Paragraph 6 during periods of non-production.

10. **CARRIAGE LOSS** - Lessee is responsible for, and shall bear, any carriage loss or charge, transit loss, ditch loss (whether by seep, evaporation, or otherwise) or similar loss of the amount of water from measurement of the water at the wellhead.

11. **MEASUREMENT DEVICES** - Lessee must install all necessary measurement devices and maintain the measurement devices in good working condition.

12. **NO RIGHTS CONVEYED** - This Lease does not convey or confer rights or ownership in the Leased Water other than as specifically stated in this Lease, nor shall any future needs of Lessee for water enable Lessee to make claims against Lessor for any water rights owned or controlled by Lessor, except as provided herein. Lessee will obtain the Decree for the Leased Water, so that Lessee will have exclusive rights to develop and use the Leased Water as provided in Paragraph 4, above, for so long as this Lease is in effect. If, for any reason, this Lease is terminated and Lessor leases the Leased Water to a third party, then Lessor must include in any lease to such third party the obligation to compensate Lessee within thirty (30) days of the effective date of such third party lease for the fair market value of any and all wells and other infrastructure, subject to depreciation, installed pursuant to this Lease. Under no circumstances will Lessor be liable to compensate Lessee for any wells or other infrastructure, either directly or indirectly. The terms of this Paragraph shall survive the termination or expiration of this Lease.

13. **OFFSET DRAINAGE** - Lessee agrees to make every reasonable attempt to ensure that the Decree and any subsequent modifications or new decrees approved by the water court shall have a proportional allocation to the water rights decreed on lands adjacent to Leased Land. Development plans for Leased Water shall be coordinated by the Lessee with the development plans on adjacent lands to ensure that well locations follow all setback requirements enforced by the Colorado Division of Water Resources, unless otherwise agreed to in writing by the Lessor.

14. **PARTNERSHIP** - Nothing in this Lease shall cause the Lessor in any way to be construed as a partner, a joint venture or associated in any way with the Lessee, or subject the Lessor to any obligation, loss, charge or expense connected with or arising from the operation or use of the Leased Water or any part thereof.

15. **LIABILITY AND INDEMNITY** - Lessee is a "public entity" within the meaning of the Colorado Governmental

Immunity Act, C.R.S. §§ 24-10-101, et seq. (the "GIA"). Nothing in this Agreement should be construed to limit or alter the benefits and responsibilities to which Lessee is entitled pursuant to applicable law, including, without limitation, the GIA. Lessee and Lessor respectively shall defend any and all claims for injuries or damages, in accordance with the requirements and limitations of the GIA, that occur as a result of the negligent or intentional acts or omissions of their own officers, agents, employees, or assigns. Lessor and Lessee respectively shall be responsible for any and all liability for injuries or damages caused by any negligent acts or omissions of their own officers, employees, agents, or assignees performing functions or activities upon the property of the other Party. Lessor and Lessee shall each require any contractor or subcontractor retained for the various projects contemplated by this Lease to maintain insurance coverage adequate to the satisfaction of both the Lessor and Lessee and to provide certificates of insurance. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the GIA and the risk management statutes, C.R.S. §§ 24-30-1501, et seq., as amended. This provision shall survive termination, cancellation or relinquishment of this Lease and any cause of action by Lessor to enforce it shall not be deemed to accrue until Lessor's actual discovery of said liability, claim, loss, damage, or exposure.

16. **RESERVATIONS TO LESSOR** - This Lease is subject to any and all presently existing easements, rights-of-way, and other interests, whether or not visible on the ground; and, in addition to its reversion upon termination of this Lease, the Board hereby reserves:

A. All rights, privileges and uses of every kind or nature not specifically granted to Lessee by this Lease.

B. The right to sell, exchange, or otherwise dispose of all or any portion of the surface where Lessor is the surface owner subject to the terms and conditions of this Lease. Lessor shall provide Lessee notice upon the Lessor's decision to initiate a sale or exchange of all or a portion of the Leased Land.

C. The right to lease all or any portion of Lessor's land to other persons for the purposes of initiating and continuing grazing and agricultural uses, developing renewable energy, and exploring for and removing timber, minerals, ores, metals, coal, asphalt, sand, gravel, clay, quarry products, peat, geothermal resources, and all other naturally occurring resources, together with reasonable and adequate rights of entry and surface rights necessary or convenient to exercise such reserved rights. Any new leases shall be compatible with and subject to the rights and privileges granted to Lessee herein.

D. Upon termination of this Lease, the right to sell, exchange, develop or otherwise dispose of all or any portion of the Leased Water that is subject to this Lease and the Decree.

E. Ownership of the Leased Water and all water and water rights, appurtenant to or used in connection with the Leased Water. Lessor shall not own and does not reserve any ownership interest in the structures constructed or completed by the Lessee, including but not limited to wells, pumps, or pipelines. All such rights shall be and remain the property of the Lessor, except as stated herein.

F. The right at any time to grant a right-of-way upon, over or across all or any part of Lessor's surface for any ditch, reservoir, railroad, communication system, electric powerline, pipeline, schoolhouse or other lawful purpose. Prior to Lessor's granting of a separate right-of-way across the Leased Lands to any third party, Lessor shall provide Lessee with the opportunity to review and comment on any proposed alignment of such right-of-way and infrastructure design. Lessor shall acknowledge any comments of Lessee in writing and shall consider reasonable requests for accommodations or alterations which Lessee may propose. Such grants shall be subject and subordinate to the rights of Lessee granted herein and shall provide that any and all damages caused to any structures or improvements placed upon the surface of the premises subsequent to the date hereof shall be repaired by and at the expense of the party to whom the easement or right-of-way was granted. If the grant of such rights shall unreasonably interfere with Lessee's rights hereunder, the implementation or effectiveness of the grant of such rights shall be delayed until such time as there is no interference with Lessee's rights.

G. The right at any time to place the Leased Land into the Stewardship Trust as set forth in Section 10(1)(b)(l) of Article IX, of the State Constitution. Said placement into the Stewardship Trust shall be for reasons not inconsistent with the rights and privileges of lessee.

17. **ASSIGNMENTS, SUBLEASING AND ENCUMBRANCES**

A. **Assignments**: This Lease shall be binding on the parties hereto, their heirs, representatives, permitted successors, and permitted assigns. This Lease shall not be assigned, transferred or sold, voluntarily or

by operation of law, without the prior written consent of Lessor. Consent to an assignment may be granted or withheld by the Lessor acting in its sole discretion, and upon such terms and conditions as determined by Lessor, including the payment of an assignment fee not to exceed \$2,500.00, and such consent shall not be unreasonably withheld. For the avoidance of doubt, any name change of the Lessee shall be considered an assignment, as shall any assignment to any other governmental entity regardless of whether such entity is controlled by Lessee. Assignment or other transfer without written consent of Lessor shall be void ab initio. The acceptance by the Lessor of any payment due hereunder from any person other than the Lessee shall not be deemed a waiver by the Board of any provision of this Lease or to be consent to any assignment. In addition to any assignment fee assessed above, if the approved assignment is in connection with a sale of the rights, benefits, or obligations of this Lease or the Leased Water to a third party, Lessee shall pay to the Lessor an amount equal to 25% of the value of the total consideration for the sale transaction as determined by the amount to be paid to Lessee (and other in-kind value received) in exchange for the transfer of such rights, benefits, duties, or obligations. Lessee shall provide Lessor with any requested sale transaction documents pertaining to the assignment and acknowledges that confidentiality or non-disclosure requirements of any such transaction documents shall not excuse Lessee's performance with this section.

B. **Subleasing:** For the purposes of this Lease, the Parties agree that Lessee providing Leased Water to any third party shall not constitute a sublease of this Lease. Providing water service to its municipal customers by way of agreements with those customers shall not constitute a sublease of this Lease. Any agreement which transfers, assigns, or is intended to afford or confer upon any third party any of Lessee's rights or benefits, or transfers, assigns, or delegates any obligations of this Lease while Lessee remains a party to the Lease shall constitute a sublease of this Lease, including but not limited to any agreement which allows the third party to acquire or retain any of the Leased Water, separate from a sale of water by Lessee. Lessee shall not sublease any right, duty, or obligation afforded by this Lease without prior written consent of Lessor. Consent to a sublease may be granted or withheld by Lessor, acting in its sole discretion and upon such terms and conditions as determined by Lessor, including the payment of any sublease fee, and such consent shall not be unreasonably withheld. Lessor may require sublessee to obtain separate agreements, temporary access permits, rights-of-way, special use agreements, or any other authorization required by Lessor's then-current policies and procedures or as reasonably determined necessary or advisably by Lessor. Subcontractors engaged by Lessee to complete specific construction, development, operation, or maintenance tasks necessary to accomplish the purpose of this Lease are not sublessees under this Lease, unless such subcontractors are assigned, transferred, or delegated any rights or obligations under this Lease.

C. **Encumbrances:** Lessee shall not allow any encumbrances to burden the Leased Lands. Any and all requests for encumbrances of the Leased Lands shall be conveyed to Lessor in accordance with Lessor's then-current policies and procedures for requests for an encumbrance.

18. **TERMINATION, DEFAULTS, AND REMEDIES**

A. Termination: This Lease may be terminated in the following manners:

i. By Lessor: Lessor may terminate this Lease for default as further described in subparagraph 18.B. Lessor may terminate this Lease in the public interest only if so directed by the Governor or the General Assembly. In such instance, the termination shall not be effective until a minimum of fifteen years after Lessor provides notice of termination pursuant to direction of the Governor or the General Assembly, and the Water Opportunity Charge described in Paragraph 6.A above shall not apply during such fifteen year period.

ii. By Lessee: Lessee may terminate this Lease for any reason, including failure to obtain a water court decree, as further described in Paragraph 19 herein.

iii. Expiration: This Lease shall terminate by its own terms pursuant to the expiration of term further described in Paragraphs 8 and 9.

iv. Any termination by any Party, except expiration, shall not be effective unless a termination notice is provided to the other Party as required in this Lease.

v. At the termination date established in the termination notice, Lessee shall not hold any further obligations to any customers, internal or external, to deliver any Leased Water. Any of Lessee's service contracts must contain a provision detailing that the rights of the service contract shall not survive termination of this Lease.

B. Defaults by Lessee. The occurrences of any one or more of the following events shall constitute a default hereunder by the Lessee:

- i. Failure by the Lessee to make any payment required under the Lease when due.
- ii. Use of the Leased Water by the Lessee, its successors, and assigns, or attempted use of the Leased Water for any other purpose than those permitted by this Lease.
- iii. Failure by the Lessee to perform any and all of the covenants, conditions, or requirements contained herein.

C. Notice & Cure: Any of the above events of default may be cured by the Lessee within thirty (30) days after written notice thereof from the Lessor to the Lessee in accordance with Paragraph 29.P ("Notices") of this Lease. If the nature of the Lessee's default is such that more than thirty (30) days are reasonably required to cure such default, then the Lessee shall not be deemed to be in default if the Lessee shall commence such cure within said thirty (30) day period and thereafter diligently pursue such cure to completion.

- i. If any noticed default of this Agreement remains uncured after the thirty (30) day cure period described in this Paragraph, or after any extension of the cure period mutually agreed to by the Parties, the Parties shall submit the noticed default dispute to mediation in accordance with the provisions of this Paragraph.
- ii. The Parties shall identify and retain a mutually acceptable mediator within twenty-one (21) days after expiration of the cure period, submit the dispute, and fully participate in good faith in the mediation of the dispute. In the event the Parties cannot agree upon a mutually acceptable mediator within twenty-one (21) days, they shall submit the dispute to Judicial Arbitrator Group, Inc. (1601 Blake Street, Suite 500, Denver, Colorado).
- iii. If at any time either Party fails to participate or prematurely discontinues its participation in the mediation, the other Party shall be entitled to seek available remedies pursuant to subparagraph 18.D (Lessor's remedies) or subparagraph 18.E (Lessee's remedies), respectively, below.

D. Lessor's Remedies: If the Parties do not resolve the noticed default dispute after completing mediation in good faith and in accordance with Paragraph 18.C above, then Lessor may exercise the following remedies:

i. Termination. Lessor may terminate Lessee's right to possession of the Leased Water by any lawful means. If, at the time of the termination notice, Lessee is using the Leased Water to supply municipal water service through its treated water system, the termination notice will establish the effective termination date which shall be no sooner than five (5) years after the termination notice date. If, at the time of the termination notice, Lessee is not using the Leased Water to supply municipal water service through its treated water system, the notice will establish the effective termination date which shall be no sooner than sixty (60) days after the termination notice date. This Lease shall terminate on the effective termination date established in the notice and the Lessee shall surrender possession of the Leased Water and Leased Land to Lessor according to the terms of Paragraph 19 of this Lease at that time. In such event of termination, the Lessor shall be entitled to recover from the Lessee:

- a) The accrued but unpaid Water Opportunity Charge or Volumetric Charge as of the date of such default, and other payments owed pursuant to this Lease which have accrued together with interest;
- b) Any other amount necessary to compensate Lessor for the Lessee's failure to perform its obligations under this Lease or which would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Leased Water or Leased Lands, expenses of re-leasing, reasonable damages, reasonable attorney fees, and any other reasonable costs;
- c) Compensation for costs incurred for use of the Leased Water, including ongoing obligations under the Decree;
- d) Interest on unpaid rental amounts. The interest shall be one and one half percent (1.5%), compounded monthly. Said interest shall accrue from the dates such amounts accrued to the Lessor until paid by the Lessee.

ii. Cumulative Rights. The rights and remedies reserved to Lessor, including those not specifically described, shall be cumulative, and Lessor may pursue any or all of such rights and remedies, at the same time or separately.

E. Lessee's Remedies. If the Parties do not resolve the noticed default dispute after completing mediation in good faith and in accordance with paragraph 18.C above, then Lessee may terminate the Lease. Such termination must adhere to the procedure and other provisions in paragraph 19, below.

19. **SURRENDER**· As provided in subparagraph 18.A, above, Lessee may terminate this Lease for any reason. Such reasons may include if Lessee is unable to obtain the Decree establishing that the Leased Water is nontributary or if the Leased Water does not satisfy the requirements of Lessee in any way. Lessee shall provide written notice to Lessor thirty (30) days prior to termination. Such termination is the sole recourse. All of Lessee's prior payments to Lessor will be forfeited. Upon termination of this Lease prior to the expiration of the Lease Term, the Lessee shall peaceably and quietly surrender possession of the Leased Water and any portion of the Leased Lands used by Lessee, at no cost to Lessor. Lessee shall transfer ownership of all structures to Lessor and provide written notice to Lessor of the relinquishment of any right to use the Leased Water under the Decree; provided, however, that at Lessee's option and expense, Lessee may remove all or a portion of such structures from the Leased Lands, and in connection therewith Lessee shall use commercially reasonable efforts to restore any disturbed land surfaces on the Leased Lands. Lessee shall have the right to negotiate a separate agreement with Lessor to continue to use structures that cross the Leased Lands, such as pipelines crossing the Leased Lands that connect to wells on private property and shall complete the Board's right-of-way application process in compliance with the Board's Right-of-Way Policy No. 300-002 (Rev. June 2024), as amended (but shall not be obligated to pay any additional right-of-way fees to the extent such fees were paid pursuant to Paragraph 6.E above).

20. **LIENS AND CLAIMS** - The Lessee must promptly pay all charges and assessments levied upon or on account of the Lessee's use and development of the Leased Water or Leased Land, or any part thereof, or any improvements and must prevent such charges and assessments from becoming a charge or lien on the Leased Water or Leased Land by complying with C.R.S. §§ 38-26-101, et seq.

21. **NO REPRESENTATIONS OR WARRANTIES** - Lessor makes no representations or warranties as to the Leased Water, its quantity, quality, or availability.

22. **RECORDS** -

A. Financial: Lessee agrees to keep and to have in possession complete and accurate books and records regarding the Lessee's payment obligations under this Lease, including, but not limited to, contracts and agreements for the sale or exchange, or other disposition of the Leased Water, and records showing the production, water levels, sale, exchange, and disposition of any and all Leased Water, including all information necessary to determine the Volumetric Charge for the Leased Water and all information and accounts required under the Decree.

B. Water: Lessee shall take all steps necessary to measure all diversions and use of the Leased Water. Lessee shall record all measurements and associated calculations of water volumes of Leased Water produced including but not limited to meter readings and total calculations in acre feet. Lessee shall provide an accounting of all water measurements with volumetric totals with each payment of the Volumetric Charge.

C. Annual Report: Lessee shall provide to Lessor an annual summary report containing such information as may be necessary to confirm the accuracy of the Volumetric Charge.

D. Audit: Lessee shall permit Lessor, at all reasonable hours, to audit, examine, or copy the books, accounts, and records related to this Lease, or to furnish copies of same to Lessor within ten (10) days of request. Any confidential information reviewed during such audit or examination shall be kept confidential by Lessor to the extent allowed by law. Lessor will not be unreasonable with requests.

E. Retention: All said books, accounts, and records shall be retained by Lessee and made available in Colorado to Lessor for a period of not less than seven (7) years. Lessee shall retain all water measurement records for the life of this Lease.

23. **DAMAGE TO LEASED LAND AND BONDS**·- All operations of the Lessee shall be conducted in a workmanlike and reasonable manner, and all necessary precautions shall be taken to avoid damage to the Leased Land. Prior to commencing operations on the Leased Land, and in accordance with C.R.S. §§ 38-26-101, et seq., Lessee shall ensure that any subcontractor engaged to complete any work on the Additional Leased Land furnish a performance bond to the Lessor (as an additional obligee) in an amount equal to one hundred percent (100%) of the contract amount between subcontractor and Lessee with Lessee named as second principle to such bond as

security for the faithful performance of their contract with Lessee. Such bond payment shall be in a form acceptable to Lessor. Lessor acknowledges that on November 19, 2024 the Lessee provided a performance bond in the amount of \$725,000.00 as part of the assignment of the original lease to Greeley and this bond may be released upon execution of this Lease.

