

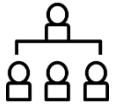
Water and Sewer Board

Regular Meeting

City Council Chambers – City Center South

1001 11th Avenue – Greeley, Colorado

August 17, 2022 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 [Greeley-co.municodemeetings.com/](https://greeley-co.municodemeetings.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 MuniCode meeting portal by 10:00 a.m. on the date of the meeting (<https://greeley-co.municodemeetings.com/>).

In the event it becomes necessary for a meeting to be held virtually, use the link below to join the meeting. Virtual meetings are also livestreamed on YouTube at <https://www.youtube.com/CityofGreeley>.

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 Meeting

August 17, 2022 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. Manuel Sisneros _____ Mayor John Gates
 _____ Mr. Raymond Lee _____ Mr. John Karner
2. Approval of Minutes
3. Approval of the Agenda
4. Welcome New Employees and Promotions
5. Bi-annual CIP Report
6. Water Supply update
7. IWRP update Hydrology
8. Review and Approve Water Lease & Trade Agreement with Platte River Power Authority (PRPA)
9. Legal Report
10. Director's Report
11. Such Other Business That May Be Brought Before the Board Added to This Agenda by Motion of the Board.
12. 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 July 20, 2022
Regular Board Meeting**

Chairman Harold Evans called the Water and Sewer Board meeting to order at 2:00 p.m. on Wednesday, July 20, 2022.

1. Roll Call

The Clerk called the roll and those present included:

Board Members:

Chairman Harold Evans, Vice Chairman Mick Todd, Fred Otis, Tony Miller, Manuel Sisneros, Joseph Murphy, Mayor John Gates, Kelly Johnson on behalf of Raymond Lee City Manager, and Finance Director John Karner

Water and Sewer Department staff:

Director Sean Chambers, Utility Finance Manager Erik Dial, Chief Engineer Adam Prior, Water Resources Administrator II Alex Tennant, Senior Administrative Assistant Crystal Sanchez, Interim Office Manager Gigi Allen, Water Resource Administrator I Megan Kramer, Water Conservation Manager Dena Egenhoff, Water Resource Operations Manager Leah Hubbard and Rates and Budget Analyst Virgil Pierce

Legal Counsel:

Senior Environmental and Water Resources Attorney Jerrae Swanson, Environmental and Water Resources Attorney II Dan Biwer, Counsel to Water & Sewer Board Attorney Jim Noble

Guests:

Public Engagement & Participation Manager Sam Haas, Attorney with Moses, Wittemyer, Harrison and Woodruff P.C. Jennifer DiLalla

2. Approval of Minutes

Mr. Miller made a motion, seconded by Mr. Todd, to approve the June 15, 2022 Water and Sewer Board meeting minutes. The motion carried 6-0.

3. Approval of Agenda

There were no changes to the agenda.

Consent Agenda

4. Amendment to Water Supply and Storage Co. Catlin Agreement

Recommended Action: Approve Second Amendment to the Water Supply and Storage Company Catlin Agreement and delegate authority to the Director of Water and Sewer to approve minor revisions to the agreement before its execution, provided that the material substance of the agreement remains unchanged.

5. Approve Larimer County Canal No. 2 Excess Capacity Agreement

Recommended action: Approve the Excess Capacity Agreement of the Larimer County Canal No. 2 Irrigating Company and the Tri-Districts and City of Greeley and authorize the Director of Water and Sewer, or their designee, to approve minor corrections or other non-substantive edits to the agreement.

Mr. Murphy moved that the Board approve the items on the consent agenda and their respective recommended actions. Mr. Miller seconded the motion. Motion carried 6-0.

End of Consent Agenda

6. Pulled Consent Agenda Items

There were no items removed from the Consent Agenda.

7. Welcome New Employees and Promotions

Sean Chambers provided an introduction of new Water and Sewer Department employees starting this month.

Jerrae Swanson joined the meeting at 2:06 p.m.

8. Speak Up Greeley Platform

Sam Haas, City of Greeley Public Engagement & Participation Manager discussed the City's commitment to develop and embed best practices for transparent community engagement into standard operating procedures, the communication and engagement department has launched a new website called "Speak Up Greeley" (www.speakupgreeley.com) that will enhance Greeley's ability to foster two-way communication and increase opportunities for public participation.

Speak Up Greeley will be an important tool for city staff as they execute priority projects for which public input or community collaboration are necessary or expected components. The site will feature projects that are a priority for the city – whether that’s a master plan, a park redevelopment, or streets improvement project – the focus of the site will be to genuinely engage with the community and understand where there is consensus or divergence in perspectives. Any project added to the Speak Up Greeley expands our ability to integrate community feedback into the decisions and outcomes of strategic projects.

Sam Haas left the meeting at 2:14 p.m.

9. Approve Global Settlement Agreement, case #18CW3042

Leah Hubbard discussed how the City of Greeley has a diverse portfolio of water rights, which are protected by filing Statements of Opposition in water court cases that could impact these rights. In February of 2018, The Town of Windsor submitted an application to change water rights in the Greeley-Loveland system and Greeley filed a Statement of Opposition with the knowledge that Windsor would be relying on Greeley’s previous decrees for the methodology to change these rights.

Greeley has previously changed water rights within this system, and new applications have historically relied on these previous cases as a methodology for their cases. Throughout the last decades there has been ongoing disputes of how this methodology was derived, and how much water the Greeley-Loveland system rights would receive.

Greeley staff, legal counsel, and engineering consultants took the lead on resolving many of the outstanding issues surrounding change cases within this system. Through negotiation of Windsor’s pending decree, a Global Settlement was established to limit further disputes in the future. While this is not the typical approach to decrees, Greeley felt that it was necessary to cease the continuing issues when each new court case was entered.

This Global Settlement has been negotiated on and agreed to by all parties and protects Greeley’s interests in the future. All other parties are pursuing the appropriate entities to have it signed by the end of July.

Vice Chairman Todd moved that the Board approve the Global Settlement Agreement with the Greeley Loveland Irrigation Company, City of Loveland, Town of Windsor, Town of Milliken, and Town of Evans and authorize the Director of Water and Sewer, or their designee, to approve minor corrections or other non-substantive edits to the agreement. Mr. Murphy seconded the motion. Motion carried 6-0.

Jennifer DiLalla left the meeting at 2:32 p.m.

10. 2023 Capital and Operating Budget

Erik Dial and Virgil Pierce presented the proposed 2023 operating budget and the five-year capital program for review by the Water and Sewer Board. The operating and capital budgets were prepared with an eye to the future, incorporating capital improvements from recent master plans, building the operational teams to meet the needs of a growing City, and meeting the high level of service expected when providing water and sanitary sewer services. The capital budgets meet the regulatory, rehabilitation, and long-range planning needs of the City's water and sewer services while being mindful of the rates that Greeley's citizens pay.

On average, residential water bills will increase approximately \$1.83/month and residential sewer bills will increase approximately \$4.71/month for a total water and sewer bill increase of \$6.54/month. The water PIF for a 3/4" tap will increase \$900 to \$12,100 and the sewer PIF will increase by \$100 to \$6,900.

Vice Chairman Todd moved that the Board approve and recommend to the City Manager the Water and Sewer 2023 Operating Budget and 5-Year Capital Plan. Mr. Murphy seconded the motion. The motion carried 6-0.

Mayor Gates and John Karner left the meeting at 3:44 p.m.

11. Approve and Recommend to Council Water & Sewer Design Standards, Criteria and Specifications and Ordinance Adopting the Same by Reference

Adam Prior discussed how the City of Greeley Water and Sewer Department is updating the current design criteria from 2008 with new standards to accommodate new technologies, techniques, and materials. With the City of Greeley's growth, updating the design standards will assist in development and ensure quality utility infrastructure into the future. These updates will also facilitate recent non-potable system requirements adopted by City Council in February of 2022, incorporate the Non-Potable Water, Sanitary Sewer, Transmission & Distributions Master Plans that were completed in 2021, and align with the updated development code completed in 2021. These updates will help provide long term infrastructure needs to better prepare and accommodate the growth.

The updated design criteria for the potable water distribution, sanitary sewer collection, non-potable irrigation system, and landscape & irrigation will guide developers and engineers in expanding and connecting to the City's utilities. The larger changes include added lift station criteria, changes to the non-potable system criteria, updated criteria to incorporate the new development code changes, compliance with Subsurface Utility Engineering (SUE) law requirements, and the

addition of landscape & irrigation design criteria along with many other smaller changes.

The Water and Sewer Department has worked diligently to coordinate with other departments, engineering development review staff for consistency, a presentation and discussion with the Builders, Realtors, & Developer group in July of 2021, review and input from the Planning Commission in March of 2022, and receive comments and questions from engineers, developers, and designers throughout Greeley on details, design criteria, and specifications from April to June of 2022.

