

MINUTES OF A REGULAR MEETING OF THE BOARD OF  
DIRECTORS OF THE NORTH WELD COUNTY WATER DISTRICT

Held: Monday, the 11<sup>th</sup> day of July, 2022, at 8:30 A.M.

*The meeting was conducted via teleconference.*

**ATTENDANCE**

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Tad Stout, President  
Scott Cockroft, Secretary  
Ron Buxman, Treasurer  
Matthew Pettinger, Assistant Secretary  
Brad Cook, Assistant Secretary

Also present were Eric Reckentine, General Manager of the District; Zachary P. White, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, District general counsel; Garrett Mick, North Weld County Water District; Richard Raines, Water Resources, Daniel Rice, Providence Infrastructure Consultants; Lauren Taylor, Spencer Fane, District special counsel; Members of the Public.

**ADMINISTRATIVE  
MATTERS**

Call to Order

The meeting was called to order at 8:35 A.M.

Declaration of Quorum and  
Confirmation of Director  
Qualifications

Mr. Stout noted that a quorum for the Board was present and that the directors had confirmed their qualification to serve.

Reaffirmation of Disclosures  
of Potential or Existing  
Conflicts of Interest

Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided WHITE BEAR ANKELE TANAKA & WALDRON with notice of potential or existing conflicts of interest, if any, were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest about any matters scheduled for discussion at the meeting. Mr. Stout reminded the Board about his prior serves on the Board of the Town of Severance and advised the Board that he would abstain from all matters related to the Town of Severance. All directors reviewed the agenda for the meeting and confirmed that they have no additional conflicts of interest in connection with any of the matters listed on the agenda.

Approval of Agenda

Mr. Reckentine presented the Board with the agenda for the meeting. Upon motion of Mr. Buxman, seconded by Mr. Pettinger, the Board unanimously approved the agenda.

**PUBLIC COMMENT**

Dairy Operators addressed the Board regarding concerns with the District's policy changes over the last year. In particular, the comments addressed the historical purpose of the District to bring water to the eastern dairies. Dairies believe the surcharge they pay for water usage should be used by the District to acquire additional water, and the current policy to require dairies to bring additional water to the District for dedication is unfair and cost prohibitive. The District was asked to find a way to make the surcharge have value instead of just penalizing the dairies.

**CONSENT AGENDA MATTERS**

Mr. Reckentine presented the Board with the consent agenda items.

Upon motion of Mr. Buxman, seconded by Mr. Pettinger, the Board approved the following:

- b. Acceptance of Unaudited June 2022 Financial Statements
- c. Approve Invoices through July 11, 2022
- d. Variance Request Backflow Prevention – Booth
- e. Agreement for Relocation of Potable Water Facilities for Weld County Road 33/74 with Weld County
- f. Letter to Regional Strata Operations Committee
- g. 160 G Compactor Purchase Order
- h. Addendum to Independent Contractor Agreement with TriHydro Corporation (Engineering and Environmental Consulting)
- i. Stantec Change Order
  - i. Knox Pit
  - ii. Longs Peak WSSC Recharge Site
- j. Just Compensation Waiver Valuation with Serfer Land Ventures, LLC

Upon motion of Mr. Pettinger, seconded by Mr. Cook, the Board approved the following, as amended:

- a. Minutes from June 13, 2022, Regular Meeting

**WATER TAP SALE MATTERS**

Update Regarding Water Taps

Mr. Reckentine noted that to date 92 taps have been sold year-to-date, and tap sales are slowing down.

Town of Severance Matters

i. Consider Retail Rate Adjustment

Mr. Reckentine discussed with the Board provisions of the Water Service Agreement with the Town of Severance (the "Town") that requires a certain amount of water storage by the Town. If the Town does not have adequate water storage, the District can remove the Town's wholesale discount. The Board discussed measures taken in recent months to make sure each customer is paying for all the service that it should and feels it is most fair to all customers if all customers are held to the same standard.

ii. Request for Meeting with the Town

Mr. Reckentine presented to the Board a request from the Town of Severance for the two bodies to meet together to discuss the future of the relationship between the two bodies. The Board discussed a desire to send only representatives of the Board to meet with the Town. Following discussion, upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board determined to send two representatives to meet with representatives of the Town. Mr. Reckentine will coordinate dates with the Town and Mr. Cockroft and Mr. Cook will represent to the Board.