A. When the Lessor owns the surface estate, Lessee shall be liable for all damages to the surface of the Leased Land, native grass, timber, irrigation structures, livestock, growing crops, water wells, reservoirs, or improvements caused by Lessee's operations on the Leased Land. Lessee shall give or cause to be given to Lessor prompt notice of damage to or destruction of the Leased Land or its surface, if owned by Lessor, or any part thereof, by any cause, resulting from the Lessee's use. Subject to Lessee's right to make a reasonable use of the surface of the Leased Land for its operations, Lessee shall promptly proceed with due diligence to repair, restore, replace or rebuild so as to make the Leased Land at least equal or substantially similar in quality to the original condition, restore it as required by Lessor, and to plans approved in writing by Lessor, if required in the special stipulations of this Lease.

B. No bond shall be required by Lessee upon execution of this Lease. The Parties agree to negotiate in good faith regarding whether a form of financial assurance may be required by Lessee upon entry of the Decree.

C. These obligations shall not terminate upon the assignment, termination, surrender or expiration of the Lease, but shall continue until the Leased Land is returned to at least the same or substantially similar quality as its original condition prior to any operations under this Lease on the Leased Land.

24. **SURVIVAL OF TERMS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AND COVENANTS** - Any term, condition, restriction, reservation or covenant that gives rise to any rights or claims of Lessor against Lessee shall be deemed to survive the termination, relinquishment, surrender, or abandonment of this Lease until all claims and issues have been settled or resolved. Upon termination, surrender, or abandonment of this Lease for any reason, provided Lessor does not expressly take over or assume any of Lessee's obligations hereunder, Lessor shall not be liable or responsible for compliance with, any laws, rules, regulations, orders, local ordinances or resolutions applicable to this Lease, except for the requirements of Paragraph 12 above or as otherwise provided herein. Lessor shall be responsible for any ongoing obligations required by the Decree and any well permits or other governmental approvals or permits for infrastructure that remains on the Leased Land.

25. **NO WAIVER** - Failure or delay by either Party to exercise any right, power or privilege hereunder will not operate as a waiver hereof, nor will any single or partial exercise of any right or privilege hereunder preclude further exercise of the same right or the exercise of any right hereunder. A waiver on one or more occasions of any of the provisions hereof shall not be deemed a continuing one. Acceptance of payments by Lessor shall not be deemed to effect (a) a ratification, renewal, extension, or amendment of this Lease, or (b) a waiver of any rights granted to Lessor, the obligations imposed upon Lessee, express or implied, or the remedies for Lessee's breach, or (c) an estoppel against Lessor preventing Lessor from enforcing Lessor's rights or Lessee's obligations hereunder, express or implied, or from seeking damages for Lessee's breach thereof. No instrument executed by Lessor shall be effective to constitute ratification, renewal, extension or amendment of this Lease unless the instrument is clearly titled to indicate its purpose and intent.

26. **INSURANCE** - Lessee shall maintain at all times during the term of this Lease such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Lessee shall ensure that any subcontractor engaged to complete any work on the Leased Land maintains a minimum of a comprehensive liability insurance policy covering the subcontract work including, but not limited to, general liability, workers compensation, and automobile liability each with a minimum limit of \$1,000,000 for each occurrence, in the aggregate, and for each accident. Such coverage shall include, without limitation, legal liability of the insured for property damage, bodily injuries, and deaths of persons in connection with the subcontract and each policy shall name Lessor as an additional insured.

27. **NO THIRD-PARTY BENEFICIARY** - Nothing in this Lease is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Lease.

28. **COMPLIANCE WITH LAW** - Lessee shall comply fully with all provisions, terms, conditions of all laws, whether local, state or federal, and orders issued thereunder, including but not limited to the rules and regulations

of the Lessor, the Colorado Division of Water Resources, the Colorado Groundwater Commission, any ground water management district, and any other state, local, or federal agency or commission with authority to regulate activities pursuant to this Lease. In the event that the Lessee is required to file applications, instruments, and documents with other agencies, Lessee shall notify Lessor of said filing and Lessor reserves the right to request and obtain copies of such applications, instruments, and documents from the Lessee.

29. **MISCELLANEOUS**

A. **Waiver.** The waiver of any breach of any provision of this Lease by either Party shall not constitute a continuing waiver of any subsequent breach of said Party, for any breach of the same or any other provision of the Lease.

B. **Entire Understanding.** This Lease represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

C. **Captions.** Captions and paragraph headings in this Lease are intended for convenience and reference only and shall not define, limit, or describe the scope or intent of any provisions of this Lease.

D. **Severability.** Provided this Lease can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof, provided that the Parties can continue to perform their obligations under this Lease in accordance with its intent.

E. **Survival.** Notwithstanding anything herein to the contrary, provisions of this Lease requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and remain enforceable.

F. **Binding Effect.** This Lease and the rights and obligations created hereby shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

G. **Modification or Amendment.**

i. By the Parties. Except as specifically provided in this Lease, modifications of this Lease shall not be effective unless agreed to in writing by the Parties, which shall be included as an amendment to this Lease.

ii. By Operation of Law. This Lease is subject to such modifications as may be required by changes in federal or Colorado state law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Lease on the effective date of such change, as if fully set forth herein.

H. **Governing Law and Venue.** This Lease and its application shall be construed in accordance with the laws of the State of Colorado. The parties agree that venue for any litigated disputes regarding this Lease shall be the Denver County Colorado District Courts.

I. **Counterparts.** This Lease may be executed in multiple identical original counterparts, all of which shall constitute one Lease.

J. **No Third-Party Beneficiaries.** Enforcement of this Lease and all rights and obligations hereunder are reserved solely to the parties. Any services or benefits which third parties receive as a result of this Lease are incidental to the Lease, and do not create any rights for such third parties.

K. **Non-Business Days.** If the date of any action under this Lease falls on Saturday, Sunday or a day recognized as a holiday by the State of Colorado, then the relevant date shall be extended automatically until the next day that is not Saturday, Sunday or a holiday.

L. **Colorado Open Records Act Disclosure.** This Lease is subject to public release through the Colorado Open Records Act, C.R.S. §§ 24-72-201, et seq.

M. **Governmental Immunity.** No term or condition of this Lease shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the GIA as applicable now or hereafter amended.

N. **Compliance with Laws.** The Lessee shall comply with the Decree and all applicable federal, state, and local ordinances, rules, regulations, and laws regarding the Leased Water and activities conducted in the use thereof. Furthermore, the Lessee shall not use or permit the Leased Water to be used in violation of the Decree and any rule, regulation, or law or for any purpose tending to damage or harm the Leased Water.

O. **Lessee's Authority.** If the Lessee is an entity other than an individual, each individual executing this Lease on behalf of said entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity and that this Lease is binding upon said entity in accordance with its terms. Upon request, the Lessee shall deliver a certified copy of the appropriate document evidencing authorization for such execution.

P. **Notices.** Any notice, demand, request, designation, consent, approval, or other document or instrument required under the provisions of this Lease shall be in writing, shall be deemed to have been duly served on the day of receipt or rejection and shall be sent by registered or certified United States mail, postage prepaid, return receipt requested, or by a nationally recognized overnight courier service that provides written evidence of delivery, as addressed to the Parties hereto. The Parties may change the place for serving such papers on it or provide for the delivery of not more than two (2) additional copies by giving the other party at least thirty (30) days prior written notice to such effect. Notices shall be sent to:

IF TO LESSEE:

City of Greeley

Attn: Director of Water and Sewer

1001 11th Street, 2nd Floor

Greeley, CO 80631

IF TO LESSOR:

State Land Board

Attn: Colorado State Board of Land Commissioners Water Program Manager

1127 Sherman Street Suite 300

Denver Colorado 80203

Q. **Further Assurances.** From time to time following the Effective Date, Lessor and Lessee upon receipt of notice from the other party shall execute and deliver such additional documents and instruments and take such further actions as may be reasonably necessary to give effect to the terms of this Lease. Lessor agrees to reasonably cooperate with Lessee in Lessee's development of the Leased Water, within the limits of law and Lessor's rights under this Lease.



Agenda Summary

January 21, 2026

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

Title:

Approve and Recommend to Council of Graywater Prohibition Ordinance

Summary:

Graywater recapture involves reusing lightly used household water (e.g., from showers, sinks, and laundry) for non-potable purposes such as irrigation or toilet flushing. While this approach can offer theoretical water conservation benefits, staff has identified significant challenges and risks associated with authorizing residential graywater systems in Greeley.

From a regulatory perspective, Colorado Regulation 86 allows graywater use only if a local government adopts its own ordinance, permitting, inspection, and enforcement framework. Implementing such a program would require drafting new ordinances, creating permitting procedures, and dedicating trained staff and resources that the Water and Sewer Department does not currently maintain.

Public health and safety concerns are substantial. Graywater is not sterile and presents risks of cross-connection and backflow into the potable water system, particularly in retrofitted homes. Systems also require ongoing maintenance (filters, tanks, and plumbing), and improper maintenance could lead to sanitation issues, odors, or public health impacts. Authorizing these systems could expose the City to liability if failures affect public health.

Infrastructure and economic barriers further limit feasibility. Most of Greeley's existing housing stock was not designed for dual plumbing, making retrofits costly and disruptive, often reaching thousands of dollars per home. New construction requirements would increase housing costs and may face resistance. On the City side, the cost of administering a graywater program could outweigh the conservation benefits if participation remains low.

Graywater use also has implications for Greeley's water rights and wastewater operations. Indoor water use that returns to the wastewater system supports effluent flows that are valuable for reuse or leasing. Diverting water to graywater irrigation reduces return flows, potentially affecting water rights accounting, treatment efficiency, and long-term rate structures.

Finally, successful graywater use would require sustained behavioral changes by residents and significant public education efforts, with uncertain compliance.

Staff Conclusion: While graywater recapture has conceptual appeal, the regulatory burden, public health risks, infrastructure costs, water rights impacts, and likely low participation suggest it is not an effective broad residential conservation strategy for Greeley currently. Staff recommend continuing to focus on proven conservation measures—such as turf replacement, irrigation efficiency incentives, and water-wise landscaping education—that offer higher participation and lower risk.

Recommended Action:

Staff recommend Greeley Water and Sewer Board recommend that the Greeley City Council adopt a prohibition on graywater collection and use in the form of the enclosed ordinance amending Title 20, Chapter 3, Article 3 of the City of Greeley Municipal Code.

Recommended Motion:

“I move that the Greeley Water and Sewer Board recommend that the Greeley City Council adopt a prohibition on graywater collection and use in the form of the enclosed ordinance amending Title 20, Chapter 3, Article 3 of the City of Greeley Municipal Code.”

Attachments:

1. Approve and Recommend to Council of Graywater Prohibition Ordinance (2)
2. Graywater Recapture Memo
3. COLLECTION, TREATMENT, AND USE OF GRAYWATER ORDINANCE

Graywater Prohibition

January 21, 2026

Brian Von Seggern



Agenda and Purpose



Agenda

- Define graywater collection
- Justification to ban graywater collection
- Recommendation
- Questions

Purpose: request approval for the graywater collection prohibition

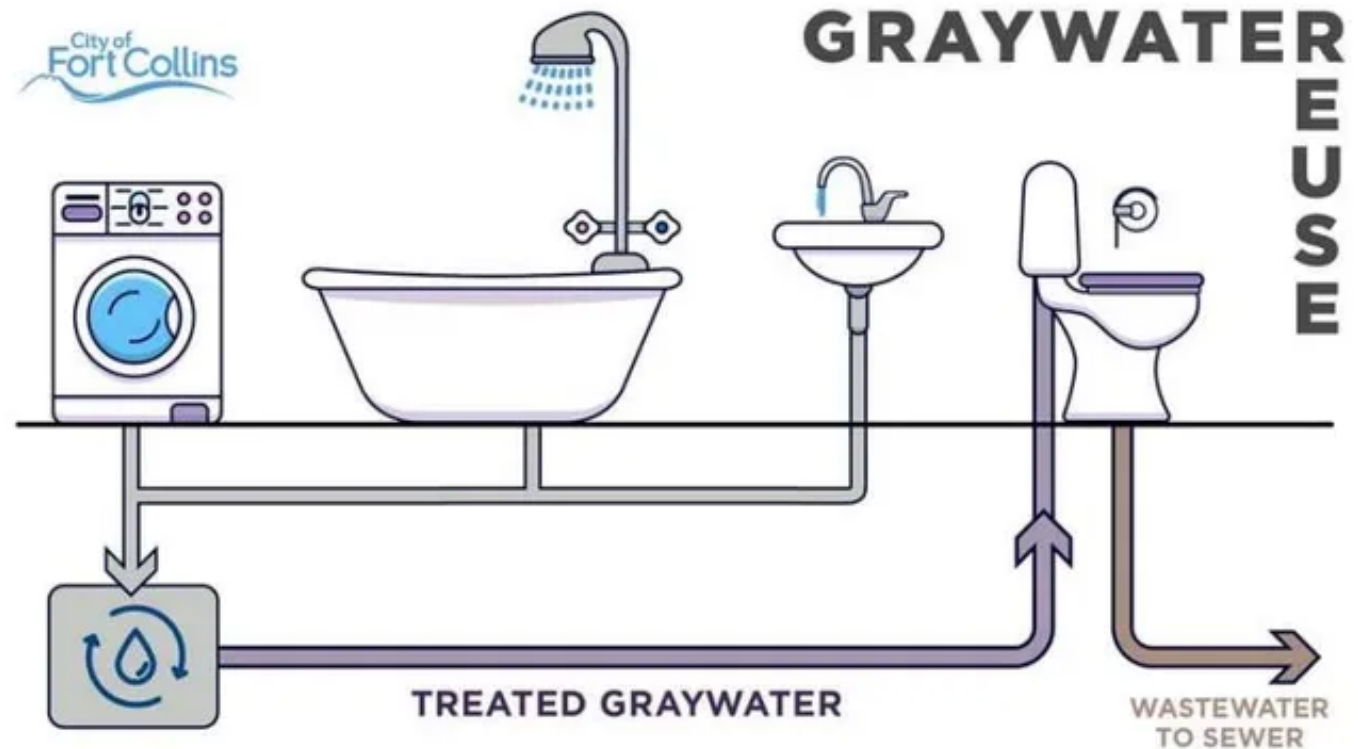
What is Graywater Collection?

Collection and reuse of water

- Most often, water from baths, showers, washing machines, and sinks is collected and used to flush toilets and irrigate lawns.

Systems can vary widely but require key elements to be safe:

- Collection tank
- Sewer overflow connection
- Backflow prevention
- Treatment on graywater



Regulatory Information



Regulation 86

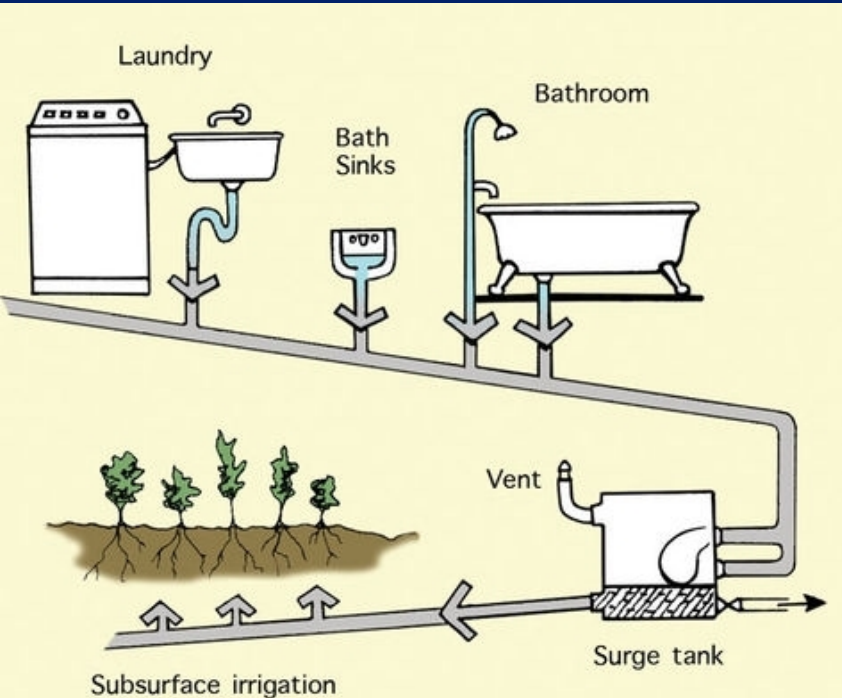
- Requires a local jurisdiction to adopt its own ordinance and permitting framework.

Each local city, city and county, or county has the discretion to decide whether to adopt any of the graywater uses along with the associated minimum design criteria and control measures set forth in this regulation. - REGULATION NO. 86

House Bill 24-1362

- Beginning January 1, 2026, graywater use is authorized statewide unless a municipality or county adopts a resolution or ordinance prohibiting such use

Adopting Graywater Collection



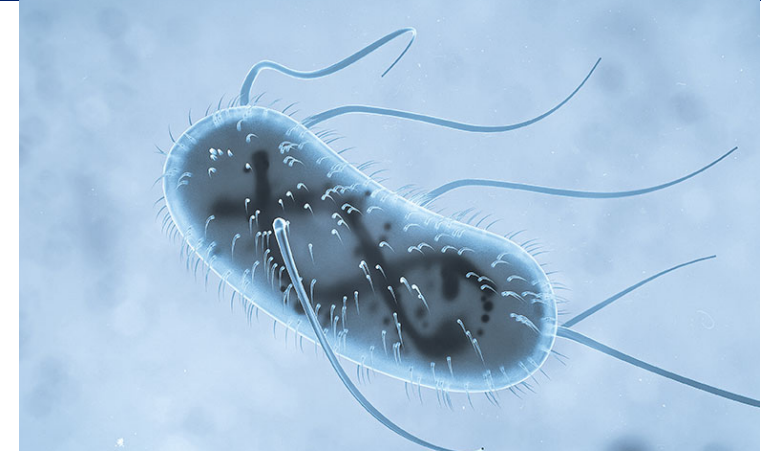
Adopting Graywater Collection would require

- Drafting and adopting new ordinances addressing training requirements, fees, permitting, inspections, and ongoing oversight
- Developing and implementing comprehensive permitting and review procedures
- Dedicating staff resources and providing specialized training for inspection, compliance, and enforcement

Risk to Public Health

Graywater is not sterile

- Carries bacteria, viruses, and chemicals.
Most commonly E. Coli



Carries the risk of contaminating public drinking water

- Tanks **MUST** have proper **backflow prevention**
- Retrofitting homes for graywater magnifies the risk of a cross-connection of graywater and public drinking water.