Vice Chairman Todd moved to approve and recommend to City Council the Adoption of the June 2022 Water & Sewer Design Criteria, Standard Details, and Construction Specifications. Mr. Murphy seconded the motion. Motion carried 6-0

12. Legal Report

Jim Noble provided the legal report this month with a brief update on Case No. 22CW3042. Mr. Noble did not recommend filing statements of opposition to any water court cases this month.

13. Director's Report

Sean Chambers provided an overview of several items of Board interest:

1. Annual Water Utilities Infrastructure Tours:
 - a. Annual Board & Council Tour of Water and Wastewater Infrastructure
 - b. Annual Greeley Citizen Tour of Water & Wastewater Infrastructure – Aug. 5th
2. Deputy Director of Water Resources position recruitment update
3. Biz West Confluence Water Symposium – Thurs. July 21st
 - a. <https://events.bizwest.com/event/2022-confluence-colorado-water-summit/>
4. Wildfire Recovery and Watershed Restoration Work Update
5. Water Use Efficiency Plan Update
6. Colorado Water Plan 2023 Update draft released
 - a. Available at: <https://cwcb.colorado.gov/colorado-water-plan>
 - b. Draft version is out for a 90-day public comment period from June 30 –

Sept. 30, 2022.

c. Comment at: <https://engagecwcb.org/>

14. Such Other Business That May Be Brought Before the Board Added to This Agenda by Motion of the Board.

There were no additional items brought before the Board and added to the agenda.

15. Adjournment

Chairman Evans adjourned the meeting at 4:08 p.m.

Harold Evans, Chairman

Raymond Lee, Board Secretary

Water & Sewer Agenda Summary

August 17, 2022

Key Staff Contact: Sean Chambers, Water & Sewer Director

Title: Welcome New Water & Sewer Employees and Recognize Department Promotions

Summary: New Hires: Andrew Canchola – Laborer, Bellvue Water Treatment Plant

Promotions: Jacob Hoffman – moved to Maintenance Mechanic

Recommended Action: Information only

Attachments: None

Water & Sewer Agenda Summary

Date: August 17th, 2022

Key Staff Contact: Adam Prior, Chief Engineer

Title: 3rd Quarter CIP Report

Summary: Staff will provide an update on the different CIP's completed and in progress

Recommended Action: Information Only

Recommended Motion: NA

Attachments:

2022 CIP Update

Water & Sewer Board
August 17, 2022

Ashcroft Lift Station



Sewer Capital Fund

TOTAL BUDGET: \$4,730,801



Nitrification Project Phase II



Sewer Capital Replacement Fund

TOTAL BUDGET: \$35,482,679



Boyd Process Improvements



Water Distribution Rehab. – 47th Ave & 20th St



TOTAL BUDGET: \$1,895,000

Comanche Reservoir Spillway Repair



Hourglass Reservoir Riprap



Water Capital Replacement Fund

TOTAL BUDGET: \$125,00

35th Ave & O St Water Line



23rd Ave SCADA Replacement

Water Capital Replacement Fund

TOTAL BUDGET: \$522,400





Thank You!
Questions?

Water & Sewer Agenda Summary

Date: August 17, 2022

Key Staff Contact: Alex Tennant, Water Resources Administrator II

Title:

August Water Supply Update

Summary:

Staff will provide presentation on the current water supply, weather forecast, drought forecast, and agricultural rental summary.

Recommended Action:

Informational item only

Recommended Motion:

N/A

Attachments:

1. Memo
2. Presentation



MEMORANDUM

TO: Sean Chambers, Water and Sewer Director
FROM: Alex Tennant, Water Resources Administrator II
DATE: August 17th, 2022
RE: August 2022 Water Supply Update

ISSUE

In accordance with the Drought Emergency Plan, staff reports the water supply status to the Greeley Water and Sewer Board (“Board”) in April, July, and November of each year. The Water Resources Division’s goal is maximized rentals, maximized storage, and minimized spill by closely monitoring drought conditions, associated hydrologic conditions, and storage levels. Previous modeling analysis has shown that the target storage level needed to provide adequate drought protection for the citizens of Greeley is approximately 21,300 acre-feet. When the target storage level is met, Board can declare an “adequate water year” with normal watering restrictions. As base use demands increase in the future, periodic reevaluation of the target storage level will be required to ensure it is adequate to supply the citizens of Greeley.

The Greeley System Storage Analysis excel application is used for projecting the target storage level over a 12-month period. The model performs an annual water balance to arrive at a forecasted April 1st carryover storage based on existing supplies and demands for the current year. The storage analysis model only includes standard operational practices and does not take into account other plans (additional drought restrictions, etc.) that may be available to Greeley.

BACKGROUND

Northern Colorado entered the 2022 water year with moderate to severe drought conditions, spring in Greeley experienced average temperatures but below average precipitation early with the South Platte snowpack reaching 90 % of average. The snowpack melted out around June 12. Cumulative precipitation as of August 9th in Greeley is below the 2012-2021 historical average by 1.5 inches at a total of 7.92 inches.

The monsoon season has begun bringing ash and sediment into the Poudre River from the Cameron Peak fire burn area. Thus far, fire impacts to the Poudre River water quality have caused Bellvue to shut off its diversion from the river 26 days which equates to approximately 643 acre-feet. However, due to an agreement that was entered into with the North Poudre Irrigation Company (NPIC), Greeley has been able to continue treating water during these times of low water quality. In exchange for CBT that NPIC owns in Horsetooth Reservoir and can be directly delivered to the

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.

Bellvue Water treatment plant, Greeley's sends their Poudre River direct flow water rights to NPIC. This allows Greeley to avoid water quality impacts and NPIC to receive the water they need for irrigation.

Reservoirs in the Colorado and South Platte River basins are at 95% and 96% of average, respectively. The Colorado SWSI¹ report for June showed the South Platte Basin at slightly below normal supply levels (-0.15).

Greeley's High Mountain Reservoir (HMR) system yielded 1,383 acre-feet of supply which is lower than historically because we did not fill Comanche or Hourglass reservoirs due to concerns about sedimentation from the Cameron Peak fire burn area. Most of this water was rented out to agriculture.

As of July 1, there is approximately 15,500 acre-feet of storage attributable to Greeley's unleased, changed ownership in the Greeley Loveland System (GLIC). Northern water was able to pump our full 4,900 acre-feet allotment of Windy Gap this year. Greeley did not need to collateralize any CBT because of the allotment.

Through August 8th, staff has rented approximately 18,800 acre-feet of water to agriculture. The Greeley System Storage Analysis table shows the April 2023 storage level will be approximately 22,344 acre-feet.

While our current water supplies are in good condition, forecasts are predicting above average temperatures, below average precipitation, and below average precipitation through October. Staff will continue to monitor weather and water supply closely.

RECOMMENDATION

Projected storage remains above the 21,300 acre-feet target storage level; therefore, the Adequate Water Year conditions declared in April 2022 remain valid. No formal recommendation at this time.

¹ The Surface Water Supply Index (SWSI) was developed by the Colorado Division of Water Resources and the U.S.D.A Natural Resources Conservation Service (NRCS). This is an indicator of mountain-based water supply conditions for the major river basins in Colorado. It is based on streamflow, reservoir storage, and precipitation. The SWSI scale goes from -4 (severe drought) to +4 (abundant supply) with 0 being near normal supply.

April 1, 2022 Storage (acre-feet)	
CBT	17,113
Windy Gap	0
GLIC	16,247
Tunnel	931
Total	34,291
Demands (April 1, 2022-March 31, 2023) (acre-feet)	
CBT	9,200
Windy Gap	3,900
GLIC	10,500
Tunnel	1,000
Total	24,600
Yields through April 2023 (acre-feet)	
CBT (Nov. 2022-April 1, 2022)	13,000
Windy Gap	4,400
GLIC	7,333
Tunnel	1,000
Total	25,733
April 2023 Storage by Source	
CBT	20,913
Windy Gap	500
GLIC	11,641
Tunnel	931
April 2023 Storage	33,985
April 2023 Storage-minus unusable GLIC	22,344
Target Storage Volume	21,300

