

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

Held: Monday, the 13rd day of June, 2022, at 1:00 P.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
Ron Buxman, Treasurer
Matthew Pettinger, Assistant Secretary
Brad Cook, Assistant Secretary

Scott Cockroft was absent and excused

Also present were Eric Reckentine, General Manager of the District; Zachary P. White, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, District general counsel; George Oamek, Headwaters Corporation; Richard Raines, Water Resources, Chris Wood, BizWest Newspaper; Members of the Public via teleconference.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order at 1:05 P.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. 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. Cook, seconded by Mr. Pettinger, the Board unanimously approved the agenda.

PUBLIC COMMENT None.

CONSENT AGENDA MATTERS Mr. Reckentine presented the Board with the consent agenda items.

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

- a. Acceptance of Unaudited May 2022 Financial Statements
- b. Approve Invoices through June 13, 2022
- c. Approve Engagement Letter with Sherman & Howard for Bond Counsel Services
- d. Approval of Conflict-of-Interest Waiver Letter re Otis & Bedingfield, LLC for work on Lakeview Farms LLC

Upon a motion by Mr. Cook, seconded by Mr. Pettinger, the Board approved the following, with Mr. Buxman abstaining.

- a. Minutes from May 23, 2022, Regular Meeting

Draft Report and Presentation of Cost-of-Service Study, Headwaters Consulting

Mr. Oamek presented the updated Cost of Service Study. The Board engaged in a discussion with Mr. Oamek and Mr. Reckentine re study results and discussed possible rate increases and mill levy imposition if approved by voters. Following discussion, the Board asked Mr. Oamek to return at a future meeting to discuss the impact of mill levies on the rate structure and Rate of Return rate adjustment calculations for wholesale customer accounts.

WATER TAP SALE MATTERS

Update Regarding Water Taps

Mr. Reckentine noted that to date 85 taps have been sold year-to-date, 8 since the last meeting.

Consider Adoption of Resolution 20220613-01: First Amendment to Annual Administrative Matters Resolution

Mr. White presented Resolution 20220613-01: First Amendment to Annual Administrative Matters Resolution in order to update the regular meeting schedule. The Board discussed the regular meeting schedule and upon a motion by Mr. Pettinger, seconded by Mr. Cook, the Board adopted Resolution 20220613-01 and established the regular meeting schedule of the second Monday of each month at 8:30 A.M.

DISTRICT MANAGER'S REPORT

Mr. Reckentine reported the following to the Board:

Master Plan Update: Mr. Reckentine reported to the Board that he has been meeting with Towns regarding master planning. He has met with Eaton and Windsor and is scheduled to meet with Timnath. All discussions have been positive, Town wanting to participate in master planning discussions.

Eaton Water Lease Agreement: Mr. Reckentine reported to the Board that the Eaton Water Lease Agreement will not be executed due to a requirement of District to sell plant investments to the Town.

Cyber Security Issue Covered by Cyber Insurance: Mr. Reckentine reported to Board that insurance will cover the cyber theft event involving transfer of funds to the City of Greeley.

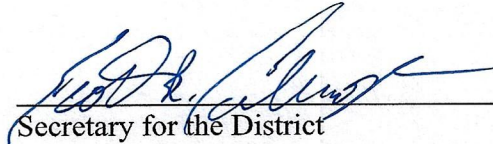
OTHER BUSINESS

Mr. Reckentine discussed employee retention and asked for approval to offer a higher base pay rate. Upon a motion by Mr. Buxman, seconded by Mr. Pettinger, the Board approved in increase of \$4.00/hour in base pay rate.

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


Secretary for the District