Public Health Continued

Behavioral Changes

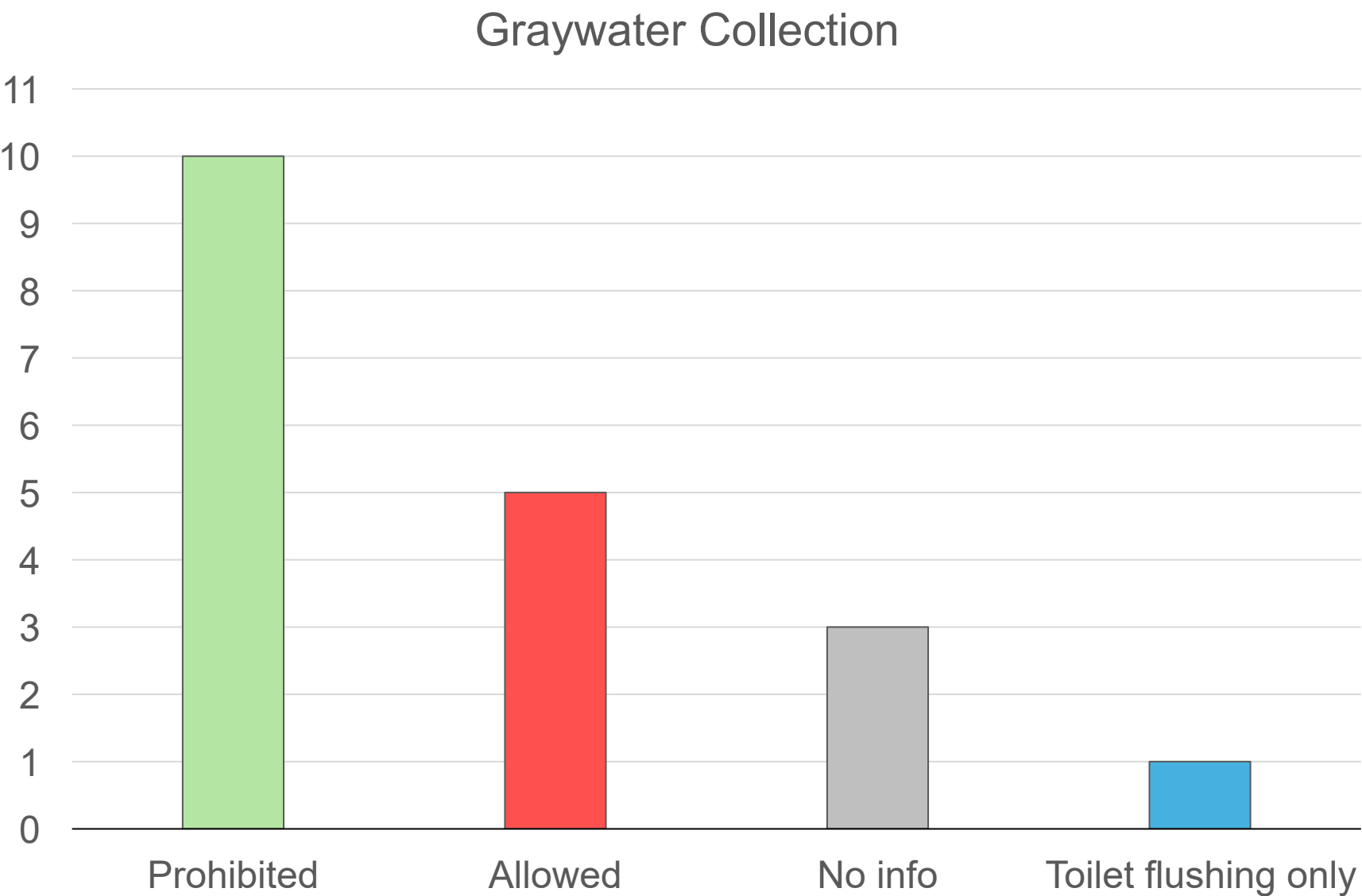
- Filters must be replaced
- Storage tanks cleaned
- Drainage lines monitored for blockages
- Tank levels must be monitored
- **Biodegradable** soaps, detergents, and cleaners should be used

System Challenges

- Change to volume and composition of wastewater
- Risk of pollutants on lawns and in ditches



Greeley's Peers



City	Decision
Ault	Prohibited
Berthoud	Allowed
Brighton	Prohibited
Broomfield	Allowed
Denver	Allowed
Eaton	Prohibited
Erie	No info
Firestone	Prohibited
Fort Collins	Toilet flushing
Fort Lupton	Prohibited
Lafayette	Prohibited
Longmont	Prohibited
Loveland	No info
Parker	Prohibited
Thorton	Prohibited
Timnath	Allowed
Wellington	No info
Westminster	Prohibited
Windsor	Allowed

Economics from Fort Collins

Estimated costs and benefits across selected water conservation measures

	Estimated Costs			Estimated Benefits		
	Measure	Average upfront cost to customer or developer	Average annual maintenance costs	Average annual water savings	Average annual utility bill savings	Return on investment for customer
Single-family homes (4 residents)	Graywater (toilet flushing only)	\$4,500	\$36	10,000-20,000 gallons	\$69-\$138	33-65 years
Multi-family (100 residents)		\$90,000	\$500	230,000-500,000 gallons	\$1,388-\$3,017	30-65 years

Conclusion and recommendation

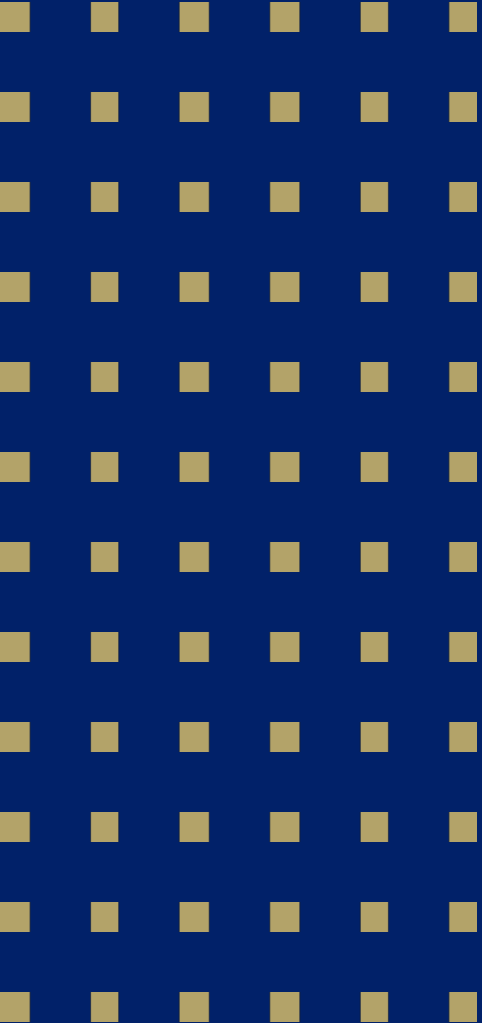


Conclusions:

The risk to public health and costs of running a graywater permitting program outweighs the potential benefits of graywater collection

Recommendation:

Water and Sewer Staff recommend Greeley amend municipal code to prohibit graywater collection

A decorative graphic on the left side of the slide, consisting of a grid of small gold squares arranged in 10 rows and 6 columns.

Questions?



Water & Sewer Department

MEMORANDUM

TO: The Greeley Water and Sewer Board

FROM: Brian Von Seggern, Water Resources Operations Manager

DATE: 1/21/2026

RE: Approval and recommendation to council of graywater prohibition ordinance

Graywater recapture is the reuse of lightly used water from showers, bathtubs, bathroom sinks, and laundry machines for non-potable purposes such as irrigation or toilet flushing is often viewed as a tool for water conservation. While the concept carries some intuitive appeal, particularly as customers look for ways to save money, allowing residential graywater systems in Greeley would introduce a series of complex challenges. These challenges span regulatory compliance, public health, infrastructure, economics, and public acceptance.

From a **regulatory standpoint**, the Colorado Department of Public Health and Environment (CDPHE) adopted Regulation 86, which provides a legal pathway for local governments to authorize graywater systems. However, the regulation requires a local jurisdiction to adopt its own ordinance and permit framework before any residential system can be installed. At present, few jurisdictions have done so. For Greeley, this would mean drafting new ordinances, developing permitting procedures, and dedicating staff to inspection and enforcement. This process would consume administrative capacity and require new expertise that the City has not traditionally housed within the Water and Sewer department

<https://www.coloradosos.gov/CCR/GenerateRulePdf.do?ruleVersionId=11291&fileName=5%20CCR%201002-86>

Public health and safety represent another significant concern. Graywater is not sterile and can carry bacteria, viruses, or chemicals depending on what graywater source is involved. Without careful management or precautions taken, there is risk of cross-connection between potable water and graywater lines, contaminating the homeowner or even **contaminating the public drinking water supply**. Below is an example from the EPA of this type of backflow issue causing the public harm:



At a western United States (U.S.) public water system serving 2,500 people, a customer created a crossconnection when they connected a surface water irrigation line to the water system without installing an approved backflow prevention assembly. Irrigation water flowed back into the county water system when the pressure in the irrigation line increased. Samples tested positive for E. coli and the Department of Water issued a “Do Not Use” notice to customers

https://www.epa.gov/system/files/documents/2021-12/ds-toolbox-fact-sheets_ccc.pdf

The risk is magnified in retrofitted systems where plumbing must be reconfigured in a home built without a graywater system. Even when installed correctly, graywater systems rely on a backflow prevention assembly and ongoing maintenance. Maintenance requires filters replaced, storage tanks cleaned, and drainage lines monitored for blockages or leaks. Many homeowners may not have the knowledge or commitment to maintain their systems consistently, which could lead to system failures, odors, and poor sanitation. Outside of the lawn irrigation season, homeowners will see graywater tanks reaching capacity which would require, draining this into the sewage system which could cause a surge to the system, or homeowners will need to find another disposal method for their graywater tanks which could be problematic for public health. If the City authorizes residential graywater use, liability concerns could arise if failures cause public health problems, placing the City in a difficult position where we appear to be conserving water at the cost of public health.

Infrastructure and technical barriers are equally pressing. Greeley’s housing stock was not designed with dual plumbing, meaning that retrofitting existing homes would be costly and disruptive. The cost of retrofitting a home correctly is often cited in the thousands to tens of thousands of dollars, depending on the intended graywater use and magnitude of the desired system. This makes widespread adoption in existing homes less likely. For new construction, dual plumbing could be required, but this raises the cost of housing and could encounter resistance from developers.

The economic implications extend beyond individual households. On the City’s side, developing a permitting and inspection system would require staff, training, and public outreach. The cost of setting up and maintaining such a program could exceed the conservation benefits if adoption is modest. For residents, upfront installation costs combined with ongoing maintenance would be significant barriers to participation unless offset by subsidies or incentives. Given the financial realities, participation is likely to remain low, which raises the question of whether City resources are better spent on conservation measures with proven participation rates and cost-effectiveness, such as turf replacement programs or smart irrigation incentives.



Another often-overlooked challenge involves Greeley's water rights. Greeley has a very strong water portfolio and depends on the flows leaving the Wastewater Treatment Plant. When Greeley's residents use potable water indoors, much of it returns to the wastewater system, is treated, and flows back to the Poudre River where it is for use or sale as wholly consumable effluent which commands the highest price on the rental market. If more water is diverted into graywater irrigation systems and never returns to the sewer, the City could lose a portion of this valuable water. This loss could have implications for water rights accounting and reduce flexibility in long-term water planning. Furthermore, lower flows to the wastewater system could reduce efficiency in treatment and challenge the utility's ability to spread fixed costs over fewer gallons treated, ultimately affecting rate structures.

Finally, Graywater systems require behavioral changes from residents, such as switching to biodegradable soaps and detergents, avoiding harsh cleaning products or greases that could damage systems or harm plants. Public education campaigns would be necessary, but they would need to overcome both cultural resistance and the practical challenge of consistent household compliance.

In sum, while residential graywater recapture has theoretical conservation benefits, the practical obstacles for Greeley are considerable. The City would face legal and regulatory burdens in adopting new ordinances, public health risks associated with system maintenance and cross-connections, high retrofit costs that limit participation, and likely resistance from the public. When weighed against these challenges, Greeley may find greater water savings, higher participation, and fewer risks by continuing to expand proven conservation programs such as turf replacement, irrigation efficiency incentives, and education on water-wise landscaping. Graywater may play a limited role in niche applications, but as a broad residential policy, it presents more challenges than benefits for the City at this time.

CITY OF GREELEY, COLORADO
ORDINANCE NO. ____, 2026

AN ORDINANCE AMENDING TITLE 20, CHAPTER 3, ARTICLE III
OF THE CITY OF GREELEY MUNICIPAL CODE
CONCERNING THE COLLECTION, TREATMENT, AND USE OF GRAYWATER

WHEREAS, the City of Greeley (“City”) is a Colorado home rule municipality organized, existing, and empowered pursuant to Sections 1 and 6 of Article XX of the Colorado Constitution to, *inter alia*, construct, purchase, acquire, lease, add to, maintain, conduct, and operate water works and everything required therefor, within or without its territorial limits, for use of the City; and

WHEREAS, the City is further empowered by its home rule authority and applicable statutory authority to protect the public health, safety, and general welfare of its citizens; and

WHEREAS, Section 17-1 of the Greeley City Charter authorizes the Greeley Water and Sewer Board (“Board”) to qualify the Water and Sewer functions and operations as an "enterprise" as that term is contained in Article X, Section 20 of the Colorado Constitution, and to provide for every function and operation of an enterprise, including but not limited to, bond issuance and all other necessary and ordinary functions of the Water and Sewer operations; and

WHEREAS, Section 17-4 of the City Charter and Section 20-30 of the Greeley Municipal Code further authorizes and requires the Board to acquire, develop, convey, lease, and protect water and sewer assets, supplies, and facilities; and

WHEREAS, the Colorado General Assembly in 2024 passed HB 24-1362 (Measures to Incentivize Graywater Use), which legislation, *inter alia*, authorized the installation of graywater treatment works in new construction projects and the use of graywater statewide, except where local governments by ordinance prohibit the same; and

WHEREAS, graywater can often carry human pathogens with various risk levels and pathways that have the potential to be dangerous to public health; and

WHEREAS, City staff, the Board, and City Council have determined that it is in the current best interest of the citizens of the City of Greeley and their public health, safety, and general welfare to prohibit the collection, treatment, and use of graywater.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF GREELEY,
COLORADO:

Section 1. That Section 20-194 of Article III, Water, of Chapter 3, Water and Sanitary Sewer Service, of Title 20, Public Works and Utilities, of the Greeley Municipal Code shall be enacted as follows:

ARTICLE III. - WATER

Sec. 20-194. Graywater collection, treatment, and use prohibited.

(a) Definitions. The following words, terms, and phrases, when used in this section, shall have the meaning ascribed to them in this subsection (a):

Graywater means that portion of wastewater that, before being treated or combined with other wastewater, is collected from fixtures within residential, commercial, or industrial buildings or institutional facilities for the purpose of being put to subsequent beneficial uses.

Graywater treatment works means any arrangement of devices and structures used to (i) collect graywater, and (ii) treat, neutralize, or stabilize graywater to the level necessary for subsequent beneficial uses.

(b) Prohibition. The collection, treatment, and use of graywater are prohibited. The construction, installation, and operation of graywater treatment works are prohibited.

(c) Enforcement, violation, and penalties.

(1) A violation of this section shall be deemed an administrative code violation and shall be subject to penalties set forth in chapter 10 of title 1 of this Code.

(2) Suspension of water service. In addition to any penalties imposed under chapter 10 of title 1 of this Code, the director may suspend water service to any person who fails to comply with the provisions of this section, or to any property upon which the owner denies the director reasonable access to determine compliance with this section, as authorized by section 20-85. The director may suspend water service as described in this section immediately and without notice if the director determines that such action is necessary to protect the city's public water system and its customers.

Section 2. This ordinance shall take effect on the fifth day following its final publication, as contemplated by Section 3-16 of the Greeley City Charter.

PASSED AND ADOPTED, SIGNED AND APPROVED this ____ day of _____ 2026.

ATTEST:

THE CITY OF GREELEY, COLORADO

City Clerk

Mayor



Agenda Summary

January 21, 2026

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title:

Approval of 2nd Amendment to the Wingfoot Master PSA

Summary:

The City of Greeley Water Enterprise entered into the Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement (Terry Ranch) in 2021 to acquire the rights to the Terry Ranch aquifer and its aquifer storage and recovery opportunity. Per the terms of the Agreement, the Seller, Wingfoot Water Resources transferred ~ 1.2 MAF of decreed groundwater, five municipal grade wells, aquifer storage rights, a groundwater lease on State Land Board properties, and \$125M to share in cost of infrastructure. In exchange for the above assets, Greeley provided 12,121 Raw Water Credits, redeemable with the City of Greeley (exclusively) to meet the City's raw water requirements for growth and development. The Seller, Wingfoot will recover its Terry Ranch asset investments and the \$125M infrastructure contribution into the deal when it sells raw water credits to builders, developers or investors over the next 75 years as Greeley grows.