Water Supply Update

August 17, 2022

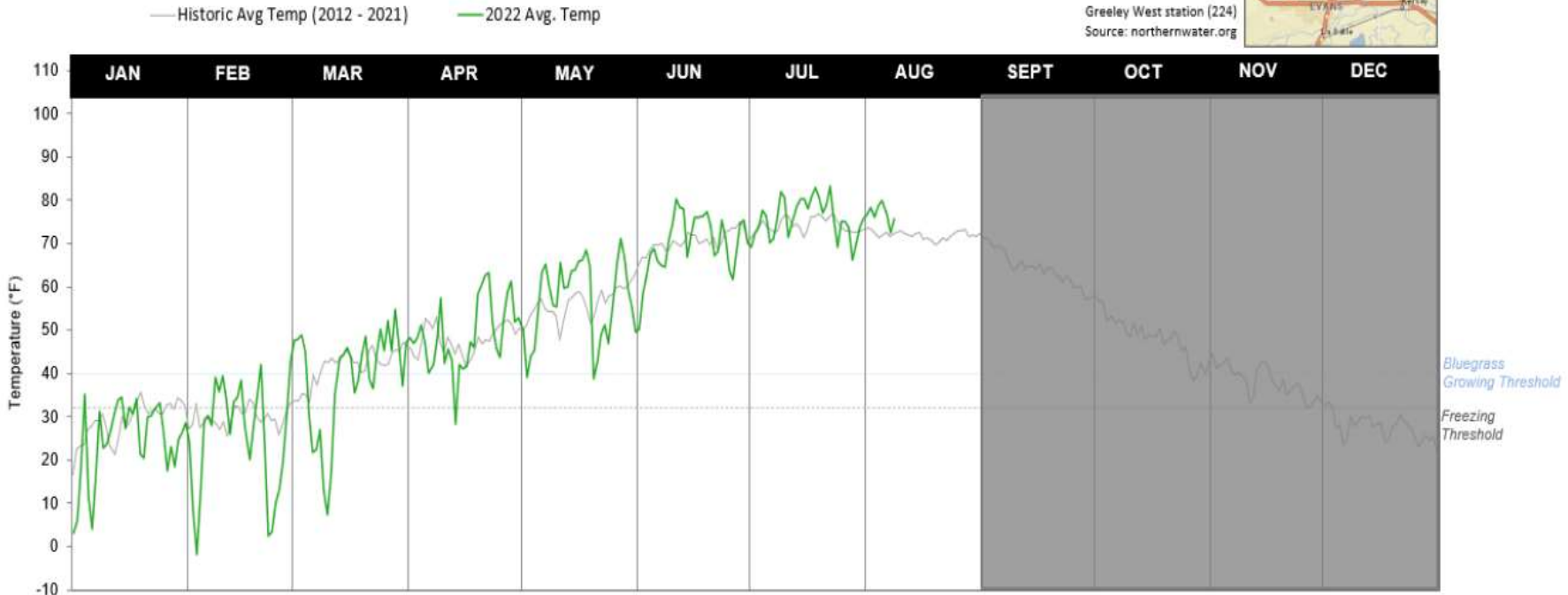
Water & Sewer Board

Temperature & Precipitation

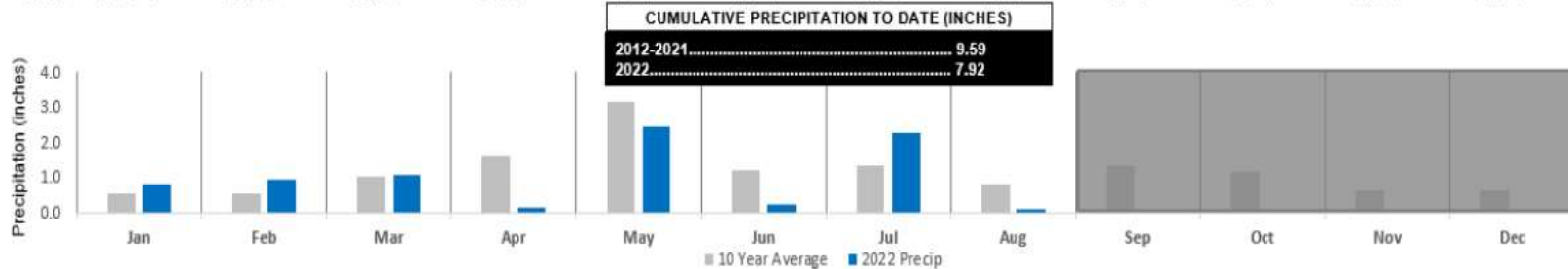
City of Greeley: Temperature (°F) and Precipitation 2012-2022



Greeley West station (224)
Source: northernwater.org



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
2012-2021	28.1° F	29.7° F	41.7° F	47.8° F	56.2° F	70.4° F	74.2° F	71.9° F	64.2° F	48.4° F	38.2° F	27.6° F
2022	23.6° F	25.3° F	38.9° F	49.0° F	56.9° F	70.0° F	75.8° F	0.0° F	0.0° F	0.0° F	0.0° F	30.0° F



