

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

Held: Monday, the 12<sup>th</sup> day of December, 2022, at 1:30 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  
Scott Cockroft, Secretary  
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; Allison Gorsevski, Lyons Gaddis, special counsel; Jamie Cotter, Spencer Fane, special counsel; Stephen Gagliardi, Town of Severance Liaison; members of the public.

**ADMINISTRATIVE MATTERS**

Call to Order

The meeting was called to order at 1:30 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.

Interviews for Director Candidates to Fill Vacancy Ward 5 The Board reviewed director candidate questionnaires and conducted interviews of Anne Hennen and Jeff Podtburg to fill the vacancy in Ward 5 on the Board.

Consider Appointment of Director to Fill Vacancy Following interviews for Ms. Hennen and Mr. Podtburg, the Board determined to defer appointment of a director until the January 2023 meeting.

**PUBLIC COMMENT** Mr. Bean addressed the Board regarding water acquisitions and water banking.

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

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

- a. Minutes from November 14, 2022, Regular Meeting
- b. Approve Unaudited Financials for November 2022
- c. Approve Invoices through December 12, 2022
- d. Tri-Hydro Corporation Consulting Eaton Pipeline Project Inspection Scope
- e. Tri-Hydro Corporation NWCWD Regulatory Compliance Scope & Fee
- f. Tank 1, Tank 7 and Tank 5 Maintenance and Coating Scope of Services
- g. Grazing Lease Agreement with Paul F. Hill, Antonia M. Hill (2021-2025)
- h. American West Construction County Road 74/33 Change Order 02
- i. Amended Water Exchange Agreement with Colorado State University
- j. Final Pay Application Old Eaton Pipeline Project

**FINANCIAL MATTERS**

Conduct Public Hearing on 2022 Budget Amendment and Consider Adoption of Resolution No. 20221212-01: Resolution Amending 2022 Budget Mr. Stout opened the public hearing on the 2022 budget amendment. Mr. White reported that notice of the public hearing was published in accordance with Colorado law and no written objections were received prior to the hearing. Mr. White reviewed the 2022 budget amendment with the Board and indicated that the amendments are within funds, but not to the overall appropriation. There were no comments from the public during the public hearing. Mr. Stout closed the public hearing.

Upon motion of Mr. Pettinger, seconded by Mr. Cockroft, the Board unanimously approved the 2022 budget amendment and adopted Resolution No. 20221212-01.

Conduct Public Hearing on 2023 Budget and Consider Adoption of Resolution No. 20221212-02: Resolution Adopting 2023 Budget, Imposing Mill Levy and Appropriating Funds

Mr. Stout opened the public hearing on the 2023 budget. Mr. White reported that notice of the public hearing was published in accordance with Colorado law and no written objections were received prior to the hearing. Mr. Reckentine reviewed the 2023 budget with the Board.

Mr. Johnson addressed the Board regarding dairies, water rates, and surcharges. Mr. England addressed the Board regarding water surcharges. Mr. Mars addressed the Board and concurred with Mr. Johnson's remarks. Mr. Casey DeHaan spoke during the public hearing regarding use of the surcharge revenues. Mr. Stout closed the public hearing.

Upon motion of Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously approved the 2023 budget and adopted Resolution No. 20221212-02.

Discussion re 2023 Rate Increases

In connection with discussion of the 2023 budget, the Board discussed potential rate increases. Mr. White indicated that increases would be considered at the January 2023 meeting.

Consider Adoption of Resolution No. 20221212-03: 2023 Annual Administrative Resolution

Mr. White presented the 2023 Annual Administrative Resolution to the Board and discussed the direction to staff and consultants contained in the Resolution. Following discussion, upon a motion by Mr. Pettinger, seconded by Mr. Cockroft, the Board unanimously adopted Resolution No. 20221212-03.

Consider Adoption of Resolution No. 20221212-04: Resolution Calling May 2, 2023, Election

Mr. White presented the Resolution Calling May 2, 2023 Election and discussed the appointment of the designated election official included in the resolution. Following discussion, upon a motion by Mr. Pettinger, seconded by Mr. Cockroft, the Board unanimously adopted Resolution No. 20221212-04 and directed the call for nominations to be published and posted on the District's website.

Designate Method of Providing Notice of Call for Nominations

Consider Knox Gravel Pit Loveland Ready Mix Inspection Period

Ms. Gorsevski presented to the Board regarding extension of the Knox Gravel Pit option to 2041, secured by a payment of \$75,000. Following discussion, upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously approved the extension and adopted Resolution No. 20221212-05.

Review Bids and Presentation for Weld

The Board heard proposals from Tri-hydro Corporation and Ditesco Engineering Services for the Weld County Transmission

County Transmission Line and Tank 1C Engineering and Professional Services Selection, Consider Award of Contract, Notice of Award, and Notice to Proceed

Line and Tank 1C Engineering and Professional Services Selection. Following the presentations, questions, and discussion by the Board, the Board determined to defer award of the contract until the January 2023 meeting and requested from staff a comparison of the professional services costs

Consider Approval of Condemnation Authority for the NWCWD and City of Greeley Interconnect Easement at the Serfer Land Ventures LLC. Property

Mr. Reckentine discussed with the Board the potential need to condemn an easement related to the Greeley Interconnect project. Ms. Cotter presented a resolution of necessity regarding the use of eminent domain in the event the District is not able to negotiate for the needed easement. Following discussion, upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board unanimously adopted Resolution No. 20221212-06.

Saddler Ridge Development

Saddler Ridge matters were discussed in executive session.

### EXECUTIVE SESSION

Executive Session pursuant to § 24-6-402(4)(b) and (e), C.R.S. related to: Saddler Ridge Development Negotiations, and Knox Pit Inspection Period

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 determining positions relative to matters that are subject to negotiation and receiving legal advice §§ 24-6-402(4)(b) and (e), C.R.S., related to Saddler Ridge Development.

Following the conclusion of the executive session, upon a motion by Mr. Cook, seconded by Mr. Pettinger, the Board unanimously approved a Pump Station Agreement (Saddler Ridge Planned Unit Development) with Saddler Ridge Metropolitan District.

District Manager's Report:

a. Tap Sales

Mr. Reckentine advised the Board that no water taps were sold the previous month.

b. Christmas Party Eaton Country Club on Dec 16 at 11:30

The Christmas party is scheduled for December 16.

c. Water Resource Engineer Ms. Jan Sitterson

Mr. Reckentine introduced the new Water Resource Engineer, Ms. Jan Sitterson to the Board.

d.

e. New Server Installed

Mr. Reckentine updated the Board that the new server installation is completed.

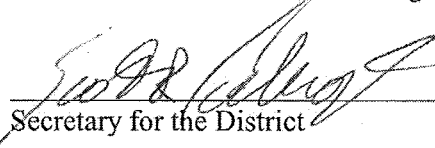
f. Strata Op Update

Mr. Reckentine updated the Board that Strata Op discussion are coming to an end as the concept is becoming too complicated and does not have the necessary support to move forward.

**ADJOURNMENT**

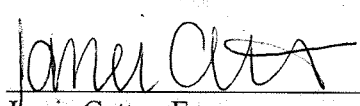
There being no further business to be conducted, the meeting was adjourned.

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

  
Secretary for the District

**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 December 12, 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.

  
Jamie Cotter, Esq.  
SPENCER FANE  
Special Counsel to the District