The terms of the Agreement called for Wingfoot to contribute \$125M to the Construction Escrow for matching infrastructure funding. Wingfoot contributed \$25M at Closing and the original agreement required Wingfoot to contribute the remaining \$100M two years after Greeley requested it or within 10 years after the Closing date. The first amendment to the Master Agreement, in consideration of selling 250 Raw Water Credits to Greeley, allowed Wingfoot to do a partial contribution of \$37.5M to the construction escrow in 2025. The parties have determined there is mutual interest and benefit is bifurcating the 2025 payment into an immediate payment of \$20M and providing four additional years for Wingfoot to fund the remaining \$17.5M of this phase of the payment obligation. For the City, the \$20M due immediately provides appropriate match for Greeley's current phase of Terry Ranch pipeline construction funding, and in exchange for other benefits of the 2nd Amendment proposed and recommended here, Greeley intends to owner finance or carry the \$17.5M for a limited time.

In exchange, Greeley has negotiated for two revisions to the Master Agreement to benefit the Water Enterprise, its business position, and enhance the city's ability to attract new primary employers to the city that create jobs, economic output and drive new water sales. This term is particularly import to the utility's financial position following the closure of the Meadow Gold dairy, Carestream facility and large reductions in use at Kodak, all of which were large industrial water users who contributed significantly to the city's Water Enterprise revenue base. The Water Enterprise is a not-for-profit government business that relies exclusively on rates and fees for its revenues, and must charge industry standard cost of serve based rates and fees. The diminished industrial revenues from the above noted closures, results in a shifting of costs to residential users, and the city's water utility team needs better tools to support the attraction of stable industrial and primary employer businesses that will generate industrial water use and help to rebalance the utility's revenues.

Under the terms of the proposed Second Amendment to the Amended and Restated Master Agreement, Greeley's Water Enterprise is authorized to create a new Water Bank for use in attracting Primary Employers and their water use to Greeley. The Water Bank would be formed by the reissuance of the 668 Raw Water Credits that Greeley has purchased under the Article 11 Put/Call Option in the Master Agreement. The 668 purchased credits have been purchased between 2021 and 2025 and had been retired under the terms of the Agreement, however the Second Amendment authorizes the reissuance of the credits to Greeley to be held in escrow for resale, at price that recovers cost and provides an economic advantage to Primary Employers considering a relocation or expansion to Greeley.

Further, the Second Amendment provides Wingfoot with the right to sell future Put/Call Option Credits to qualifying Primary Employer economic development at a preferential price, not to exceed 15% above that year's put/call option price. When used, this provision is beneficial to Greeley in so far as economic growth is bringing new water use to the system, and the provision of put/call credits reduces Greeley's obligation to purchase the same put/call option credits. The put/call option is a significant budgetary obligation for the Water Enterprise, so the authorization of Wingfoot to sell the put/call option credits to Primary Employers with price control is advantages to Greeley and its water enterprise.

The Water & Sewer Dept. staff have drafted an operational policy to guide staff and Board in future implementation of the Second Amendment. That policy is designed to provide guidance to the staff and board regarding the applicable use of Water Bank credits and the limitations and ensure that cost recovery principles are adhered to unless otherwise determined to be in the best interest of the Water Enterprise and approved by the Water & Sewer Board.

Recommended Action:

Staff recommend approval of the Second Amendment to the Master Agreement.

Recommended Motion:

"I move that the Board approve the Second Amendment to the Master Agreement 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. 2nd Amendment to Master PSA w. Wingfoot & Creation of WB
2. Second Amendment to Master Agreement - Wingfoot Greeley
3. Primary Employer Water Bank Administration Policies 01.21.26



Second Amendment to the Amended and Restated Master Purchase, Sale, and Raw Water Credit Administration Agreement (Terry Ranch)

**Presented January 21, 2026
Water & Sewer Board
By: Sean Chambers, Director**



Infrastructure & Mobility

Agenda



Presentation Agenda:

- Background on Wingfoot Master Agreement
- Big Picture 2nd Amendment Proposal
- Creation of a Primary Employer / Industrial Raw Water Bank
- Authorization for Wingfoot to sell put/call Option Credits to qualifying new Primary Employers

Purpose: To provide the W&S Board with a summary of the 2nd Amendment and the benefits to the Water Enterprise. Additionally, to review the administration of the proposed primary employer water bank.

Background:

- **Wingfoot Water Master Purchase, Sale, & Raw Water Credit Administration Agreement (Terry Ranch) - 2021**
 - Transferred ~ 1.2M AF of groundwater, aquifer storage rights and groundwater lease on State Land Board properties, and therewith an obligation to fund \$125M of infrastructure costs.
 - In Exchange, Greeley provided ~12,120 Raw Water Credits, redeemable with the City of Greeley to meet the City's raw water requirements for development.
 - Wingfoot Water is recapitalized for its investments when it sells the raw water credits to builders, developers or investors.
- **Status of Coordination under the MPSA**
 - Economic growth in Greeley has been slower than expected
 - Wingfoot credit sales have been slower than expected
 - Wingfoot has "put" to Greeley 4 years, obligating Greeley to pay for 167 Credits / yr. under Article 11 of MPSA (= 668 RWCs)

- Raw water dedication credits offer a new low-cost source for growth and development.
- Terry Ranch credits are redeemable with the City, meet raw water dedication requirements and can replace water rights or cash required.
- Each credit is worth one acre-foot of water supply and is only redeemable within the City of Greeley.



For more information on Terry Ranch Credits, please email
Derek.Hannon@greeleygov.com

High Level Goals for 2nd Amendment

- Each credit is worth one acre-foot of water supply and is only redeemable within the City of Greeley.

1. Address the partial cash contribution by Wingfoot and establish benefits for Greeley
2. Radically reduce raw water costs to attract unique Primary Employers and new Industry (i.e. drive organic water demand growth, create jobs and activate economic activity.
3. Incentivize sales of Escrowed Credits to avoid the annual Put/Call cost to Greeley



Status of Wingfoot Raw Water Credits

CREDIT SERIES	AVAILABLE	ESCROW	EXERCISED	DEDICATED
SERIES C	7033			69
SERIES E	167	3340	668	
SERIES Z	656			178

Credit Series Definitions:

Series C: “Standard” credits subject to construction escrow payments.

Series E: Escrow credits subject to the Put/Call, not subject to construction escrow payments upon future sales

Series Z: Credits transferred for initial round of financing, not subject to construction escrow payments upon future sales

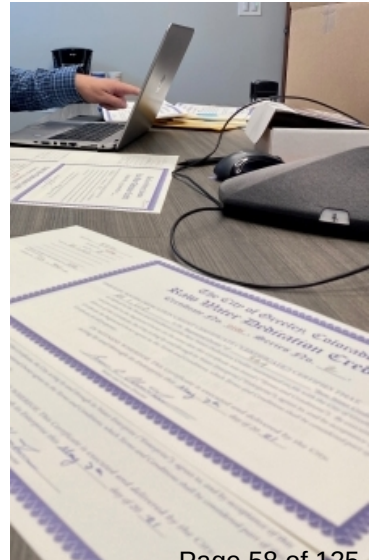
Status Terms:

Available: Credits available for further sale or dedication

Escrow: Credits potentially subject to future years’ Put/Call options in 167 credit or fewer blocks

Exercised: Credits “put” to Greeley Water & Sewer

Dedicated: Credits dedicated to Greeley to meet a property’s water dedication requirements



2nd Amendment – The Big Picture

1. Wingfoot currently owes Greeley \$37.5M to match Greeley in infrastructure, but ran into unfavorable bond market conditions, in part due to limited credit sales
2. Wingfoot proposes a partial payment to meet the 80/20 match for the Pipeline Phase 2 project construction.
 - \$20M from Wingfoot by year end 2025
 - \$17.5M balance due on or before November 2029.
3. City would owner finance \$17.5M, in exchange for MPSA changes that benefit Greeley Water, by enhancing;
 - Create a water bank from the 668 Greeley owned credits
 - Ability to grow water consumption and attract industrial and primary employer water users with a Water Bank



Proposed Primary Employer / Industrial Water Bank

Activating the Put/Call Credits

Proposed Terms for Creating New Water Bank 2026 - 2047

- In 2026, reissue the 668 exercised RWCs to a new Greeley Water Bank as the “Founding Credits”
- From 2026 to 2045, any RWCs that are put or called, are contributed to the Water Bank as “Banked Credits”
- **Greeley Water Bank Credits** = Founding Credits + Banked Credits
- The Raw Water Dedication Requirement (“RWDR”) for Primary Employers from 2026-2045 can be satisfied with up to 25% in Water Bank Credits, owned by the Water Enterprise
 - Greeley has sole discretion to determine exact # of Water Bank Credits and the price of the credits
 - Remainder of RWDR can be satisfied with future put/call RWCs owned by Wingfoot.
 - For 2026-2030, Wingfoot shall be authorized to sell the put/call RWCs in Escrow to a qualifying primary employer at a price not to exceed 15% above the Article 11 Put/Call price
 - I.e. lower than the price of credits Wingfoot sells from Series C and Z)
 - After 2045, the RWDP for primary employer/industrial economic activity can be satisfied with up to 100% in Water Bank Credits (owned by Greeley)



Primary Employer Scenarios

Raw water dedication and cost scenarios here based upon the proposed Second Amendment

Scenarios follow the guidance in the proposed 2nd Amendment administration Policy

Scenario 1 – 250 Acre-Feet

New Project Cost Calculation

Credit Source	Credits	Cost
Credits from Bank	62	\$ 2,398,526.88
Wingfoot Put/Call Credits	188	\$ 7,770,575.92
Standard Credits	0	\$ -
Total	250	\$ 10,169,102.80

- Roughly double the former Meadow Gold site’s water usage
- Annual water use revenue: \$529,508
- 25% credits from bank, 75% credits from Wingfoot selling put/call credits over two years
- 2026 Cash-In-Lieu Cost \$14,250,000
- Savings compared to CIL: \$4,080,897 (29%)



Scenario 2 – 1000 Acre-Feet

New Project Cost Calculation

Credit Source	Credits	Cost
Credits from Bank	250	\$ 9,610,319
Wingfoot Put/Call Credits	750	\$ 32,583,337
Standard Credits	0	\$ -
Total	1000	\$ 42,193,655

- Approximately 1.25 MGD
- Annual Revenue: \$2,118,031
- 25% credits from bank, 75% credits from Wingfoot selling put/call credits over five years
- 2026 Cash-In-Lieu Cost \$57,000,000
- Savings compared to CIL: \$14,806,345 (26%)
- Savings using Net Present Value of 10-year takedown of Wingfoot Credits: \$18,942,350 (33%)



Scenario 3 – 2027 Acre-Feet

New Project Cost Calculation

Credit Source	Credits	Cost
Credits from Bank	357	\$ 13,654,241
Wingfoot Put/Call Credits	1670	\$ 78,866,128
Standard Credits	0	\$ -
Total	2027	\$ 92,520,369

- Demand of recent potential industrial user
- Annual Revenue: \$4,293,250
- 18% credits from bank, 82% credits from Wingfoot selling put/call credits over ten years
- 2026 Cash-In-Lieu Cost \$115,539,000
- Savings compared to CIL: \$23,018,631 (20%)
- Savings using Net Present Value of 10-year takedown of Wingfoot Credits: \$41,705,389 (36%)



Scenario 4 – 2027 Acre-Feet

New Project Cost Calculation

Credit Source	Credits	Cost
Credits from Bank	506	\$ 19,197,400
Wingfoot Put/Call Credits	1521	\$ 84,220,400
Standard Credits	0	\$ -
Total	2027	\$ 103,417,800

- Demand of recent potential industrial user
- Annual Revenue: \$4,293,250
- 25% credits from bank, 75% credits from Wingfoot selling put/call credits over twenty years
- 2026 Cash-In-Lieu Cost \$115,539,000
- Savings compared to CIL: \$12,121,200 (10%)
- Savings using Net Present Value of 20-year takedown of Wingfoot Credits: \$46,299,653 (40%)



Questions ?



**SECOND AMENDMENT TO AMENDED AND RESTATED MASTER PURCHASE,
SALE AND RAW WATER CREDIT ADMINISTRATION AGREEMENT (TERRY
RANCH)**

This SECOND AMENDMENT TO AMENDED AND RESTATED MASTER PURCHASE, SALE AND RAW WATER CREDIT ADMINISTRATION AGREEMENT (TERRY RANCH) (this “Second Amendment”) is made and effective as of this ____ day of January, 2026 (“Execution Date”), by and between WINGFOOT WATER RESOURCES LLC, a Delaware limited liability company, previously known as WINGFOOT WATER RESOURCES LLC, a Colorado limited liability company (“Wingfoot”), and THE CITY OF GREELEY COLORADO, a Colorado home rule municipal corporation (“City”), acting by and through its WATER ENTERPRISE (“Greeley”) (Wingfoot and Greeley each being a “Party” and collectively the “Parties”).

RECITALS

WHEREAS, the Parties entered into that certain Master Purchase, Sale and Raw Water Credit Administration Agreement dated June 23, 2020, which was amended and restated by that certain Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement dated February 22, 2021 and further amended by that certain First Amendment to Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement dated July 1, 2025 (as amended, the “Agreement”).

WHEREAS, Wingfoot and Greeley desire to amend the Agreement on the terms and conditions of this Second Amendment.

WHEREAS, in relation to (i) this Second Amendment, (ii) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated October 28, 2025, (iii) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated November 25, 2025, and (iv) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated December 30, 2025, the Parties agree to work in good faith to negotiate terms and conditions that will provide assurance that Wingfoot credit sales are maximizing funding of the Construction Escrow and guiding opportunities to leverage put and call credits (i.e., the Escrowed Credits) to generate a water bank to support Greeley’s economic growth.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained and for other good and valuable consideration, Wingfoot and Greeley agree as follows:

1. Deposits Due. Section 9.1.A(2) of the Agreement is hereby amended and restated as follows (*amended text emboldened for emphasis*):

(2) The Parties acknowledge the Notice to Construct and Partial Waiver provided from Greeley to Wingfoot on May 18, 2023 (“Notice to Construct”). Notwithstanding the Notice to Construct, and pursuant to **(i)** that

certain Letter Agreement Extension dated April 16, 2025, (ii) that certain Second Letter Agreement Extension dated May 23, 2025, by and between the Parties, (iii) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated October 28, 2025, and (iv) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated November 25, 2025, and (v) that certain Letter of Understanding for the Second Contribution between Wingfoot and Greeley dated December 30, 2025, Wingfoot shall deposit an additional **thirty-seven million and five hundred thousand dollars (\$37,500,000)** ("**Second Contribution**") into the Construction Escrow as follows: (X) twenty million dollars (\$20,000,000) by January 30, 2026 and (Y) the remaining seventeen million and five hundred thousand dollars (\$17,500,000) by November 1, 2029.

2. Market Based Alternative; Water Bank. A new Section 11.1.C entitled "Water Bank" is hereby added to the Agreement immediately following the current Section 11.1.B of the Agreement as follows:

(1) Water Bank. By May 15, 2026, for all Raw Water Credits previously put to Greeley by Wingfoot in years 2022, 2023, 2024, and 2025 as evidenced by applicable Surrendered Certificates, (a total of 668 Raw Water Credits), Greeley shall reissue a Certificate in the same amount of Raw Water Credits subject to the Surrendered Certificates and place the reissued Certificate in an escrow account ("Water Bank"). The 668 reissued Raw Water Credits are referred to as the "Founding Credits." In the event any Put Option or Call Option is exercised between February 1, 2026 and December 31, 2045 ("Banking Period"), Greeley shall place such put or called Raw Water Credits in the Water Bank ("Banked Credits"). The Water Bank will only be comprised of Founding Credits and Banked Credits (collectively, "Water Bank Credits"), and such Water Bank Credits may only be committed or sold by Greeley consistent with this Section 11.1.C(1).

(a) Subject to Section 11.1.C(1)(b), during the Banking Period, Greeley may commit or sell Water Bank Credits to a Primary Employer, and only a Primary Employer, to satisfy up to twenty-five percent (25%) of the Primary Employer's full and complete obligation under the Raw Water Dedication Policy for the life of the Primary Employer's business operations, whether a Primary Employer's obligation changes over the course of a project or operation, is satisfied over time, or otherwise (a Primary Employer's "Lifetime Obligation" subject to the twenty-five percent (25%) "Primary Employer Water Bank Credits Cap"). Greeley, in its sole discretion, shall determine the number and value of Water Bank Credits to commit or sell to a Primary Employer during the Banking Period so long as the number of Water Bank Credits does not exceed the Primary Employer Water Bank Credits Cap. "Primary Employer" means a business or industry operating within the City of Greeley that produces goods or services for statewide, national, or international markets,

bringing local economic growth to Greeley. For the avoidance of doubt, a Primary Employer includes, without limitation, employment-generating facilities or campuses, such as industrial, manufacturing, research, data, technological, institutional, governmental, logistics, utility, and corporate offices, but expressly excludes residential uses and consumer-facing commercial or retail establishments.

(b) Beginning in 2046, Greeley may sell or commit the Water Bank Credits to a Primary Employer, and only a Primary Employer, to satisfy up to one hundred percent (100%) of the Primary Employer's Lifetime Obligation.

(c) In the event Greeley sells Water Bank Credits contrary to its rights and obligations under Sections 11.1.C(1)(a)-(b), such sale shall be deemed an Event of Default under Article 14 of this Agreement and, as a remedy for such Event of Default, Greeley shall pay to Wingfoot the product of: (i) Raw Water Credits improperly sold (x) to a non-Primary Employer, or (y) in excess of the Primary Employer Water Bank Credits Cap; and (ii) Greeley's Raw Water Dedication Policy cash-in-lieu price as of the date of the improper sale.

(2) Market Based Alternative. On or before May 15 of each calendar year beginning May 15, 2026 (the "Market Based Alternative"), Wingfoot shall notify Greeley and the Credit Escrow Agent in writing of the amount of Escrow Credits for the preceding calendar year, if any, up to one hundred and sixty-seven (167) Escrow Credits that have been sold or are under contract for sale pursuant to this Section 11.1.C(2).