2022 Snowpack Summary

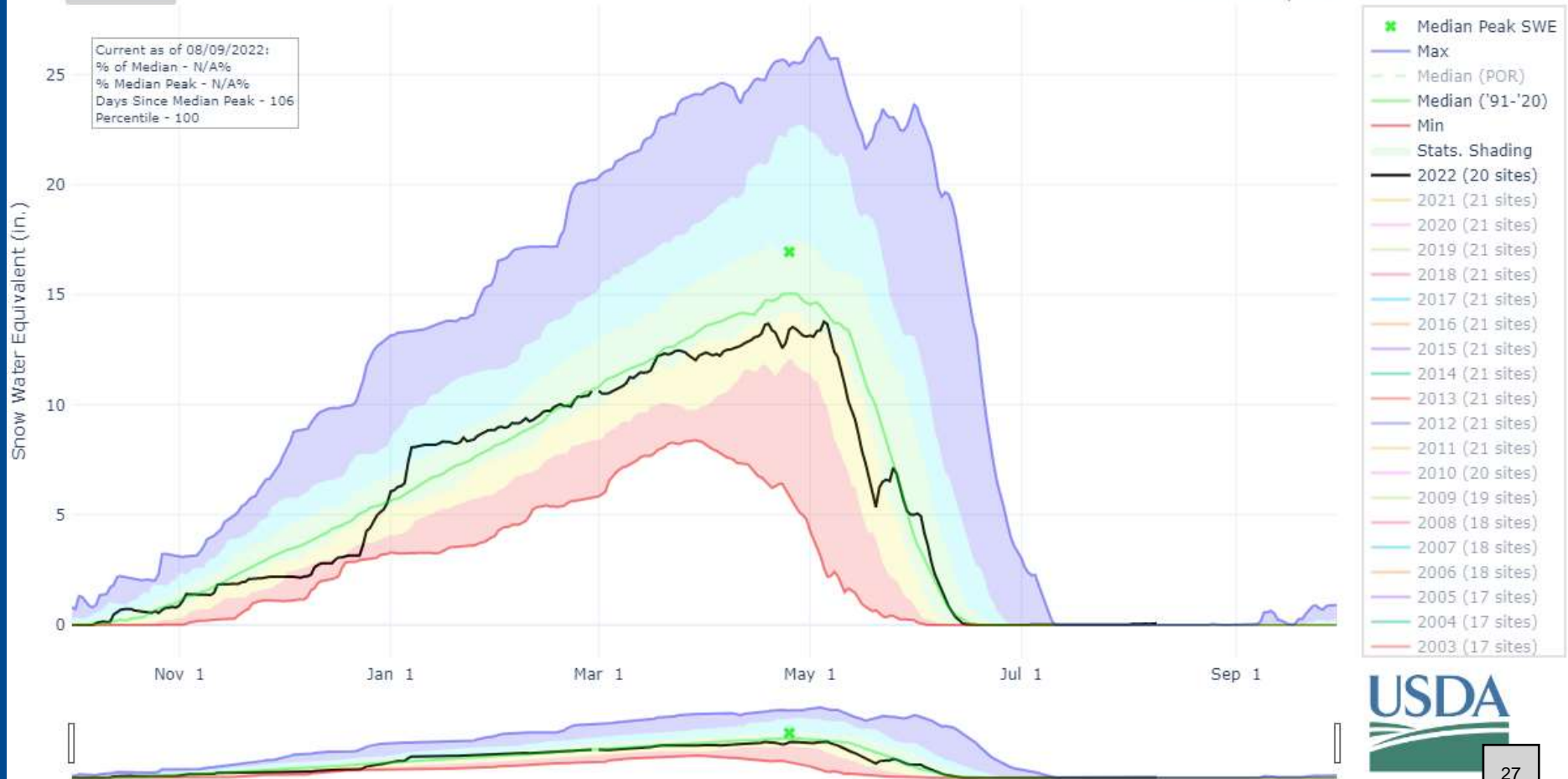
SNOW WATER EQUIVALENT IN SOUTH PLATTE

Reset Range

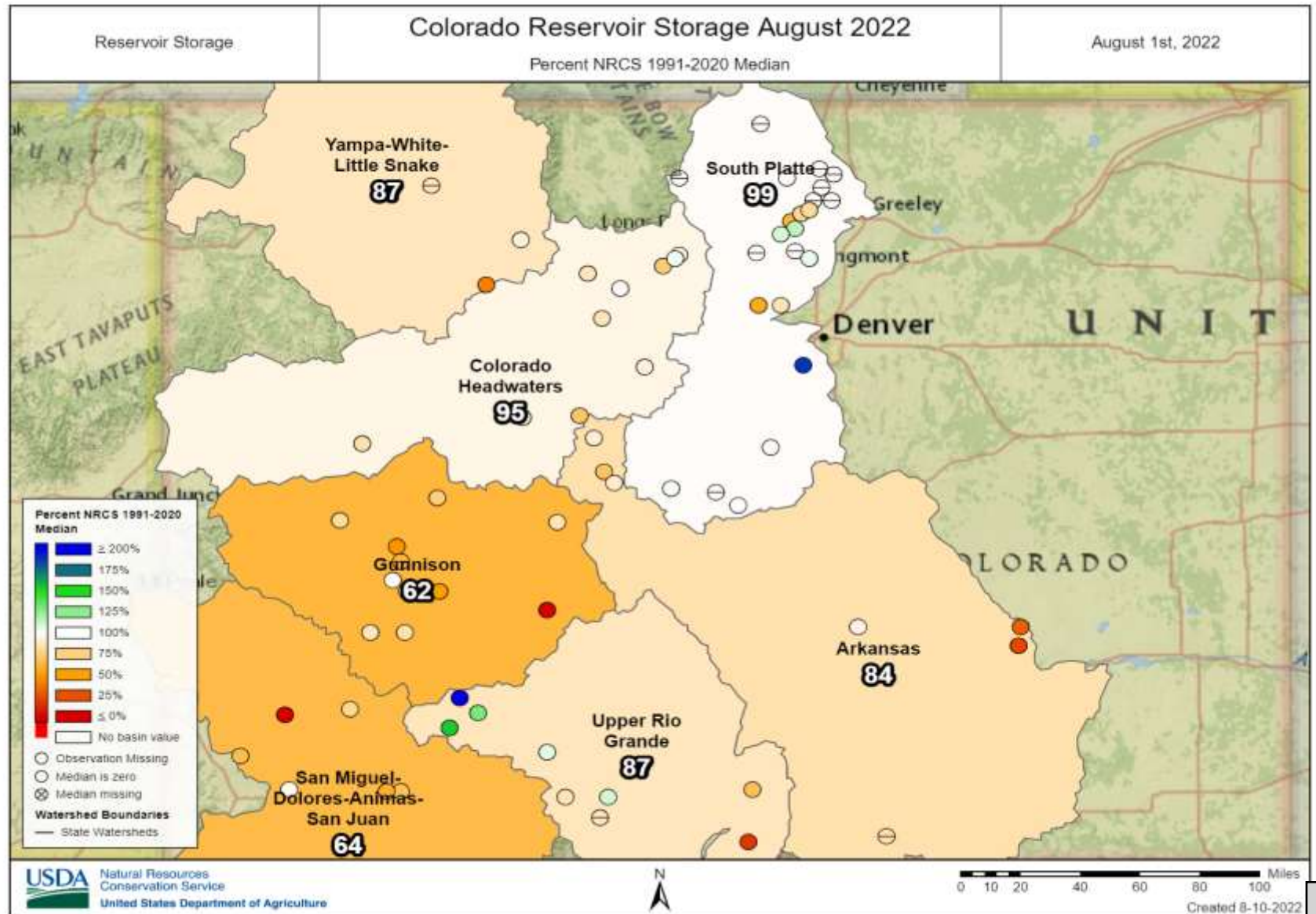
[Link to data: CSV / JSON](#)

Station List

Current as of 08/09/2022:
% of Median - N/A%
% Median Peak - N/A%
Days Since Median Peak - 106
Percentile - 100



Colorado Reservoir Storage

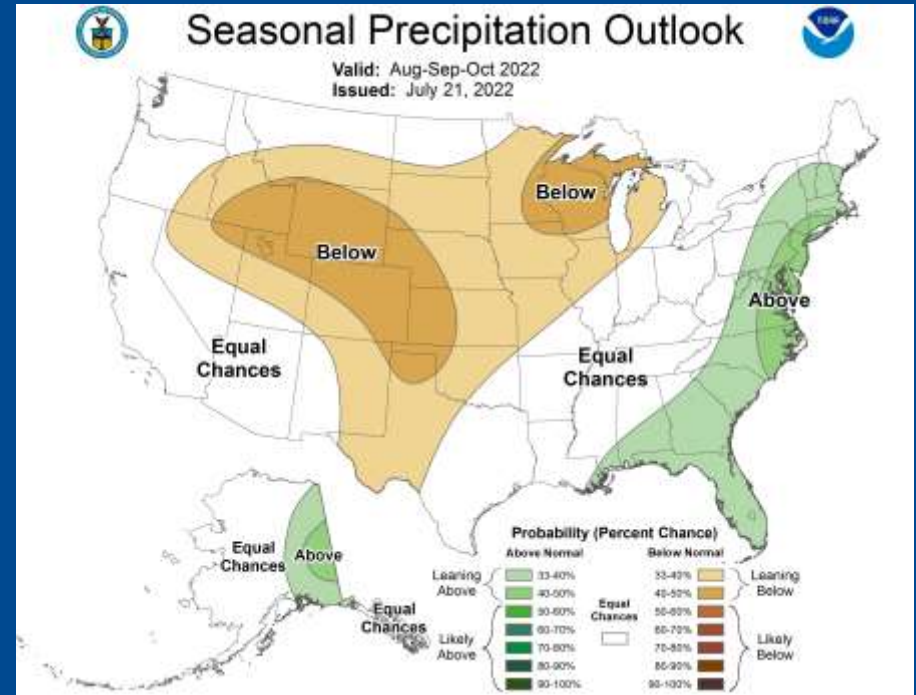
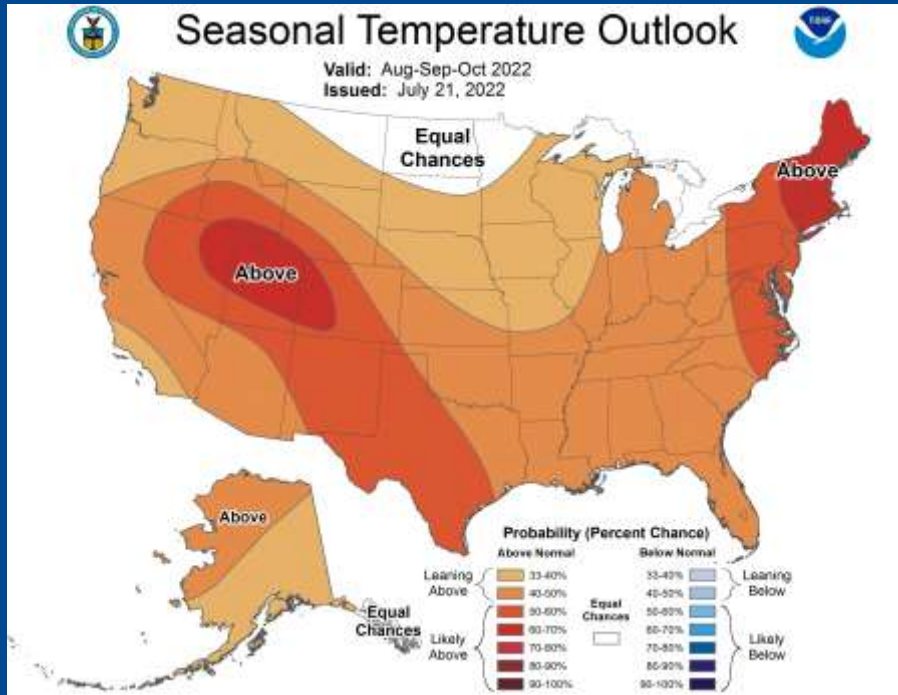


GLIC System Supply

Lake Loveland		Horseshoe		Boyd Lake	
GH: 32.7	8,902 AF	GH 22.6	5,496 AF	GH: 43.8	29,281 AF
70%		66%		60%	
Total in the system: 43,679 AF 63%					

- 2021 System storage: 59,428 AF
 - 86% full

3-month Temperature and Precipitation Projections (August - October)



Rental Summary

• C-BT	6,500 AF
• GLIC Changed	326 AF
• GLIC Unchanged	1,881 AF
• WSSC	517 AF
• NPIC	207 AF
• HMR	775 AF
• Leasebacks	
• WSSC	1,808 AF
• GLIC	2,637 AF
• L&W	2,874 AF
• New Cache	813 AF
	<hr/>
	18,338 AF



Current Target Storage (April 2022)

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Fire impacts & water supply

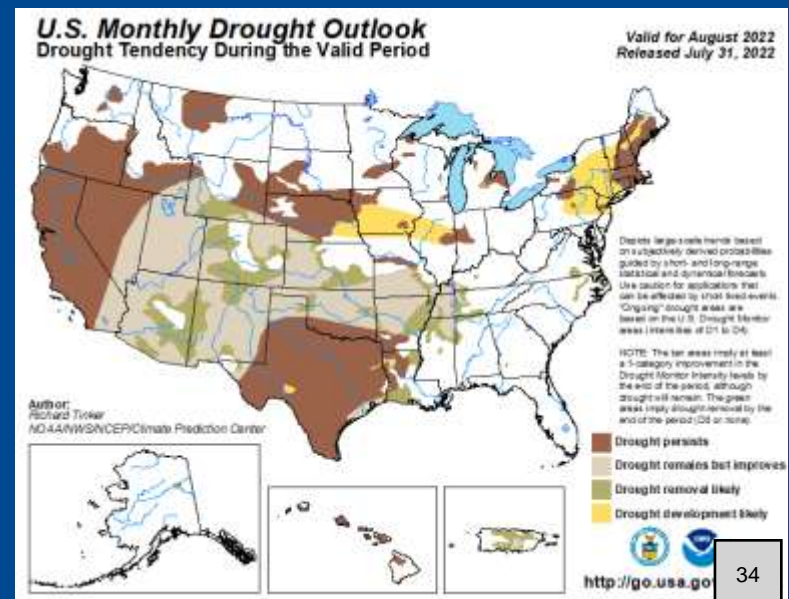
- 26 days off diversion (~644 AF)
 - Shorter duration WQ effects
- Agreement with NPIC & Northern to operate trade
 - Continues to be successful



