

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

Held: Monday, the 14th day of February, 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:

Gene Stille, President
Scott Cockroft, Secretary
Brad Cook, Assistant Secretary
Tad Stout, Assistant Secretary

Ron Buxman 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 Corp; Paul Weiss, Williams and Weiss Consulting; Kara Godbehere, Lyons Gaddis, special counsel; Chris Wood, BizWest, 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. Stille 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. Stout, seconded by Mr. Cockroft, the Board unanimously approved the agenda, as amended to move consideration of Resolution 20220214 following consideration of the Consent Agenda.

Consider Approval of
Resolution No. 20220214-01
Resolution Concerning Tap
Sale Policy and Moratorium

Mr. Reckentine presented the proposed Resolution lifting the District's tap sale moratorium in zones 1, 2, 7 & 7B of the District water distribution system and establishing a policy whereby property owners may purchase water taps. Mr. Reckentine discussed that the policy is intended to allow the District to begin selling water taps again, but to limit the sales so the District can control the demand on its system. The policy allows for limited tap sales per month. The Board discussed allowing up to 50 water taps to be sold through the end of March, and then up to 10 per month thereafter. Following discussion, upon a motion of Mr. Cockroft, seconded by Mr. Stille, the Board approve Resolution 20220201-01 as amended to allow for up to 50 taps to be sold through the end of March. Director Stout abstained.

CONSENT AGENDA MATTERS

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

Upon motion of Mr. Cockroft, seconded by Mr. Stout, the Board unanimously took the following actions:

- a. Approval of Minutes from January 10, 2022 Regular Meeting
- b. Acceptance of Unaudited January 2022 Financial Statements
- c. Approval of Invoices through February 14, 2022
- d. Approval of City of Thornton Access License Agreement (Nunc Pro Tunc)
- e. Waiver Valuations
 - i. Hungeberg BOH
 - ii. Five M Farm Co
 - iii. Tomoi Farms
- f. Approval of Providence Amendments No. 45 TO 5 & No. 46 TO 9
- g. Approval of Nickel Road Lease Offer for unleased minerals

Discussion re NWCWD
Commercial and Residential
Drought Triggers

Mr. Weiss and Mr. Oamek presented an updated Technical Memorandum regarding drought mitigation with updates regarding commercial drought triggers and recommendations. Residential and commercial drought triggers and restrictions were recommended. Following discussion, the Board directed staff and legal to prepare residential and commercial drought policies for

consideration by the Board.

No action was taken.

Discussion re Commercial
Flow Control Policy

Mr. Reckentine discussed with the Board the status of installation of flow control devices on commercial users and indicated that the devices are in the process of being installed. Mr. Reckentine indicated that Staff needs direction from the Board about where to set the flow controls. The Board discussed that flow controls allow the District to understand demand and the hydraulic model, and to manage growth within the District. Mr. Reckentine discussed with the Board the review of flow rates and recommended setting the flow control devices for each user at their peak flows from 2021. Following discussion, the Board directed staff and legal to prepare a flow control policy for consideration by the Board.

No action was taken.

Consider Statement of
Opposition in Case No.
21CW3234 ACCWA/United
Application

Ms. Godbehere discussed with the Board Case No. 21CW3234 ACCWA/United and recommended the District file a statement of opposition. Following discussion, upon a motion by Mr. Stout, seconded by Mr. Cockroft, the Board unanimously approved the Statement of Opposition for filing.

Moratorium Discussion
a. Larimer County 1041
Regulations
b. Eagle View Farms,
LLC Litigation
c. Customer Contacts
d. CORA Request

Mr. Reckentine updated the Board regarding tap sale moratorium matters. Mr. Reckentine indicated that Larimer County has lifted its moratorium related to its 1041 regulations.

Mr. White updated the Board regarding a complaint filed against the District by Eagle View Farms, LLC related to a request for tap sales. Mr. White indicated that the District will have until March 7, 2022 to file a response to the complaint. Ms. Cotter will be filing the response.

Mr. White presented to the Board a letter from Fox Rothschild on behalf of Babcock Land Corp. and HR Exchange, LLC related to the Moratorium. No action was taken.

Mr. White updated the Board regarding a CORA Request related to applicability of the moratorium. Mr. White has worked with staff and consultants to respond to the request.

EXECUTIVE SESSION

Not Needed.

**DISTRICT MANAGER'S
REPORT**

Mr. Reckentine reported the following to the Board:

- Purchase of New Ditch Which
- Financial Advisor Engagement

- Northern Water Presentation

PUBLIC COMMENT

Mr. Nick Wharton from the Town of Severance addressed the Board regarding the Town's request for purchase of plant investments. The Town is requesting 65 plant investments now. Mr. Reckentine indicated that he would work on how to address sales going forward to wholesale clients.

Mr. Todd Bean addressed the Board about future taps sales and shared his views regarding overuse by commercial users.

Mr. Jerry Paul addressed the Board on behalf of the Up Hill Community and requested consideration for the sale of taps to the remaining lots in the community.

Mr. Chris Wood addressed the Board and shared that he though the Zoom meeting was difficult to follow without a video.

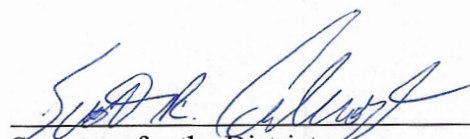
OTHER BUSINESS

None.

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