(a) Notwithstanding anything to the contrary in the Agreement, including the Call Option and the Put Option, from February 1, 2026 through December 31, 2030 (the "Incentive Period"), Greeley authorizes Wingfoot, at its sole discretion, to sell or commit to a Primary Employer up to one hundred and sixty-seven (167) Escrowed Credits each calendar year at a price of no more than fifteen percent (15%) above the then current Option Price to satisfy at least seventy-five percent (75%) of the Primary Employer's Lifetime Obligation. If the Escrowed Credits available in any calendar year are insufficient to satisfy at least seventy-five percent (75%) of one or more Primary Employer's Lifetime Obligation, Wingfoot and Greeley shall work in good faith with the affected Primary Employer(s) to phase the sale and dedication of Escrowed Credits over multiple years in order to satisfy at least seventy-five percent (75%) of each Primary Employer's Lifetime Obligation, subject to applicable law. During the Incentive Period, Wingfoot will use commercially reasonable efforts to prioritize the sale of the Escrowed Credits to a Primary Employer consistent with this Section 11.1.C, however, the Parties agree that nothing in this Agreement or this Section

11.1.C prohibits Wingfoot from selling or committing Wingfoot-owned Raw Water Credits to a Primary Employer or any other water user. Consistent with Section 9.1.B, sales of Escrowed Credits pursuant to this Section 11.1.C(2)(a) shall not be subject to the Deposit Obligations set forth in Section 9.1.B.

(b) After the Incentive Period, and beginning in 2031, Wingfoot may sell the Escrowed Credits pursuant to this Section 11.1.C(2) to any present or future water user and at any price. Consistent with Section 9.1.B, sales of Escrowed Credits pursuant to this Section 11.1.C(2)(b) shall not be subject to the Deposit Obligations set forth in Section 9.1.B.

(c) At all times, any Escrowed Credits available for sale by Wingfoot pursuant to this Section 11.1.C(2) but not sold or under contract on or before May 15 of each calendar year shall be subject to the Put Option and Call Option set forth in Section 11.1 of the Agreement.

(3) During the Banking Period and otherwise, the Parties agree to work in good faith and deploy commercially reasonable efforts when an opportunity to sell Raw Water Credits (of all classes) to a Primary Employer is available.

(4) The Parties acknowledge and agree that the Water Bank may be formed as a new class of Raw Water Credits within the current Credit Escrow, and the Parties agree to work in good faith to modify the Credit Escrow Agreement as necessary to give full force and effect to this Section 11.1.C.

3. Definitions. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

4. Ratification and Confirmation. Except as specifically modified by this Second Amendment, the Agreement remains unchanged, and as so modified, the Agreement remains in full force and effect.

5. Governing Law and Construction. This Second Amendment, including any instrument or agreement required hereunder, and all matters arising out of or in connection with this Second Amendment (whether in contract, tort or otherwise) shall be construed in accordance with and governed by the State of Colorado without giving effect to any conflict of law principles that would require the application of the laws of another jurisdiction. The Parties hereby agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Second Amendment.

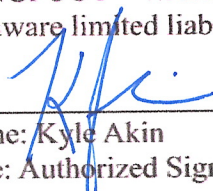
6. Binding Effect. Subject to the terms of the Agreement, this Second Amendment shall be binding upon, shall inure to the benefit of, and shall be enforceable by, the Parties, their successors and permitted assigns.

7. Counterparts; Electronic Signatures. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one and the same document. The Second Amendment, including all component parts set forth above, may be executed and delivered by electronic signatures by any of the parties and all parties consent to the use of electronic signatures.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have duly executed this Second Amendment as of the Execution Date.

WINGFOOT WATER RESOURCES LLC, a
Delaware limited liability company

By: 

Name: Kyle Akin

Title: Authorized Signatory

THE CITY OF GREELEY, COLORADO, a
Colorado home rule municipality corporation,
acting by and through its WATER ENTERPRISE

By: _____

Name: Harold Evans

Title: Water and Sewer Board Chairman

APPROVED AS TO SUBSTANCE:

By: _____

Name: Brian McBroom

Title: Acting City Manager

APPROVED AS TO LEGAL FORM:

By: _____

City Attorney

AVAILABILITY OF FUNDS:

By: _____

Director of Finance

RECOMMENDED:

By: _____

Director of Water and Sewer Department

[Signature Page to Second Amendment]

Primary Employer Water Bank Policies

Policy Objective: Provide the Water Enterprise staff and Board with actionable guidance for the administration of a Primary Employer Water Bank in association with the 2nd Amendment to the Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement. The goal of the Water Bank for the Water Enterprise is to incentivize and attract primary employers that produce locally for statewide, national, or international markets and whose business will increase water demand, thereby increasing revenues for the water enterprise, and supporting job growth that leads to general growth in the utility's ratepayer base.

Greeley Water Bank Administration Policies:

1. The City of Greeley, acting by and through the Water Enterprise, and Wingfoot Water Resources, LLC mutually agree that Greeley may utilize the credits that Wingfoot Put to Greeley in 2022, 2023, 2024, and 2025 to create a Water Bank for Greeley use in attracting Primary Employers. This Bank will be formed with the 668 Raw Water Credits that were previously purchased by Greeley and previously unavailable to Greeley for resale.
 - a. The 668 Raw Water Credits are defined as the "Founding Credits." Any time that Wingfoot exercises the Put or Greeley exercises the Call per the Put/Call provisions in Article 11 of the Amended and Restated Master Purchase, Sale and Raw Water Credit Administration Agreement, those credits will be defined as "Banked Credits." The combination of the Founding Credits and Banked Credits make up the Water Bank; and
 - b. The Water Enterprise, at its sole discretion, pursuant to W&S Board approval by Resolution, shall provide Water Bank credits for some or all of the raw water requirement for the qualifying Primary Employer, subject to terms and limitations in the 2nd Amendment; and
 - c. Prior to the end of 2045, the credits in the Water Bank can be used by Greeley to meet up to 25% of a Primary Employer's raw water requirement, pursuant to Water and Sewer Board authorization. Beginning in 2046, Greeley can utilize Water Bank Credits for a Primary Employer to satisfy up to 100% of their raw water requirement; and
 - d. The price charged for credits from the Water Bank shall reflect the price Greeley paid for the credits under the terms of Article 11, plus the cost of borrowing, unless the Water & Sewer Board approves a lower price based upon analysis of the net economic impact to the Water Enterprise and determines that such price is warranted. If preferential pricing for raw water credits is incorporated into an economic development agreement for City Council approval, the Water and Sewer Board shall provide a recommendation to the City Council that includes a resolution of approval and justification for such pricing.

2. Therewith, the Water Dept. staff will coordinate with Wingfoot on raw water requirements for economic development prospects meeting the criteria of new Primary Employer.
 - a. For the avoidance of doubt, a Primary Employer is defined as a business or industry operating within the City of Greeley that produces goods or services for statewide, national, or international markets; and
 - b. Includes, without limitation, employment-generating facilities or campuses, such as industrial, manufacturing, research, data storage, technological, institutional, governmental, logistics, utility, and corporate offices, but expressly excludes residential uses and consumer-facing commercial or retail establishments.
3. Through Dec. 31, 2030, Greeley will work in good faith with Wingfoot on any economic development prospect that qualifies as a Primary Employer to attract them to Greeley, and to support Wingfoot selling the Put/Call Option credits to the primary employer as permitted under the terms of the 2nd Amendment.
 - a. At Wingfoot's sole discretion, between February 1, 2026, and December 31, 2030, Wingfoot may sell to a Primary Employer up to 167 Escrowed Credits associated with the annual Put/Call provisions. Wingfoot would price these raw water credits to a Primary Employer at no more than 15% above that year's Put/Call Option price, per the 2nd Amendment. During this Incentive Period, as defined by the Amended Agreement, Wingfoot will prioritize the sale of these credits to a Primary Employer, but nothing prohibits Wingfoot from selling other Raw Water Credits at market price.
 - b. Beginning in 2031, Wingfoot can sell the Escrowed Credits to any user at any price.
4. For the duration of the Put/Call provision (through 2045), Wingfoot and Greeley cooperatively agree to work in good faith to sell all types of Raw Water Credits (at an incentivized price or market price) to a Primary Employer.

Approved the ____ day of _____, 2026

By: _____
Director of Water & Sewer Utilities, City of Greeley

Acknowledged:

By: _____
Utility Finance and Rates Manager, City of Greeley



Agenda Summary

January 21, 2026

Key Staff Contact: Jim Paulson, Civil Engineer IV, Matt Sparacino, Water Resource Planning Manager

Title:

Terry Ranch Project Update

Summary:

This is the semi-annual update on the Terry Ranch development project. The update includes a progress report on water well drilling activities on State Land Board parcels on the Terry Bison Ranch. There is also an update on the pipeline development project. Segment 2 is under construction with a target finish date of summer 2026. Segments 3 & 4 are in design and property acquisitions are in process.

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Terry Ranch Presentation



TERRY RANCH WATER SUPPLY PROJECT

Jim Paulson, Civil Engineer IV

jim.paulson@greeleygov.com, 970-590-5338

Water & Sewer Board – January 21, 2026



Infrastructure and Mobility

Agenda



1. Overall Development Plan
2. State Land Board Well Drilling Update
3. Pipeline Construction Update
4. Future Development Schedule
5. Status Update – No Board Action Required

TERRY RANCH WATER SUPPLY PROJECT PHASES

- MULTI-PHASE DEVELOPMENT PLAN
 - State Land Board Wells
 - Pipeline Construction
 - Well Field Development
 - Collection/Distribution Pipeline Network (TBD)
 - Treatment Plant Design and Construction (TBD)

Phase 1 - Terry Ranch/State Land Board Drilling Update

Construction Update:

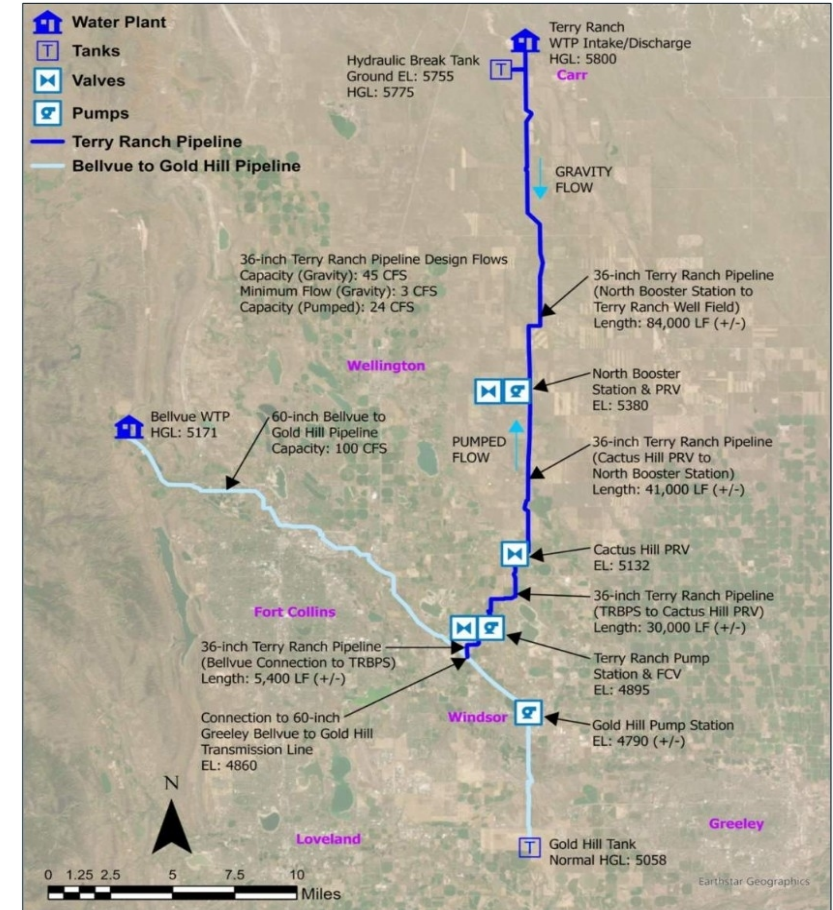


State Land Board (SLB) Well #12

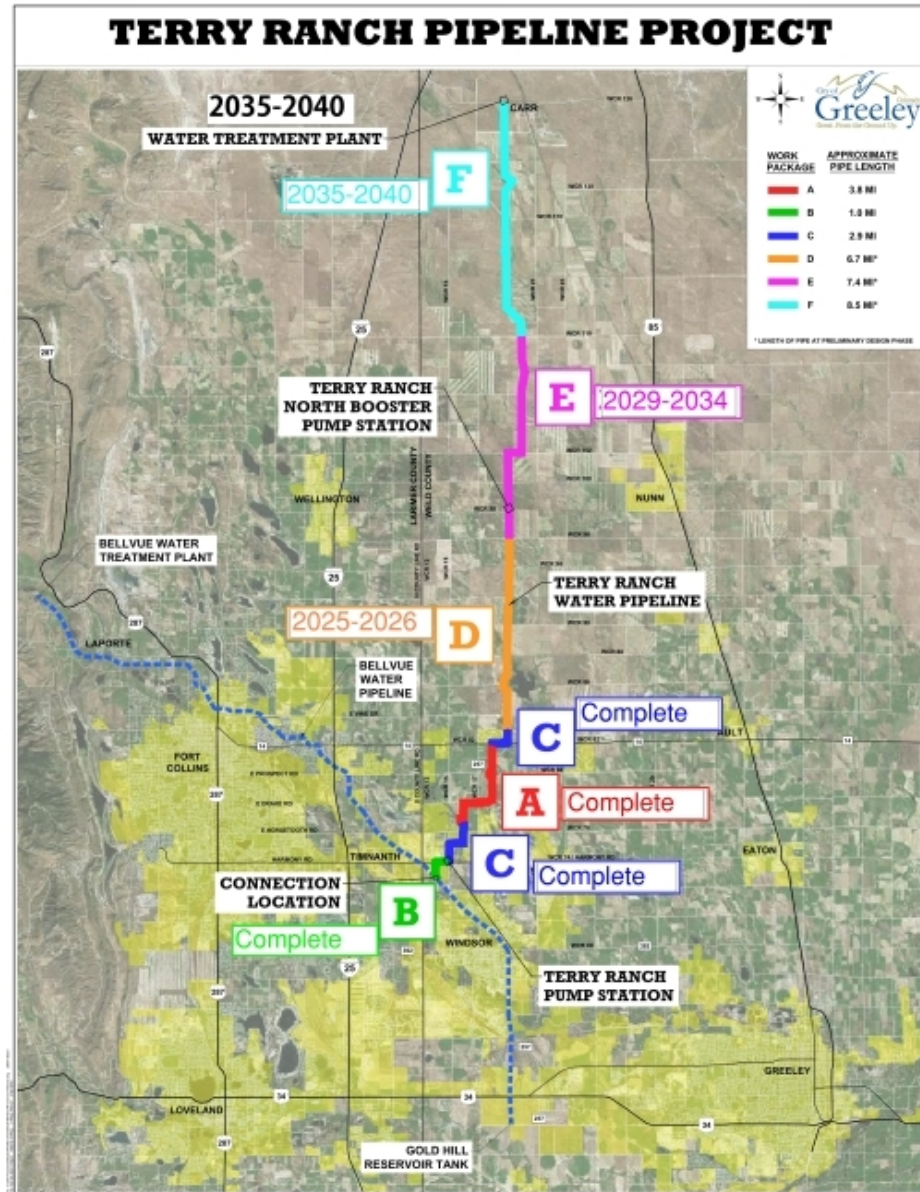
- Drilling and Well Construction
 - 16 wells completed
 - Pump testing & water quality sampling completed
 - Reporting in progress, expected end of January
 - Reclamation completed
- Water Court
 - Application for non-tributary determination of estimated 1,000,000 af underlying SLB parcels to be filed later this year
 - Decision expected within 36 months

Phase 2 – 36" Pipeline Construction

- From Bellvue 60" Tie-in in Windsor to Terry Ranch at Carr, CO
- To Be Constructed As Funding Allows
- Broken into 4 Segments of ~6-8 Miles Each
- Segment 1 was 3 Work Packages (A-C)
- Coated and Lined Steel Pipe
- 2 Pump Stations
- 3 PRVs – Optional In-line Generators
- Bi-directional Pipeline



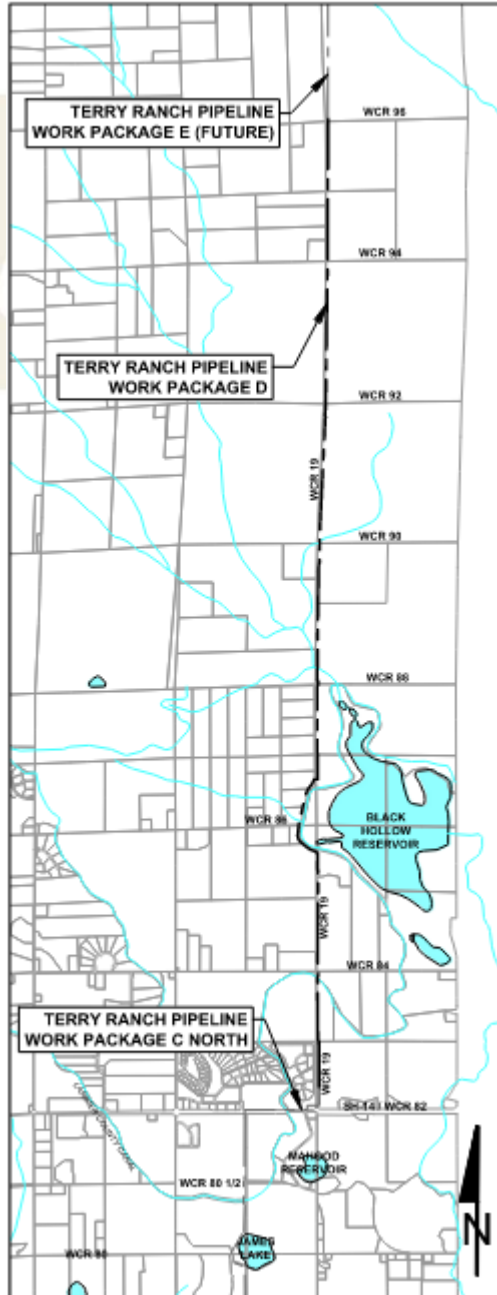
Phase 2 – Pipeline Construction



- Segment 1 (Work Packages-A, B, C)
 - Construction completed in October 2024
 - 39,979 ft of pipe (7.7 miles)
- Segment 2 (Work Package-D)
 - 35,275 ft of pipe (6.7 miles)
 - Pipe installation complete except for testing
 - Completion expected early 2026
- Segment 3 (WP-E) and Segment 4 (WP-F)
 - 60% Design Expected in early 2025
 - Design delays due to property access restrictions and alignment revisions
 - Continuing to Acquire Easements