Buckhorn Creek Flood on July 15, 2022

Moving into Fall

- “Adequate Water Year” continue
- Maintain target storage volume at 21,300 AF
- Continue to monitor fire impacts
- Northeastern Colorado is still in a drought condition, but has improved
- Drought removal is likely in the West Slope and CBT system with continued monsoon season



Water & Sewer Agenda Summary

Date: August 17, 2022

Key Staff Contact: Kelen Dowdy, kelen.dowdy@greeleygov.com (970)350-9845

Title: Integrated Water Resources Plan update: climate influenced hydrology

Summary:

The current Greeley Water Supply Master Plan is more than 17 years old. Since the creation of the last master plan in 2003, Greeley’s strategies to continue to provide a robust, resilient water supply have evolved and the water market has transformed. Likewise, widely accepted strategies used to plan for water development have progressed. Consequently, the Water Resources team has been developing a new water master plan, through a process termed Integrated Water Resource Planning (IWRP). The IWRP process will evaluate Greeley’s long-term water supply sustainability, develop a road map to buildout and identify near-term CIP components. As part of the process, the IWRP evaluate a suit of future conditions to plan for called “planning scenarios”. These scenarios define key components of future conditions such as the state of Greeley’s water supply system, demands, climates and other system risks. Consequently, the IWRP team has developed a new dataset of climate-influenced hydrology to support robust and resilient water supply planning. In the past, planning centered around an 86-year hydrology data set containing a 1-in-50-year Critical Drought. The new climate-influenced hydrology captures wider variability in climate resulting in droughts of greater intensity, duration and frequency. Staff will present the modeling results of the climate-influenced hydrology on Greeley’s water entitlements.

Recommended Action: Information only

Attachments:



Integrated Water Resource Plan

Water and Sewer Board Update

August 17, 2022



Shift in Planning Methodology



Past Approach:

Predicating a single future demand and firm yield

- Single expected future condition
- Last Water Master Plan completed 2003, did not consider Terry Ranch

Current Approach:

Incorporates risk and uncertainty

- Multiple future conditions

What is an Integrated Water Resource Plan?



- Planning-level study focused on Greeley's water resources system
- Evaluates long-term water supply sustainability
- Develops road map to Buildout
- Identifies near-term Capital Improvement Plan components

IWRP Objectives

Create a long-term adaptive planning document that:

- Develops a suite of planning scenarios that explore future risks and uncertainties
- Investigates Greeley's ability to meet Level of Service Goals in an uncertain future
- Identifies an actionable water resources strategy
- Evaluates the timing and integration of Terry Ranch
- Produces a water resources CIP

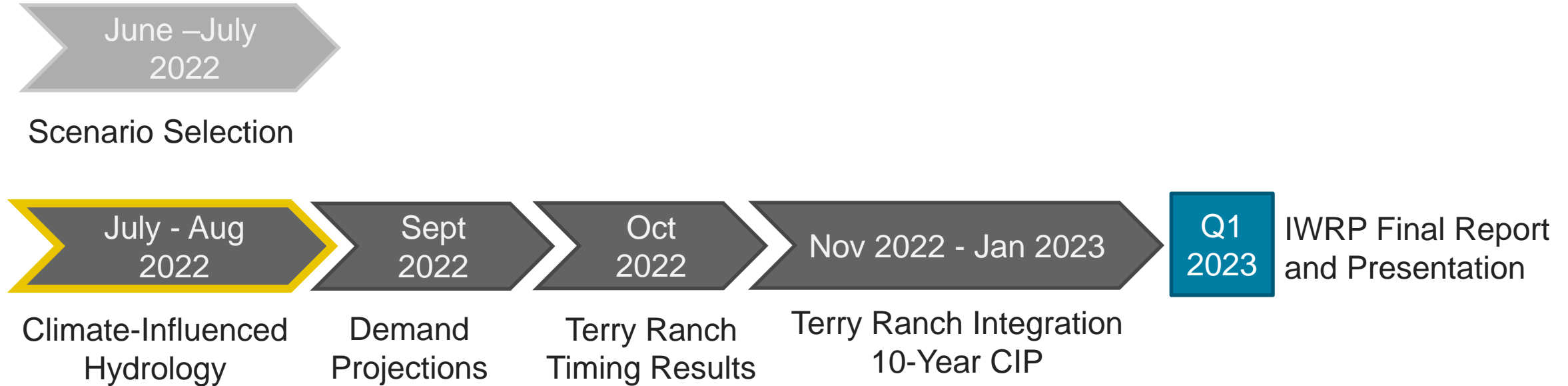


IWRP Vision Statement

“An actionable and adaptive master plan for Greeley’s water resources that uses modern, defensible methods to develop a roadmap ensuring a reliable water supply for our community through an uncertain future.”



IWRP Timeline



Planning Scenario Drivers

Water Rights Competition and Administration

- Yields could be reduced due to competition and changes in administration/regulation

Water Demands

- Growth rate and per capita water use uncertain

Future Climate Conditions

- Variety of long-term changes in average temperature and precipitation possible

System Risks

- Colorado River Basin yields could be impacted several ways
- Other water providers could see water supply failures



Initial Planning Scenarios

Planning Scenario	Description
High Bookend	A hot and dry future in which Greeley grows at a rate faster than expected. Greeley's water right yields are reduced overall and are impacted by Colorado River Basin issues, wildfires, and regional water issues.
Median	A warmer future in which Greeley grows as expected, water supply yields are reduced and source water threats like Colorado River Basin issues and wildfires occur.
Low Bookend	A warmer and wetter future in which Greeley grows at a rate slower than expected. However, issues within the Colorado River Basin impact Greeley's yields.
No Climate Change	Greeley grows as expected with climate reflective of historical conditions. Source water threats like Colorado River Basin issues and wildfires occur.
Mix and Match	A hot and wet future in which Greeley grows as expected. Greeley's water right yields are reduced overall and are impacted by Colorado River Basin issues, wildfires, and regional water issues



IWRP Team

IWRP Team

Neil Stewart (Project Manger)

Stantec

- Aurora Water 2017 IWMP
- Aurora Water IWMP2 (In-Progress)
- Aurora Water Lower S. Platte Master Plan
- Colorado Springs Utilities IWRP
- Colorado Springs Utilities On-Going Water Planning
- Ft. Collins Water Supply Vulnerability Study
- Water Research Foundation Planning Projects

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- Ft. Collins Water Supply Vulnerability Study
- Water Research Foundation Planning Projects

Core Team

Michelle Johnson

Martin & Wood

- History of water rights analysis and cases for Greeley

Mary Presecan

LRE Water

- Aurora Water Lower S. Platte Master Plan
- South Platte Basin Planning

Cortney Brand

LRE Water

- Terry Ranch Feasibility

Brett Gracely

LRE Water

- Colorado Springs Utilities IWRP



CLIMATE-INFLUENCED HYDROLOGY

Climate-Influenced Hydrology Purpose

- Planning-level evaluation
- Hydrology dataset for assessing change impacts on Greeley's water supplies and identify mitigation strategies
- Comparative evaluation of how climate change impacts water systems differently

Generating Climate-Influenced Hydrology

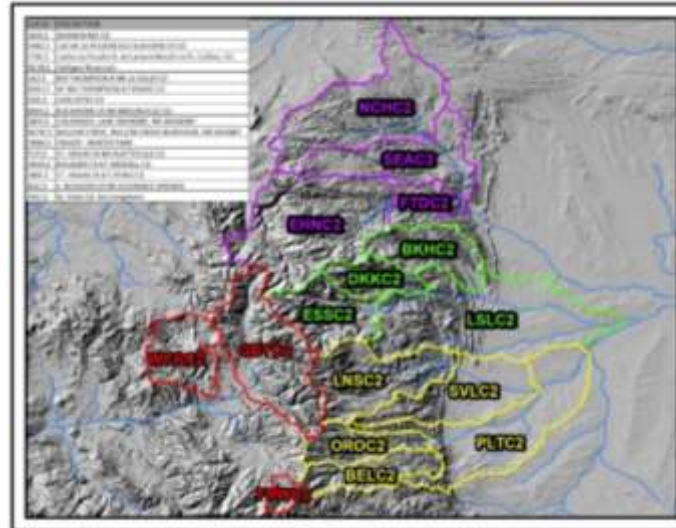
1

Research Identified potential changes in average Temperature and Precipitation (T&P)