Mr. Stout recused himself from the room and abstained from discussions regarding the Town.

Review NEWT III CMAR Contractor Bids and Consider Selection of NEWT III CMAR Contractor

Mr. Reckentine and Mr. Rice presented the results of review of proposals for the NEWT III CMAR Contractor. Following discussion, upon a motion by Mr. Buxman, seconded by Mr. Cook, the Board selected Reynolds Construction for award of the CMAR Contract.

The Board was advised that East Larimer County Water District will also review the results and make a selection of CMAR Contractor.

Update on Status of Litigation with Eagle View Farms LLC

Ms. Taylor updated the Board regarding the District's Court denying the District's motion to dismiss the case with Eagle View Farms LLC. Ms. Taylor noted that the Court often defers to wanting to review all the facts before dismissing a plaintiff's complaint. The next steps in the process will be prepare for discover. No action was taken.

Executive Session pursuant to § 24-6-402(4)(b) & (e), C.R.S. related to:

- a. Town of Severance Retail Rate Adjustment and Request for Meeting
- b. NEWT III CMAR Contractor Selection

Upon motion of Mr. Cockroft, seconded by Mr. Pettinger, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session for the purpose of receiving legal advice and to determine positions relative to matters that are subject to negotiation related the Town of Severance Retail Rate Adjustment, and Selection of the NEWT III CMAR Contractor pursuant to §§ 24-6-402(4)(b) and (e), C.R.S.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

Following discussion, the Board reconvened in regular session.

Upon a motion of Mr. Cockroft, seconded by Mr. Pettinger, the Board determined to meet with representatives of the Town to notify them that the wholesale discount will be eliminated pursuant to the terms of the Water Service Agreement, and then to consider formal adjustment of the Towns rate at the August regular meeting.

Upon a motion by Mr. Buxman, seconded by Mr. Cook, the Board selected Reynolds Construction for award of the CMAR Contract.

#### DISTRICT MANAGER'S REPORT

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|---|--|
| a. Master Plan Update   |  |
| i. Met with Towns of Timnath, Nunn, Pierce, Ault, Severance will meet NCWA on July 12, 2022 | Mr. Reckentine reported on meetings with towns regarding the need to engage in master planning discussions to understand the future demand on the District. Mr. Reckentine reported that all towns have responded positively to the discussions. Mr. Reckentine also reported that he will be meeting with the Town of Severance on July 12, 2022. |
| b. Mark Kempton, SCWTA Authority Manager June 20, 2022                                      | Mr. Reckentine reported that Mark Kempton has been hired as the manager of the plant.  |
| c. Stantec Treatment Plant Expansion Master Planning  | Mr. Reckentine reported that Stantec has been asked to look at potential to expand the Soldier Canyon Treatment Plan.  |
| d. Colorado River Report  | Mr. Reckentine reported to the Board regarding the latest Colorado River Report and discussed the current situation with the many compact states.  |
| e. Eaton Pipeline Project Phase 2 Bid Request   | Mr. Reckentine reported to the Board regarding bidding of the Eaton Pipeline project. The Board directed bidding to be opened to all potential bidders.  |

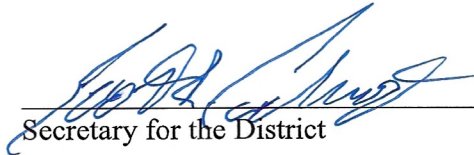
**OTHER BUSINESS**

The Board discussed the comments made by members of the public related to water dedication requirements and water surcharge changes. The Board directed staff to research the issues raised by the dairies and report back to the Board.

**ADJOURNMENT**

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting

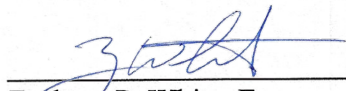


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Secretary for the District

**Attorney Statement  
Regarding Privileged Attorney-Client Communication**

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that in my capacity as the attorney representing the North Weld County Water District (the “District”), I attended the Executive Session on July 13, 2022, for the sole purposes of conferencing with the District’s Board of Directors for the purpose of giving legal advice on specific legal questions and discussing negotiations with third parties as authorized by §§ 24-6-402(4)(b) and (e), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by § 24-6-402(4)(b), C.R.S., and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S.



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Zachary P. White, Esq.  
WHITE BEAR ANKELE TANAKA & WALDRON  
General Counsel to the District