Segment 2 – General Info

- Started 0.5 mile north of Hwy 14 on WCR 19
- Total length of 6.7 miles
- Ends just past WCR 96
- Crossed several major utilities:
 - WAPA and Tri-State High-Voltage Transmission lines
 - WSSC south of Black Hollow
 - PVREA Electric Lines



Segment 2 - Highlights



Segment 2 ROW prepped for pipe



First loads of pipe arriving on site



Equipment for construction staged on site



Segment 2 - Budget

- \$29M Appropriated for Segment 2
 - \$26M for construction (\$3.88M/mile)
 - 20% Decrease in construction costs.
 - Mostly straight runs, no tunnels
 - \$1-3M Professional Services
 - \$0.8-1M Land Acquisition and Crossings
- Expect to be ~15% (\$4M) under budget



Cost Reimbursements To Date

- \$125M in Construction Escrow from Wingfoot
 - 1st 50% Split: 80%-Wingfoot (\$62.5M), 20%-Greeley Match (\$12.5M)
 - 2nd 50% Split: 50%-Wingfoot (\$62.5M), 50%-Greeley Match(\$62.5M)
- Reimbursement Requests from Construction Escrow (\$30.5M)
 - Wingfoot \$24.4M (80%)
 - City of Greeley \$6.1 (20%)
- Expecting a reimbursement request in early 2026
 - Expect next request of ~\$26M pending escrow deposits
 - Remainder of Segment 2 when additional escrow funds become available

Segments 3 and 4

- Design progressing towards 60%
- Segment 3
 - Surveys completed
 - Preparing legals
 - Initiating property acquisitions
- Segment 4
 - Access permissions and surveying in progress
 - Alignment generally finalized
- Coordinating with utilities for shared ROW



Phase 2 - Pipeline Segments 3 and 4

- Construction start date TBD
- Tentatively 2034-2040

Phase 3 and 4 - Ranch Infrastructure (2032-2040)

- Initial wellheads, electrical
- Collection/Transmission Lines

Phase 5 - WTP (2036-2042)



Thank you.

Questions?





Agenda Summary

January 21, 2026

Key Staff Contact: Morgan Effrein, Water Resource Administrator II

Title:

Water Court Update

Summary:

During the third 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 six new statements of opposition and entered into eight stipulations – Five involving the City of Greeley Poudre Flows case, 21CW3056. In December, Judge Taylor entered the final decree for the Poudre Flows case. Joint applicants are now coordinating operations of the Poudre Flows plan under the guidance of the final decree. We continue to work with opposers in the other three applications and aim to have the City of Greeley Water Storage and Supply Company change case settled before the anticipated trial date in 2027. Legal expenses for Water Court proceedings totaled \$88,163, with engineering costs* at \$70,643 (*excluding December 2025), bringing the total expenditure to \$158,806 for the third trimester.

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Third Triannual Water Court Update.
2. Third Triannual Water Court Update (1)



Third Triannual Water Court Update

Greeley Water & Sewer Board
January 21 , 2026

Agenda & Purpose

Statement of Opposition

Current Applications:

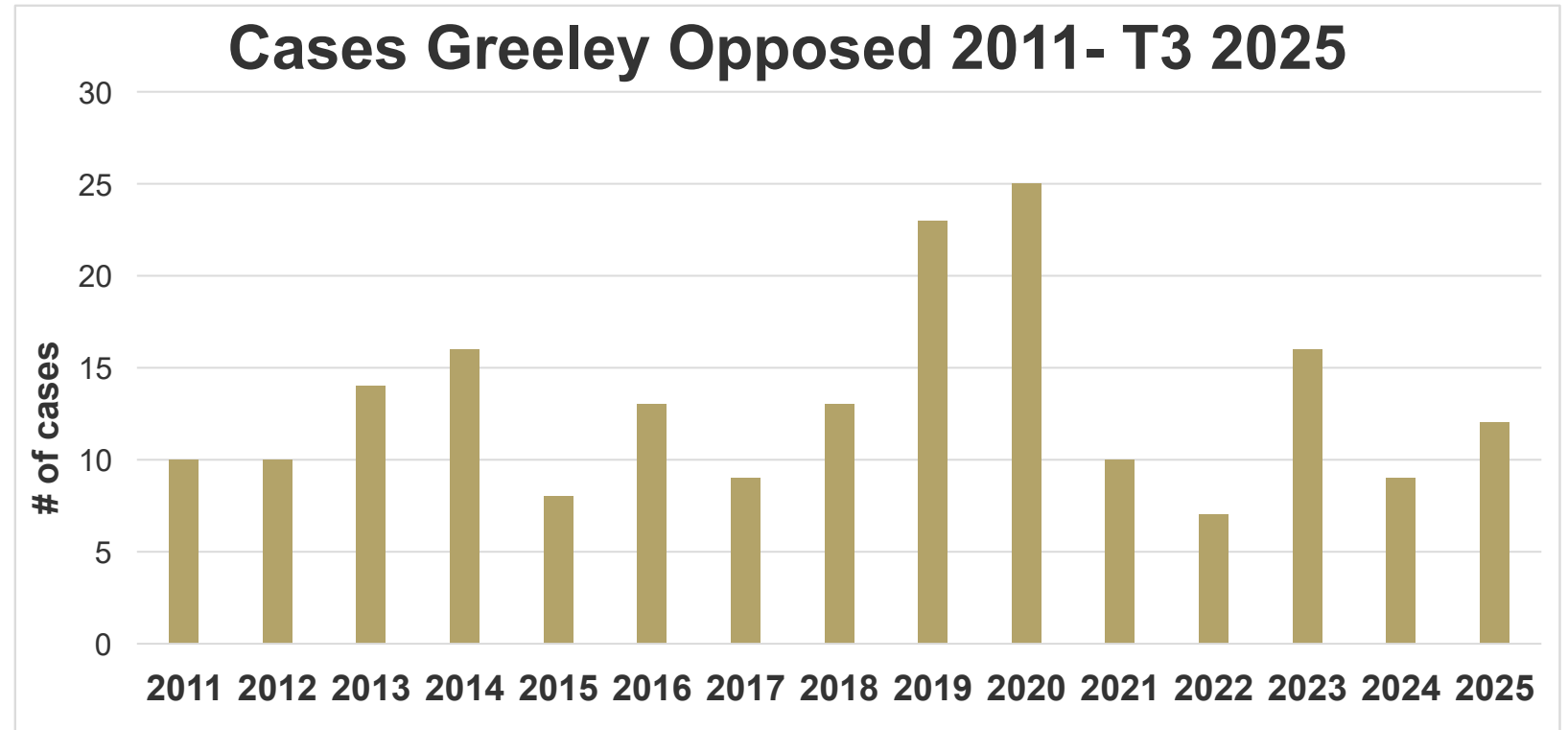
- Tunnel Diligence
- Delta Park Well
- WSSC
- Poudre Flows Augmentation Plan

Cost Summary

Purpose: Informational presentation concerning W&S water court efforts.

Statements of Opposition

- T3 2025: 6 statements of opposition filed & 8 stipulations reached
- Number of cases Greeley is *currently* an opposer: 28
- Total number of active cases in 2025: 31



Greeley as Applicant



Greeley Tunnel Exchanges Diligence (25CW3080)

Goal: Allows Greeley to divert water right into storage at Milton Seaman Reservoir

- Seek the determination that a portion of one of the exchanges from Tunnel to Milton-Seaman Reservoir has been made absolute
- Seeking absolute exchange of 17.02 cfs
- Greeley owns 1/6th of the Tunnel Water Company
- 2 statements of opposition were filed

UPDATE:

Greeley will receive first round of comments from opposers in January.

Greeley as Applicant



Delta Park Well Right & Augmentation Plan (25CW3017)

Goal: Irrigation of Delta Park neighborhood and replace out-of-priority depletions attributable to the well operations

- Well using groundwater trib. to South Platte River
- Augmentation plan to replace depletions

UPDATE:

- 7 statements of opposition filed
 - 1 agreement reached

Greeley received first round of comments from four opposers in November.



Greeley as Applicant



Greeley Change of WSSC (22CW3042)

Goal: change 23.917 shares for municipal, augmentation, and other uses

- Includes plan for augmentation for return flows
- Conditional direct flow water right for return flows

UPDATE:

- 24 statements of opposition were filed
- 5 oppositions currently active
- 19 stipulations reached

Greeley set this case on trial track with an anticipated date in 2027. Continued efforts to meet with opposers directly to address remaining concerns.

Greeley as Applicant



Poudre River Flows Augmentation Plan (21CW3056)

Goal: reduce dry up points on the Poudre River and enhance instream flows with augmentation operations

- Co-Applicants with Colorado Water Trust, CWCB, Fort Collins, and Thornton
- Greeley using GIC rights

UPDATE:

Judge Taylor approved and entered the Poudre Flows Decree in December.

Legal & Engineering Expenses

2025 Costs

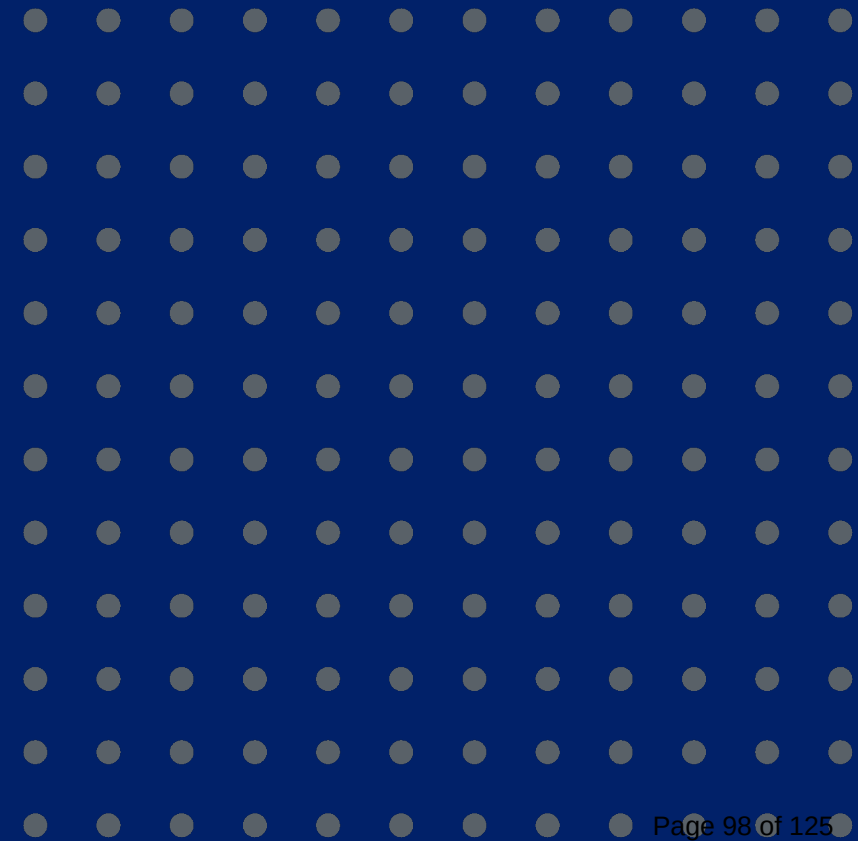
	T1	T2	T3
Legal	\$110,772	\$108,744	\$88,163
Engineering	\$89,431	\$125,632	\$70,643*
Total	\$200,203	\$234,377	\$158,806

*Engineering invoice has not yet been received so cost does not include December 2025

This is 87% of the \$679,825 spent in 2024



Thank You





Water & Sewer Department MEMORANDUM

TO: Greeley Water & Sewer Board
FROM: Morgan Effrein, Water Resources Administrator II
DATE: January 21st, 2026
RE: Third Triannual Water Court Update

This memorandum is a review of the Water and Sewer Department's legal activities from September 2025 through December 2025. The review includes an update on Greeley's current Water Court cases and a summary of the Water Resources Division's legal and engineering expenses.

STATEMENTS OF OPPOSITION

Since the last board update, Greeley has filed 6 new statements of opposition, stipulated in 8 cases, 5 of which were stipulations with opposers in City of Greeley's Poudre Flows 21CW3056 case. As of January 13, 2026, the number of pending Water Court cases in which Greeley as an opposer is 28.

Stipulations filed:

Case	Applicant
22CW3224	Central GMS WAS Storage
25CW3020	MMM – Taft Hill and North Shore Reservoirs
25CW3005	MMM - Diligence

Stipulations filed in City of Greeley Cases:

COG Case	Opposer
21CW3056	North Weld County Water District
21CW3056	State Engineer and Division Engineer
21CW3056	North Poudre Irrigation Company
21CW3056	Water Storage and Supply Company
21CW3056	Larimer and Weld Irrigation Co Larimer and Weld Reservoir Co Windsor Reservoir Canal Company Cache La Poudre Irr Ditch

SERVING OUR COMMUNITY • IT'S A TRADITION

We promise to preserve and improve the quality of life for Greeley through timely, courteous and cost-effective service.

GREELEY AS APPLICANT

A summary of pending Water Court cases in which Greeley is the applicant is as follows:

25CW3080 (Application to make absolute, and for reasonable diligence, for 06CW258, 18CW3016 Tunnel Water Company conditional exchange rights)

In July 2025, Greeley filed its application for a finding of reasonable diligence regarding its conditional exchange of water from the Tunnel Water Company, as initially decreed in Case No. 06CW258. Greeley is entitled to 7% of the deliveries made by the Tunnel Water Company via its ownership of Class B shares in the Windsor Reservoir and Canal Company. The Tunnel water is a transbasin supply entering the Poudre River from the Laramie River Basin. One of the exchanges allows Greeley to divert these water rights into storage at Milton-Seaman Reservoir. In this diligence application, Greeley also seeks a determination that a portion of that exchange from the Tunnel to Milton-Seaman Reservoir has been made absolute in the amount of 17.02 cfs. This case will receive its first round of comments from opposers in January.

25CW3017 (Delta Park Well Right and Augmentation Plan)

In February 2025, the City of Greeley applied for a new groundwater right for its Delta Park Well, along with a plan to replace any water used when the well is out of priority. This new right, known as the Delta Park Well Groundwater Right, would enable the City to utilize water from the well to irrigate the Delta Park neighborhood and surrounding areas. Currently, the well serves as an alternate source of water under an older court decree (Case No. W-7984-75), but its use is limited to approximately six acres at Delta Park. With this application, Greeley aims to expand the well's use to cover more acreage beyond the existing area. Seven opposers filed statements of opposition, and Greeley reached an agreement with one opposer. In August, our team completed the proposed decree and engineering reports. In November four of the seven opposers filed first round comments. We have reviewed those comments and will have responses due in February.

22CW3042 (City of Greeley Change of WSSC)

On March 31, 2022, the City of Greeley filed its application for the change of 23.917 shares in the Water Supply and Storage Company ("WSSC"). Greeley is changing the shares from irrigation to municipal, augmentation, and other uses. Greeley also seeks a plan for an augmentation and water exchange project for the replacement of return flows from the native portion of the Subject Shares and an appropriation of such return flows. Greeley also seeks a conditional direct flow water right for the replacement of return flows. Twenty-four statements of opposition filed. Greeley has stipulated a total of nineteen opposers, with twelve from May to August. This case was re-referred with the referee to set a trial date. Greeley anticipates a trial date in 2027. Although a trial date has been requested, Greeley continues to make substantial progress toward stipulations with remaining parties and aim to settle before trial.

21CW3056 (City of Greeley, et al., Poudre River Instream Flows Augmentation Plan)

On April 29, 2021, the City of Greeley filed a joint application with the Colorado Water Conservation Board, Colorado Water Trust, City of Fort Collins, City of Thornton, Northern

Water, and the Cache la Poudre Water Users Association for approval of a plan of augmentation for instream flows in the Cache la Poudre River. The purpose of the augmentation plan is to preserve and improve the natural environment to a reasonable degree at various locations along the Poudre River, from the Cache la Poudre at Canyon Mouth near the Fort Collins gauge to the confluence of the South Platte River. The Poudre Flows Instream Flows Augmentation Plan received a final decree in December and Greeley and joint applicants are finalizing operation plans.

LEGAL & ENGINEERING EXPENSES:

The Water Resource Division's outside legal and engineering expenses from September 2025 through December 2025 totaled \$158,806, which is 87% of the total \$679,825 spent in 2024. Please note that the engineering invoice for December 2025 has not been received and is not included, engineering costs were totaled for September through November 2025.

2025 Water Resources Legal and Engineering Costs

<u>1st trimester</u>	
Legal	\$110,772
Engineering	\$89,431
<i>Total</i>	\$200,203
<u>2nd trimester</u>	
Legal	\$108,744
Engineering	\$125,633
<i>Total</i>	\$234,377
<u>3rd trimester</u>	
Legal	\$88,163
Engineering	\$70,643
<i>Total</i>	\$158,806
<u>Annual Totals</u>	
Legal	\$307,679
Engineering	\$285,706
Total	\$593,386



Water & Sewer Agenda Summary

Date: January 21, 2026

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

Title: Legal Report

Summary: This report has been provided by Carolyn Burr of Welborn Sullivan Meck & Tooley, P.C., outside counsel for the Greeley Water & Sewer Board and Dan Biwer, Senior Environmental and Water Resources Attorney, City Attorney's Office.