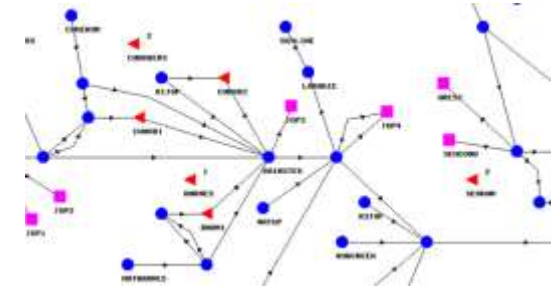
2

Joint Front Range Climate Vulnerability Study Hydrology Model Simulated Flows in the Basin



3

Apply Existing Big Thompson, Poudre Basin, and C-BT Project Models to develop water available to Greeley

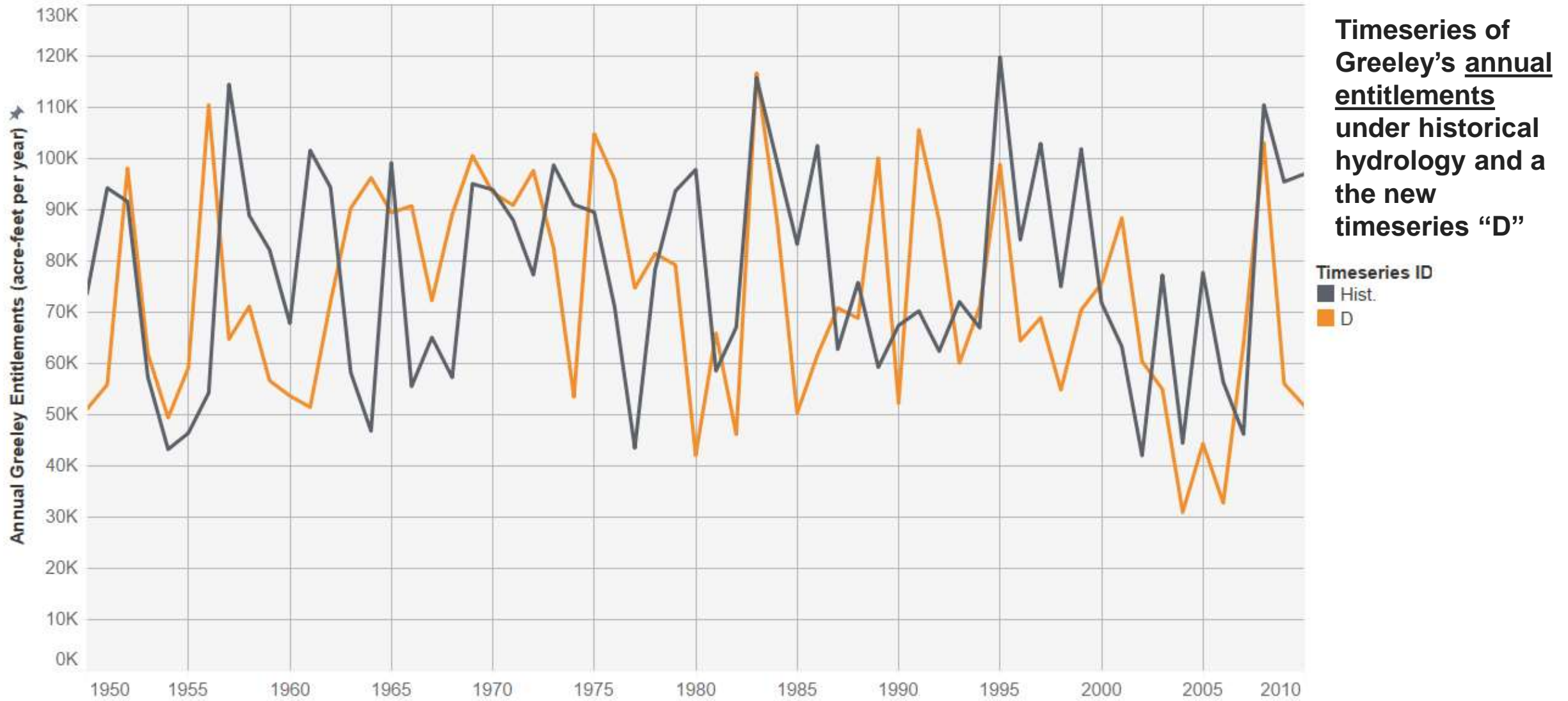


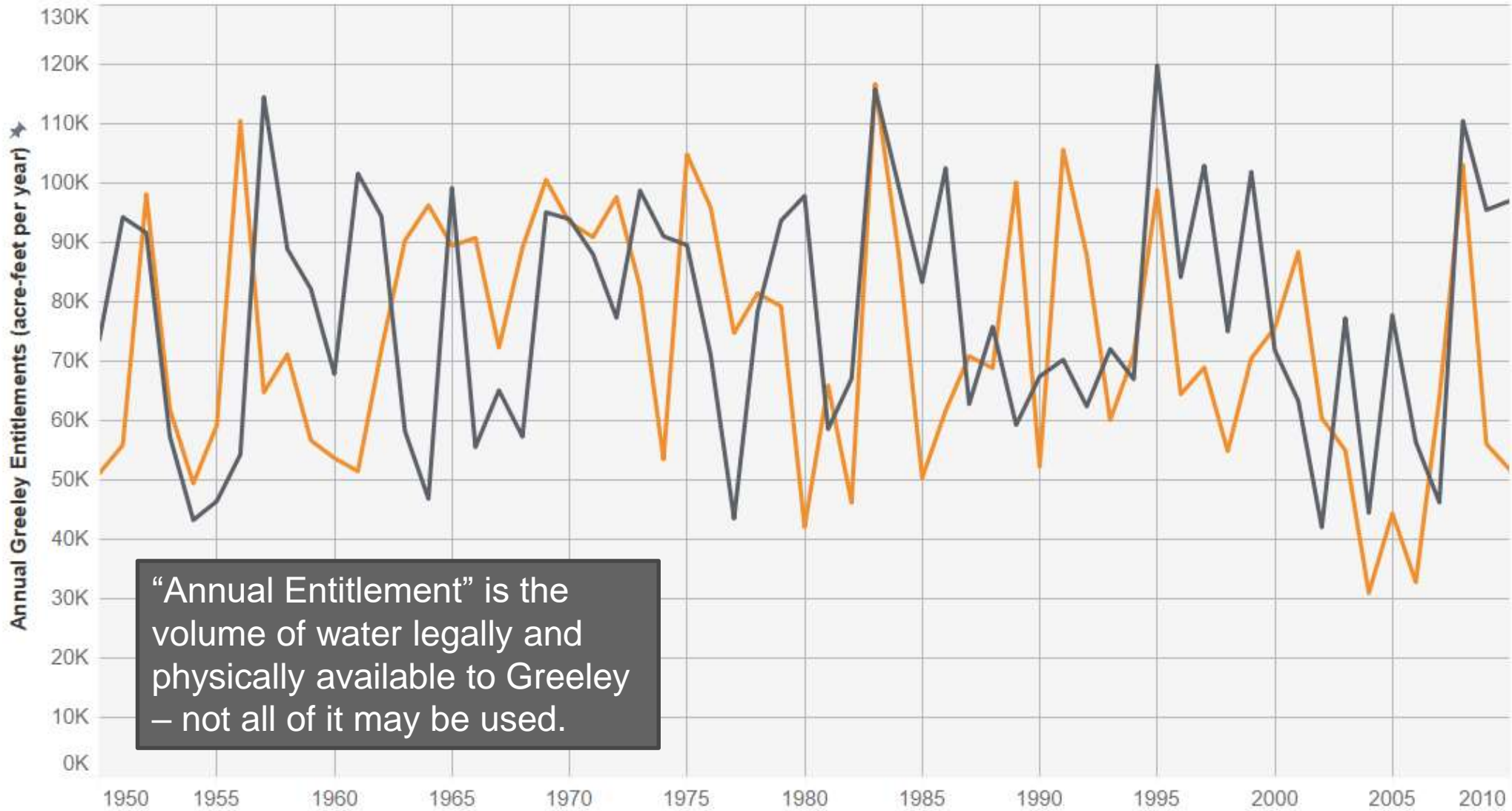
Leveraged existing data, models, and process data from Fort Collins' Water Supply Vulnerability Study

Short-Term Climate Variability

- Resequence historical data, creating new droughts possible under current climate
- Six “Timeseries” of droughts selected for IWRP

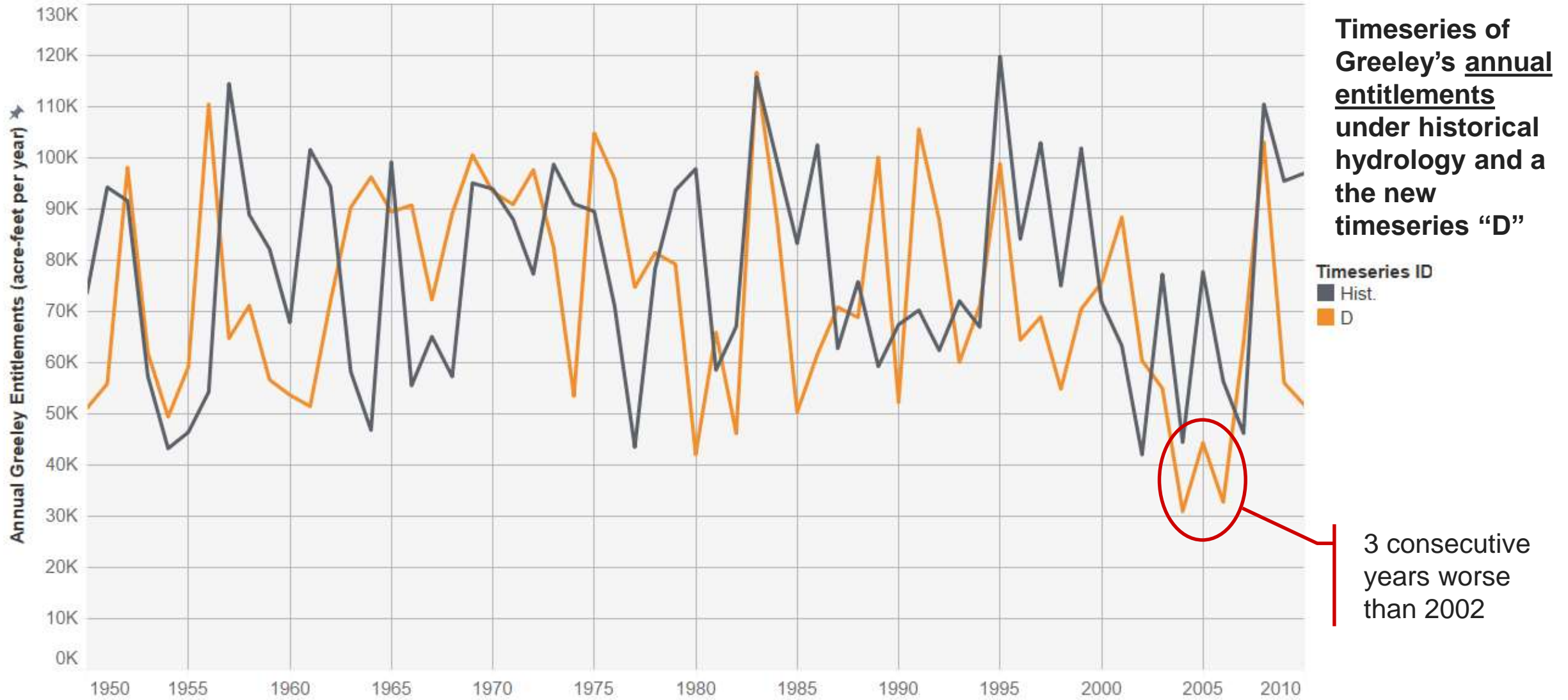
Timeseries	Drought Characterization
A	Same 10-year Cycle, greater severity
B	4 2002's in 10-year Period
C	Similar to Historical
D	Back-to-Back-to-Back 2002s
E	Severe 5-year Drought
F	Drought and Aridification





Timeseries of Greeley’s annual entitlements under historical hydrology and a the new timeseries “D”

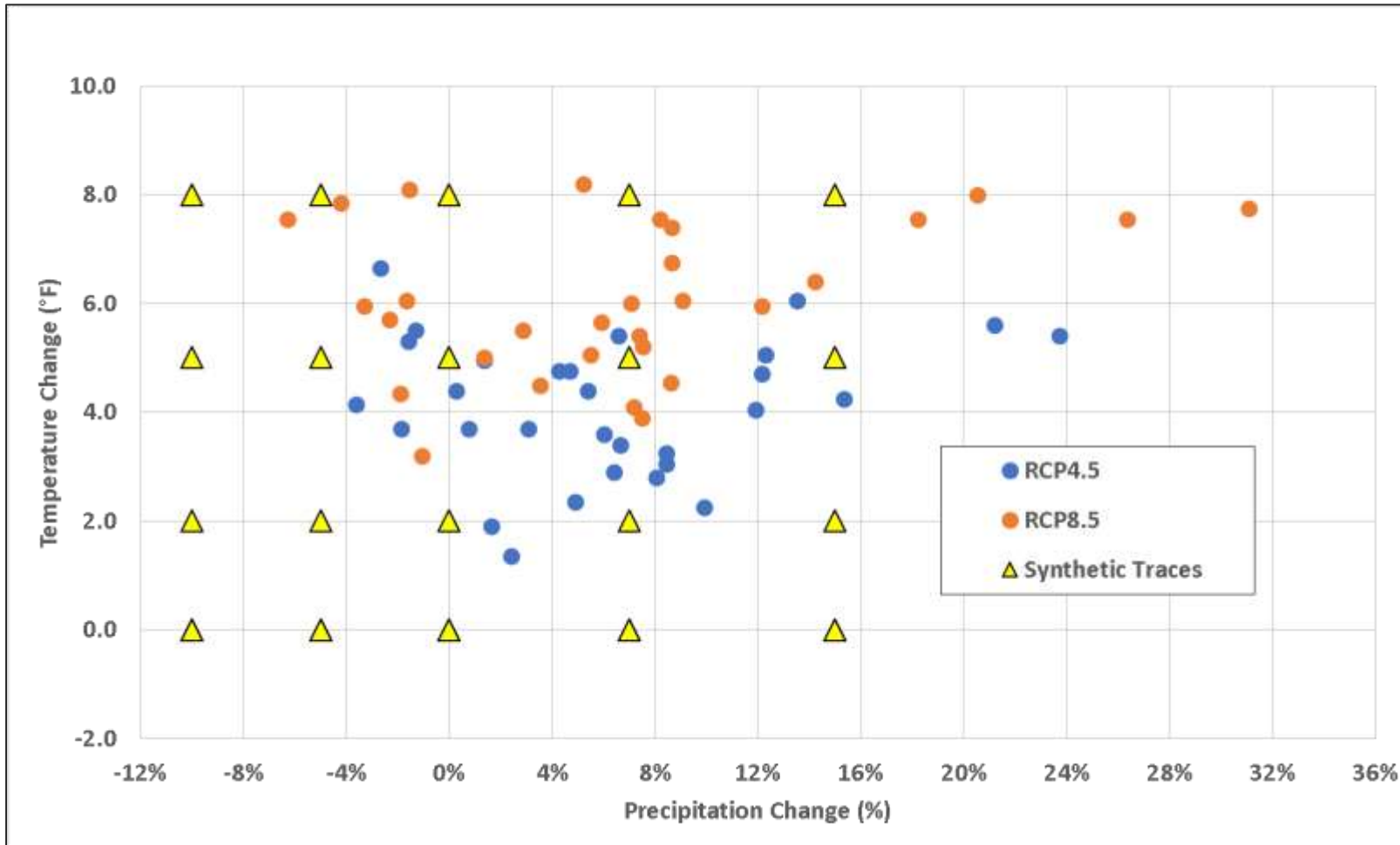
“Annual Entitlement” is the volume of water legally and physically available to Greeley – not all of it may be used.



Current Climate Takeaways

- Resequencing using Tree Ring data shows droughts of greater intensity, duration, and frequency are possible regardless of long-term climate change
- Timeseries selected for the IWRP purposefully have more severe droughts than the historical record
- Different types of droughts will robustly stress Greeley's water supply system
- Builds on existing 1-in-50 Critical Drought approach which is a 6-year drought