1. Future Filing for Non-Tributary Groundwater Rights in the Upper Laramie Aquifer on State Land Board Property as part of Terry Ranch Project.
2. Proposed Statements of Opposition: Based on our review of the November 2025 Water Court Resume in Div. 1 and Div. 5, staff and legal counsel recommend that the Water and Sewer Board authorize filing statements of opposition by the end of January 2026 to the following water court applications:
 - **Water Division 1 – Case No. 25CW3158:** This case concerns an application by the City of Aurora to change of 24 shares of the Western Mutual Ditch Company and 7 cfs of the Hewes and Cook Ditch, Priorities 13 and 23 on the South Platte River. Aurora seeks new places and types of use, including storage. This is the most recent of several changes of Western Mutual shares. Greeley has participated in each of the prior changes. We recommend filing a statement of opposition to ensure that the return flows are replaced in quantity and time to protect Greeley's South Platte River exchange rights from injury.
 - **Water Division 1 – Case No. 25CW3168:** Application by CWH Properties, LLC to change 5.5 shares of the Box Elder Ditch historically used on the Swets and Weitzel farms located just east of the Costco on Harmony Rd. Greeley recommends filing a statement of opposition in order to protect Greeley's water rights on the Lower Poudre and Fossil Creek.
 - **Water Division 1 – Case No. 25CW3173:** This case concerns an application for reasonable diligence by Fox Acres Community Services & Hidden Lakes Golf & Trout Club for a conditional exchange of 150 acre-feet. The exchange from points include Seaman Reservoir, Terry Lake, Barnes Meadow, Comanche, and Peterson Reservoirs, and the applicants have contracts with Greeley for delivery of water from the former Mountain and Plains system. Greeley recommends filing a statement of opposition in order to monitor the case and to ensure any decree entered is consistent with prior related decrees and applicants' contracts.

- **Water Division 5 – Case No. 25CW3177:** This case concerns an application by Colorado River Water Conservation District, Public Service Company of Colorado, and Colorado Water Conservation Board to change the Shoshone Water Rights to include instream flow use. Greeley recommends filing a statement of opposition in order to monitor the case and to protect the Colorado and South Platte River basin water rights in Greeley’s portfolio from injury.

Recommended Action: Staff and water counsel recommend authorizing filing statements of opposition in Division 1 Case Nos. 25CW3158, 25CW3168, and 25CW3173, and staff and the City Attorney’s Office recommend filing a statement of opposition in Division 5 Case No. 25CW3177.

Recommended Motion: “I move that the Board authorize filing statements of opposition in Case Nos. 25CW3158, 25CW3168, and 25CW3173 in Water Division No. 1, and Case No. 25CW3177 in Water Division No. 5, and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3, 2015.”

Attachments: None.

January 2026 Legal Report

Greeley Water & Sewer Board
January 21, 2026



WYOMING

6461 R

ADD

Soapstone Prairie
RESTORATION

Soapstone
Prairie
Natural Area

Boisjoly Creek

CHALK R.



Agenda Summary

January 21, 2026

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. Windy Gap Firing, Chimney Hollow Project Status Update
3. CDPHE Sampling Plan Update: Decreased Monitoring for Lead and Copper
4. SprypointCIS Post-Go Live and Utility Billing Portal Update
5. Notice of need to reschedule the April 15, 2026 Board meeting to allow the Board and Mayor to fully participate in 2026 State of the City address at Aims Welcome Center

Recommended Action:

None

Recommended Motion:

None

Attachments:

1. Directors Report.
2. Reg-87_Waters.of.State.Rules
3. CO0162321 Reduced Monitoring LEAD AND COPPER DS001
4. Board Meeting Charts 2025



Directors Report Water & Sewer Utilities

Water & Sewer Board

January 21, 2026

Presented by:

Sean P. Chambers, Water & Sewer Utilities Director

January 2026

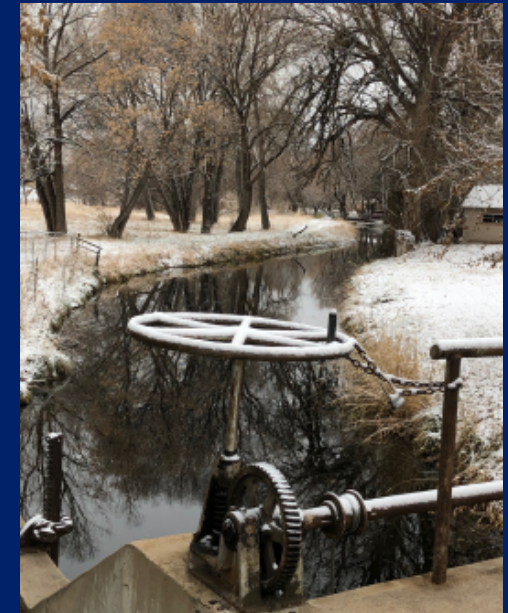
Agenda

Director's Report:

1. Water Industry Education and Advocacy Events
2. Chimney Hollow Reservoir Project Update
3. CDPHE Sampling Plan Update: Decreased Monitoring for Lead and Copper
4. Plan to amend the April 15th Board meeting to support the State of the City
5. CIS Post Go-Live Utility Billing Update

Purpose:

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



Winter '25-'26 Water Industry Events

Colorado Farm Show

Jan. 27 – 29, 2026 at Island Grove Regional Park - <https://www.coloradofarmshow.com/>

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 – Water Tables Fundraiser

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

Saint Vrain & Left Hand Water Conservancy District '26 Water Symposium

February 26th at Shupe Homestead www.svlh.gov

Northern Water Spring Water User Symposium and Quota Meeting

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

Assoc. of Metropolitan Water Agencies and AWWA Federal Water Policy fly-in

April 12-15, Washington, DC

American Water Works Association – ACE-2026 Training and Innovations 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>

Chimney Hollow

Water Quality



Chimney Hollow Reservoir Update

- During construction, Northern Water identified naturally occurring uranium from the granite used for the rock fill dam
- Uranium levels in the water at the dam face have shown potential to exceed the U.S. EPA's Maximum Contaminant Level (MCL) of 30 µg/L for drinking water
- First fill of the reservoir was delayed to allow additional monitoring, data collection, and evaluation of mitigation options
 - Water quality sampling locations are established in reservoir and downstream to understand baseline conditions
 - Participants are doing scoping studies and analyzing various mitigation strategies to recommend a Uranium management plan
 - **Greeley is better positioned than most participants** due to current water supplies greater than demands, and due to treatment plant locations, and flexibility on water sources
 - Participants are working with Northern to determine treatment strategy and plan of finance, with decisions later this year

CDPHE Lead and
Copper Sampling
Plan Update:

MICHAELA JACKSON
GREELEY CITY OF - PWSID CO0162321
1001 11TH AVE 2ND FLR
GREELEY CO 80631

Requirements Change Notice
Decreased Monitoring for LEAD AND COPPER

The Colorado Department of Public Health and Environment (“Department”) has identified the following monitoring change per Section 11.26(2)(d) of the Colorado Primary Drinking Water Regulations (“Regulation 11”), 5 CCR 1002-11 for **GREELEY CITY OF (“Supplier”)**:

Analyte Name: LEAD AND COPPER		
Facility ID: DS001		Sample Point ID: Approved LCR Sites
Previous Sample Schedule	New Sample Schedule	New Schedule Start Date
100 Sample(s) per 6 Months	50 Sample(s) per 3 Years between June 1 and September 30	January 1, 2026 (Next samples due in 2028)



2026 State of The City

- April 15, 2025 @ Aims Welcome Center

- Will require the rescheduling of W&S Board



CIS Post Go-Live and Utility Portal Update

Project and software are an overall success, yet we continue to work the challenges:

- Project Go-Live: Monday, November 17th
- Extensive communication efforts - ongoing
- Unexpected weather data import errors
- Challenges processing bank auto-bill-pay that come in the form of one large single check
- Helping customer to get registered in the portal



Questions ?

Thank you



NEWS: WATER

Colorado water regulators approve historic stream, wetlands protections

After three days of hearings and a late-night vote, officials gave the green light to rules that will protect Colorado's waters even as the EPA pulls back



Jerd Smith

3:25 AM MST on Dec 12, 2025



Wetlands along like these along Big Sandy Creek run the breadth of the May Cattle Ranch near Lamar, providing habitat to a wide variety of birds, from sparrows to eagles.(Mike Sweeney, Special to The Colorado Sun)

Colorado water regulators late Wednesday approved an extensive set of rules designed to protect thousands of miles of streams and vast wetlands, stepping up as one of the first states in the nation to do so.

“It’s a big moment,” said Kathy Chandler-Henry during the last day of hearings. She is a member of the Colorado Water Quality Control Commission from Eagle County.

The rules cover dozens of issues related to how the state will issue permits dictating how construction, homebuilding and farming activities that disturb waters and wetlands can occur.

The idea is to protect these natural resources while giving businesses the flexibility they need to operate.

The vote by the nine-member Colorado Water Quality Control Commission came after nearly 16 months of public hearings and meetings of environmental groups, water providers, farmers and other industry interests. The rules were written to regulate dredge and fill activities in state waters as authorized by **House Bill 1379**, a hard-fought bipartisan measure approved by Colorado lawmakers in May 2024. The state commission oversees the Colorado Department of Public Health and Environment’s Water Quality Control Division, which will enforce the rules.



This Fresh Water News story is a collaboration between The Colorado Sun and Water Education Colorado. It also appears at wateredco.org.

The fragile coalition that came together to approve the 2024 law **almost fractured** in the weeks leading up to the hearings, with industry groups charging that health regulators and environmental interests were trying to change the law in ways the legislature didn’t intend and environmental groups issuing similar charges.

Ultimately, commissioners rejected inclusion of a broad public interest standard in the new rules, agreeing with industry that it wasn’t necessary. But they approved clarifying language about wetlands that are close to irrigation ditches and water delivery canals, something that environmentalists fought for but which wasn’t detailed in House Bill 1379.

In the end, major water providers who objected to some of the rules, such as Northern Water, said they were reasonably comfortable with the final rules.

“Through the hearing process we feel our concerns were addressed and appreciate the efforts of the WQCD to consider and resolve issues in the interests of all parties,” said Chris Manley, senior water quality policy specialist with Northern.

Environmentalists said the rules meet most of their goals for protecting state waters and wetlands, although there was disappointment that the public interest standard was removed.

“We feel pretty good about the rules that were adopted,” said David Nickum, executive director of Colorado Trout Unlimited.

Colorado leads the nation in completing rules that address a major gap created in 2023 when the U.S. Supreme Court, in its **Sackett v. EPA decision**, wiped out a critical set of environmental safeguards contained in the Clean Water Act.

The Sackett decision said, in part, that only streams that flow year-round are subject to oversight. It also said only wetlands that had a surface connection to continually flowing water bodies qualified for protection.

Western states were hard-hit by the decision because few of their rivers and streams flow year-round, and wetlands often only appear after rain and snowstorms, leaving them unprotected under the revised Clean Water Act rules.

READ MORE

First-of-a-kind rules to protect Colorado streams, wetlands face final hearing

3:03 AM MST on Dec 4, 2025

Fort Garland to reinstate water sales to rural San Luis Valley residents after abruptly cutting them off weeks ago

4:06 AM MDT on Sep 18, 2025

200 dead fish in Colorado reservoir have local groups concerned over climate change's impact on mountain waters

3:49 AM MDT on Sep 12, 2025

After Sackett, Colorado moved quickly to begin studying how to create rules to replace what had been removed from the federal Clean Water Act.

In House Bill 1379, lawmakers said all state waters and wetlands should be protected. But they also included a list of waters that would be excluded from the new law to protect farmers and water providers and some industries. The law also contained exemptions for activities such as maintenance work on irrigation ditches and canals. And it specifies that work that disturbs less than one-tenth of an acre of wetland or a three-hundredths of an acre of a streambed also be exempted from oversight.

The rules will take effect early next year, according to CDPHE spokesman Brent Temmer.

Colorado's action comes just weeks after the **EPA proposed new rules** that would further reduce federal protections for wetlands and streams.



December 17, 2025

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Previous Sample Schedule	New Sample Schedule	New Schedule Start Date
100 Sample(s) per 6 Months	50 Sample(s) per 3 Years between June 1 and September 30	January 1, 2026 (Next samples due in 2028)

- **Why did the sample schedule change?** Recent sample results or other situations allow for reduced monitoring.

The Supplier's monitoring schedule, posted at wqcdcompliance.com/schedules, contains detailed monitoring requirements and has been updated to reflect the changes.

If there are any questions regarding the contents of this letter and/or requirements for the Supplier, please contact:

Bryan Pilson
720-500-2198

bryan.pilson@state.co.us

Some of the letter's content may not be fully accessible. If you encounter any accessibility barriers with this letter, please contact us at 303-692-3500.

ec:

MICHAELA JACKSON - MICHAELA.JACKSON@GREELEYGOV.COM; AC
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JASON CLARK - JASON.CLARK@GREELEYGOV.COM; OPERATOR
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ENVIRONMENT
OEM - WELD-OEM@CO.WELD.CO.US; WELD COUNTY DEPT OF PUBLIC HEALTH &
ENVIRONMENT

File: CO0162321, WELD COUNTY, COMMUNITY - SURFACE WATER

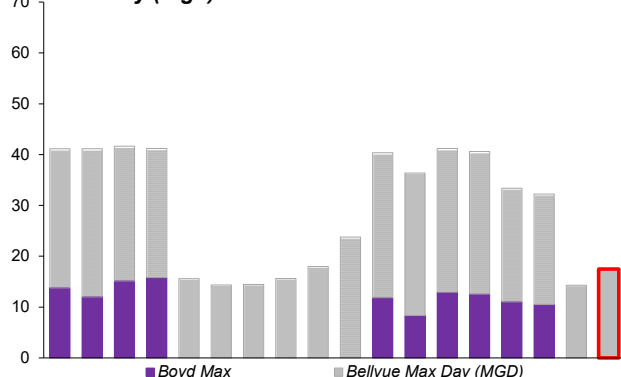
Water Treatment

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.

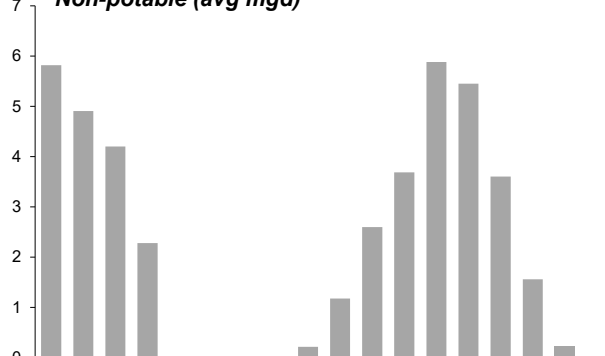
Boyd Water Treatment Plant operates normally from April to October with a plant capacity of 38 mgd (transmission capacity is 40 mgd). Water sources include Greeley-Loveland Irrigation Company, C-BT, and Windy Gap. Average Volume is 8,200 acre-feet (2000-2011). The current plant was built in 1974, with its last treatment upgrade in 1999. Solar panels were added at Boyd in 2014. In 2016, tube settlers and plate 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.

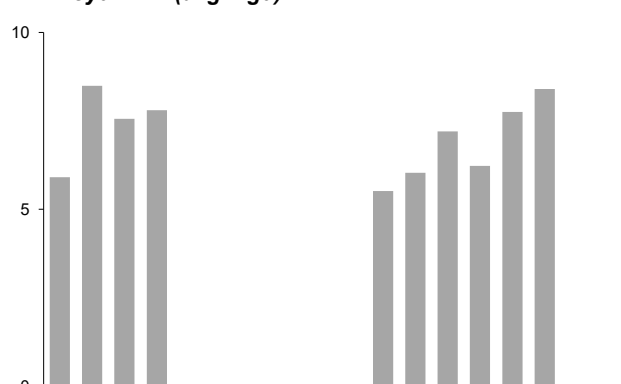
Max Day (mgd)



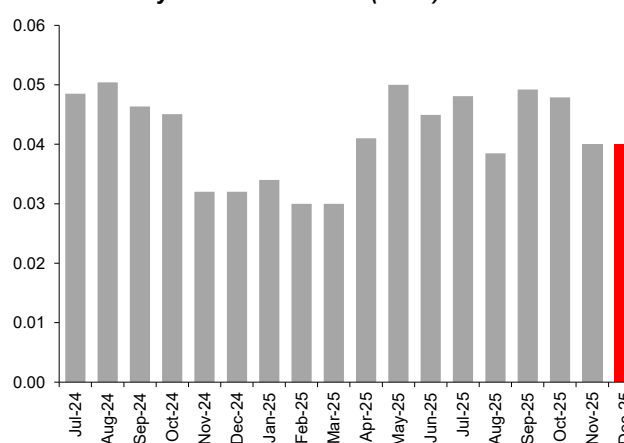
Non-potable (avg mgd)



Boyd WTP (avg mgd)



Turbidity of Finished Water (NTU*)

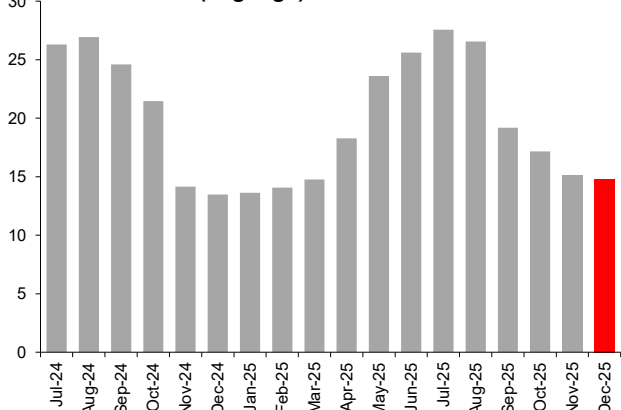


Starting May 2016 Bellvue turbidity measurements will use a new method resulting in more accurate readings.

*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).

Bellvue WTP (avg mgd)

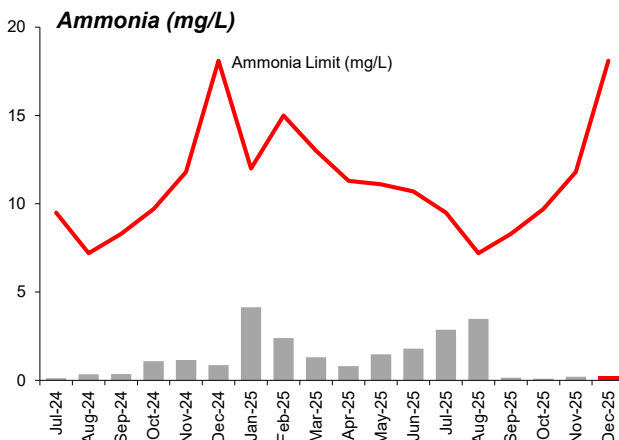
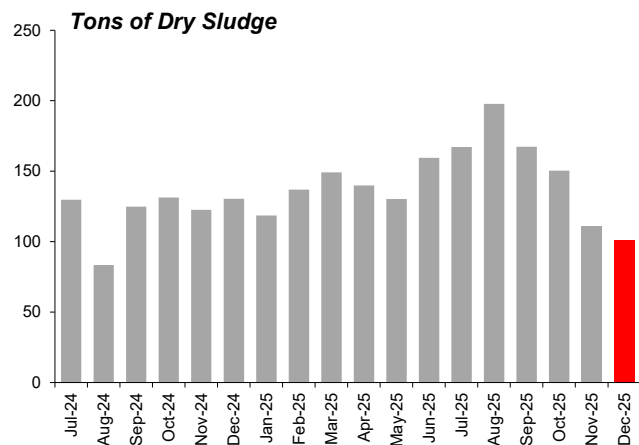
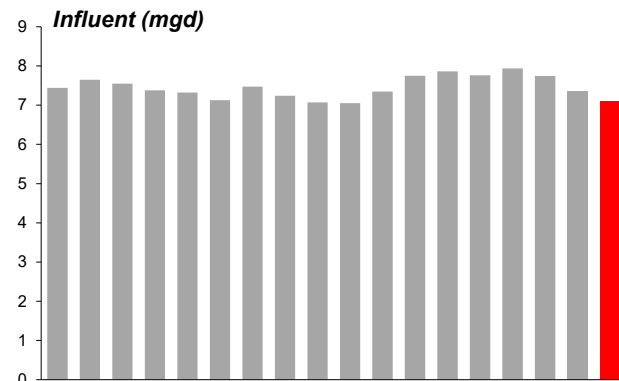
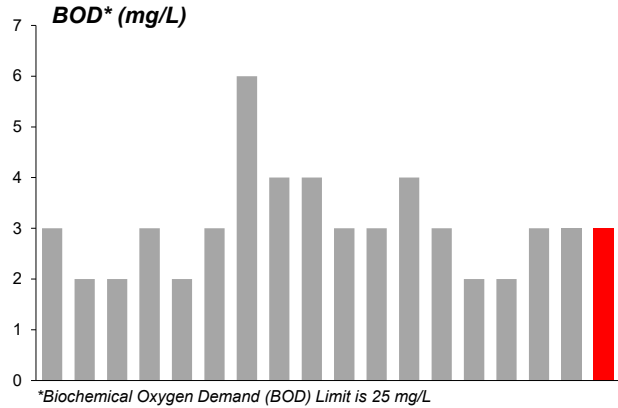
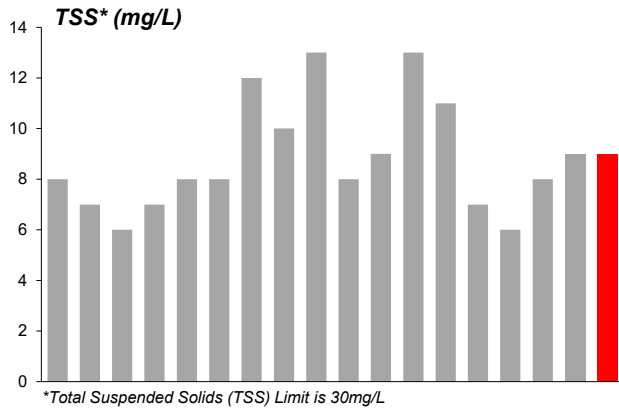


Wastewater Treatment

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.



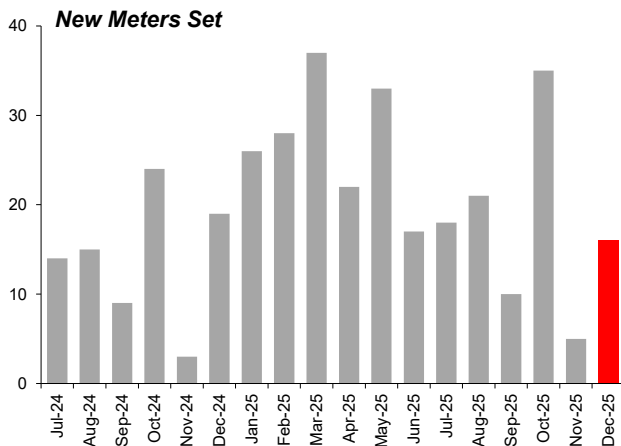
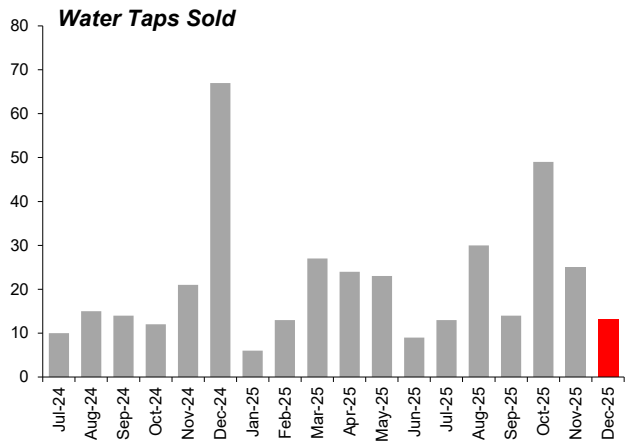
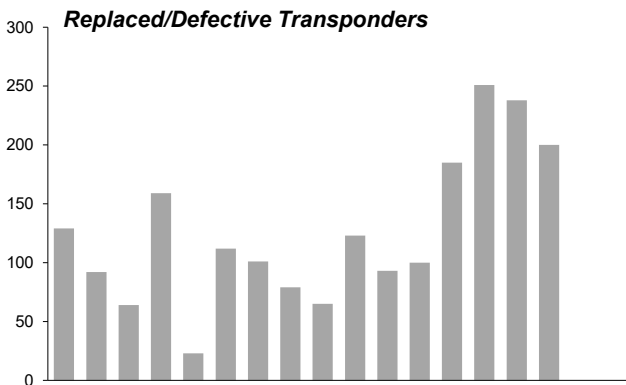
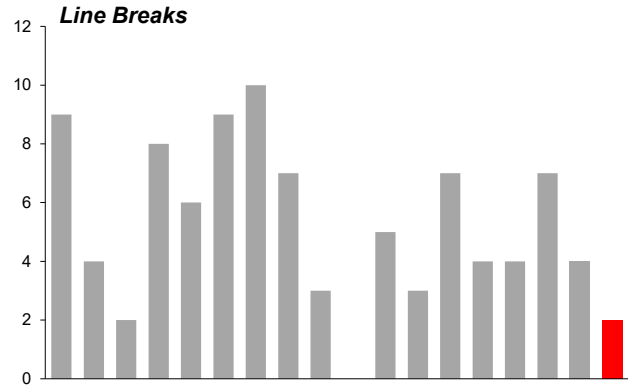
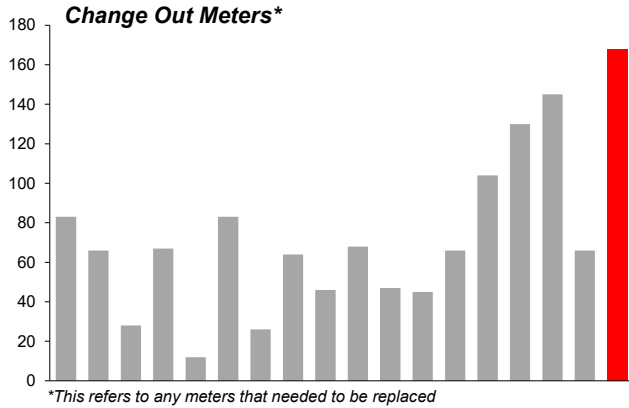
Water Distribution

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.



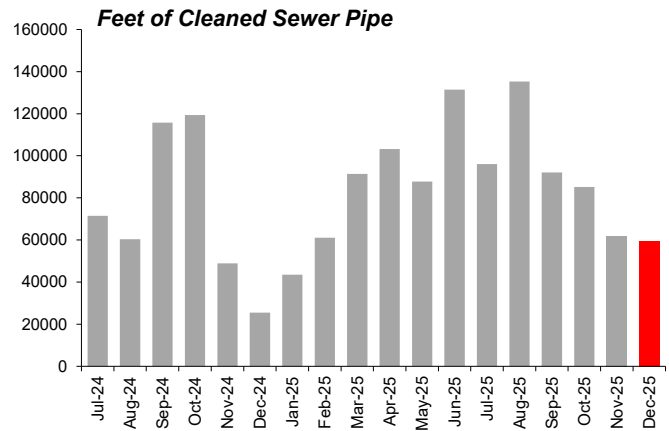
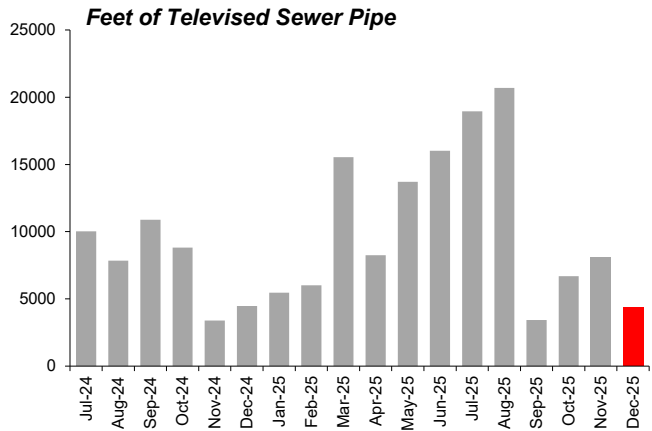
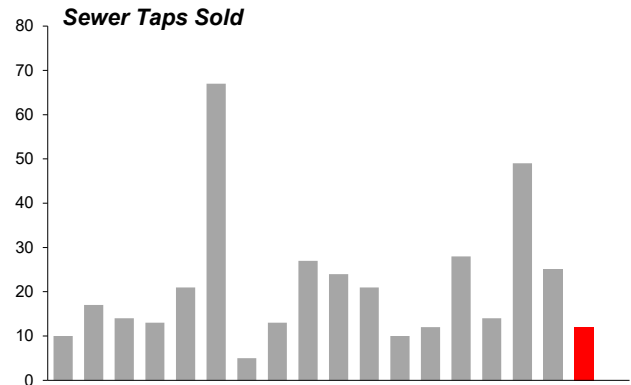
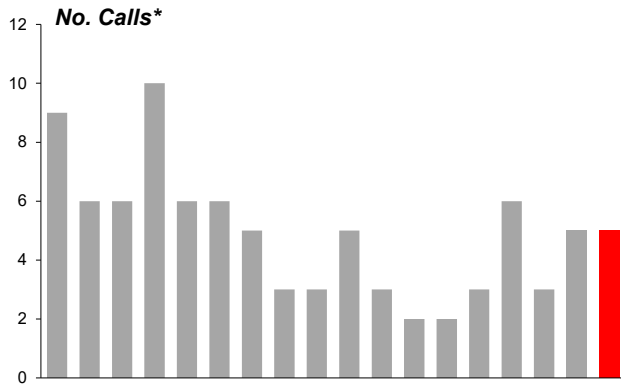
Wastewater Collection

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.

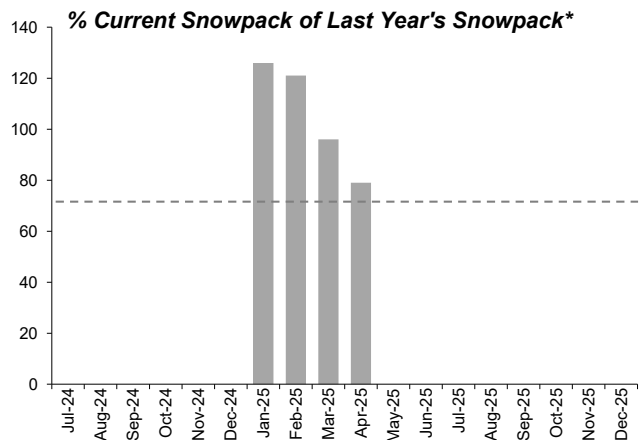
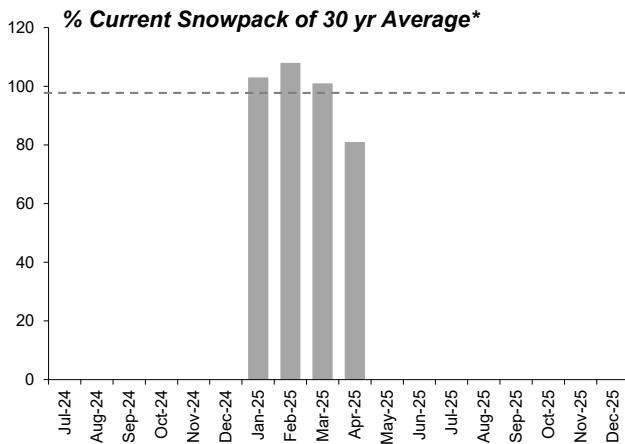
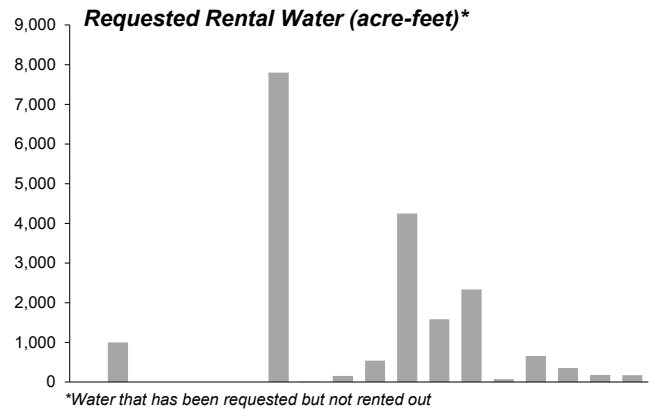
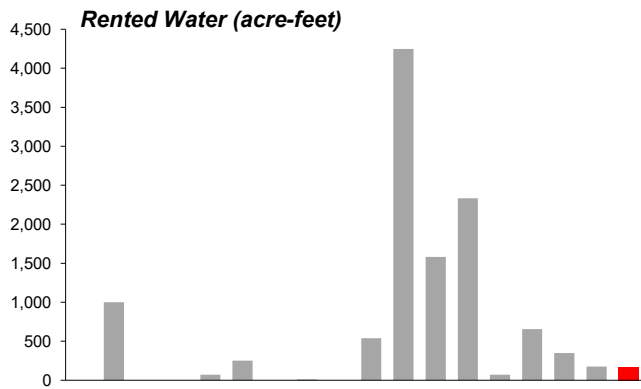
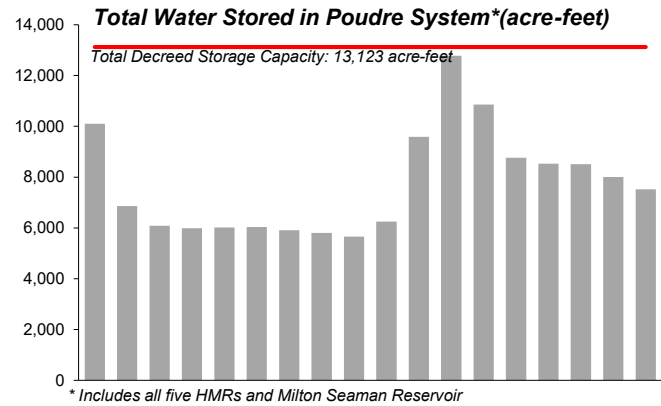
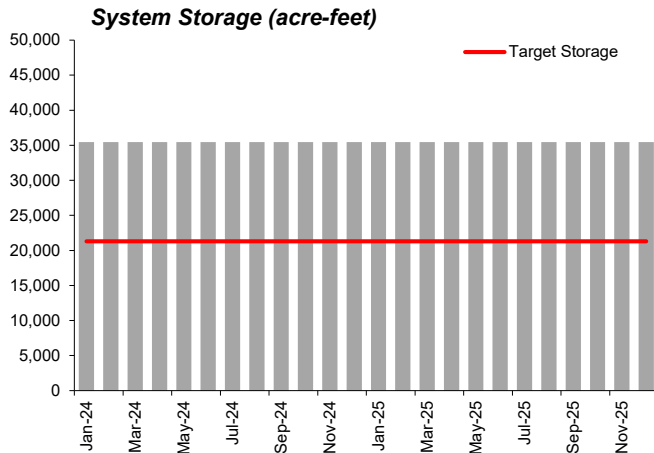


Water Resources

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. The average daily temperature in November was well above average at 42.71°F. December saw an exceptionally high average daily temperature at 37.29°F, compared to the historic average of 25.94°F.

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. Precipitation in November was well below average at just 0.19 inches. December precipitation was close to average at 0.39 inches.