Potential Changes in Climate

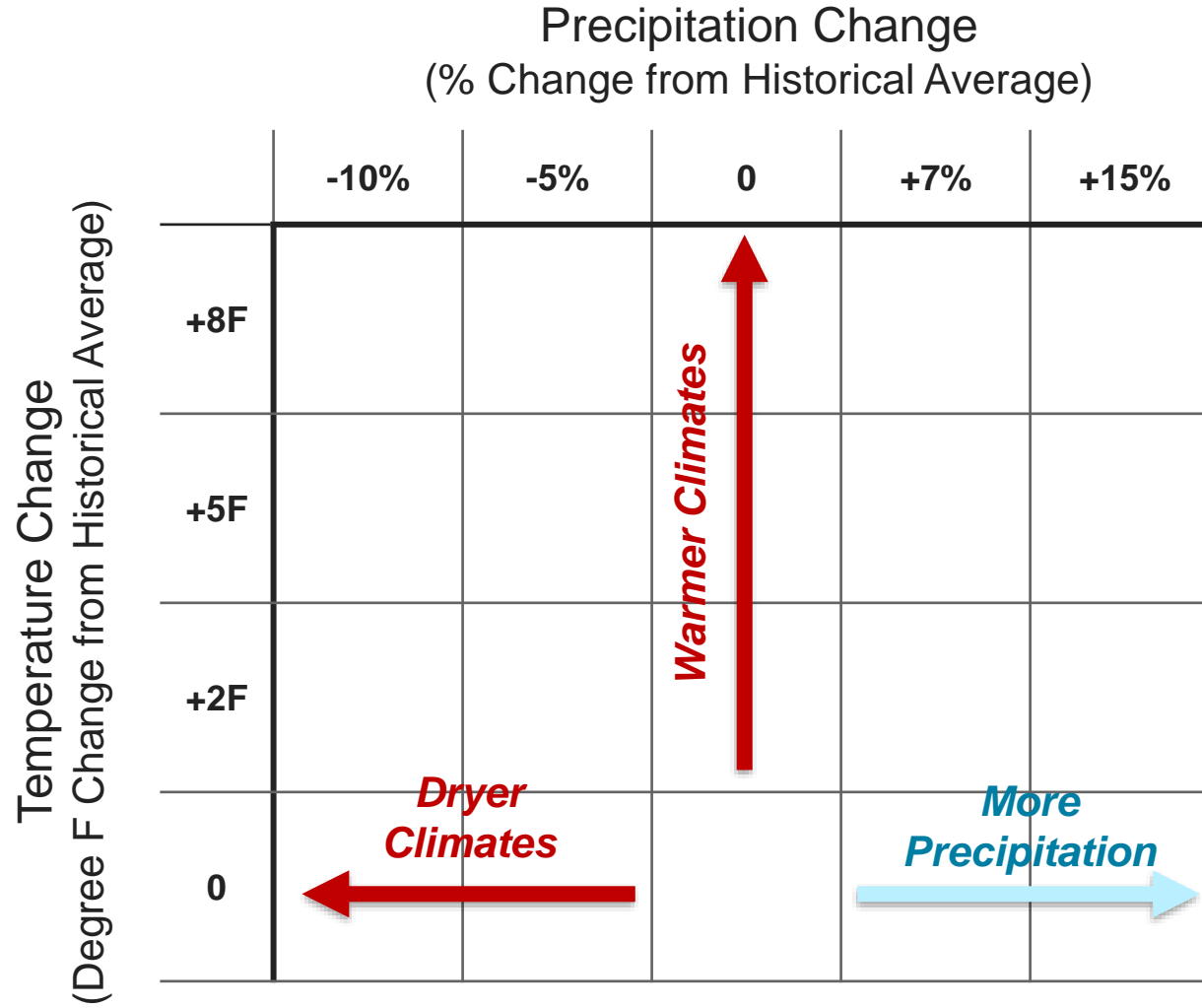


- Orange and blue points are future T&P offsets as projected by various Global Climate Models for two emission scenarios
 - Poudre River Watershed
 - 2050 – 2074 climate
- Yellow triangles are selected T&P offsets

Precipitation Change
(% Change from Historical Average)

	-10%	-5%	0	+7%	+15%
+8F					
+5F					
+2F					
0					

Temperature Change
(Degree F Change from Historical Average)



Average Annual Total Greeley Entitlements (acre-feet per year)

	-10%	-5%	0	+7%	+15%
+8F					
+5F					
+2F					
0			75,400		

Average across
6 Timeseries +
Historical

Key Takeaways

- Greeley's system has already been impacted by a warming climate and those will continue
- A dryer climate will reduce yields in all of Greeley's water supply systems
- Effects from a warmer climate with increased precipitation are difficult to quantify

Key Takeaways

- Greeley's system has already been impacted by a warming climate and those will continue
- A dryer climate will reduce yields in all of Greeley's water supply systems
- Effects from a warmer climate with increased precipitation are difficult to quantify
- How agricultural demands and water rights administration evolve as climate changes could be as impactful as the changing climate
- Greeley's system utilizes a diverse portfolio of water rights with a variety of priority dates – some more vulnerable than others. This diverse portfolio provides a robust and resilient water supply system for the Greeley residents.



Unknown Effects of Hydrograph Shift

- **Agricultural Demands**
 - Timing and volume of agricultural demands may change how water rights yield
- **Water Rights Administration**
 - Yields from changed water rights may decrease as hydrograph departs further away from historical pattern



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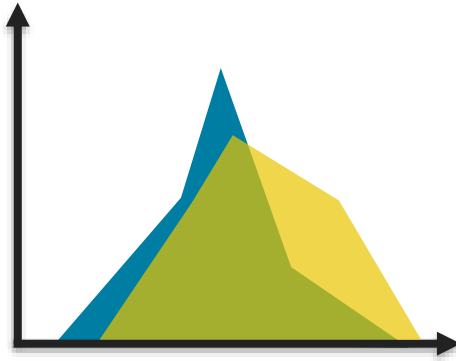
The IWRP accounts for these by:

1. Conservative modeling assumptions
2. Risk that decreases Greeley's simulated entitlement
3. Adaptive planning



Effects of Hydrograph Shift

Agricultural water demands

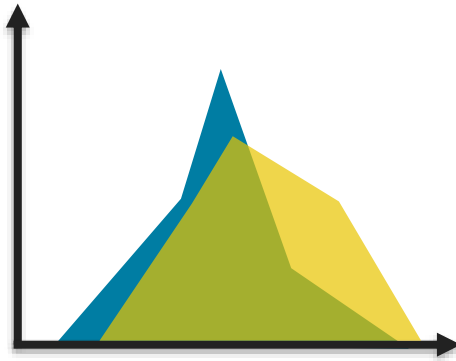


Historic **Hydrology** and **Ag. Demand** Timing



Effects of Hydrograph Shift

Agricultural water demands



Historic **Hydrology** and **Ag. Demand** Timing

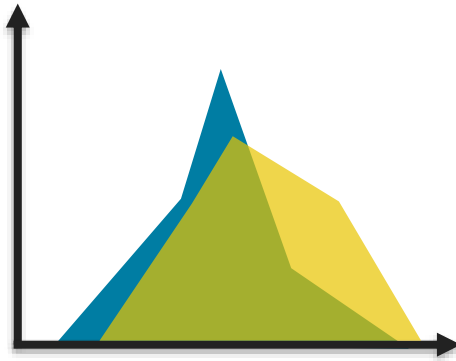


Shifted **Hydrology** and Historic **Ag. Demand** Timing showing "excess" water available



Effects of Hydrograph Shift

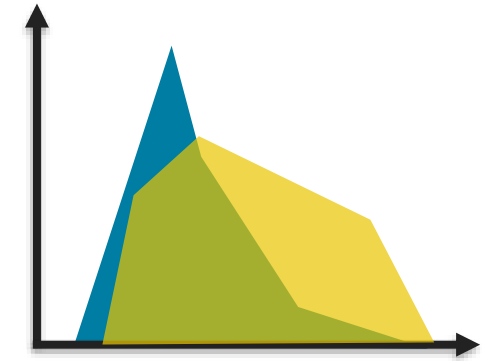
Agricultural water demands



Historic **Hydrology** and **Ag. Demand** Timing



Shifted **Hydrology** and Historic **Ag. Demand** Timing showing “excess” water available

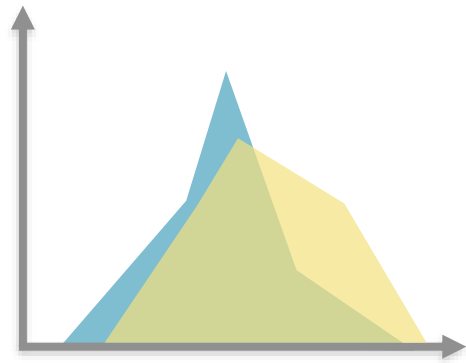


How **Ag. Demand** changes to align with **Hydrology** and Climate will impact Greeley

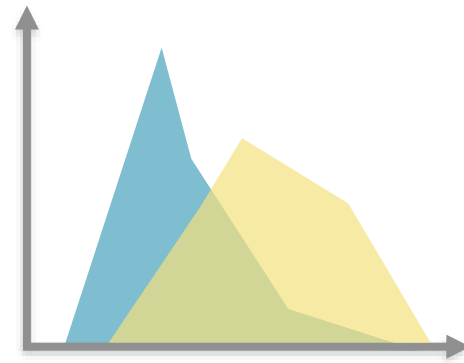


Effects of Hydrograph Shift

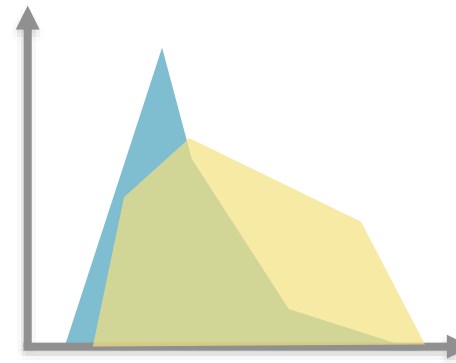
Water Rights Administration



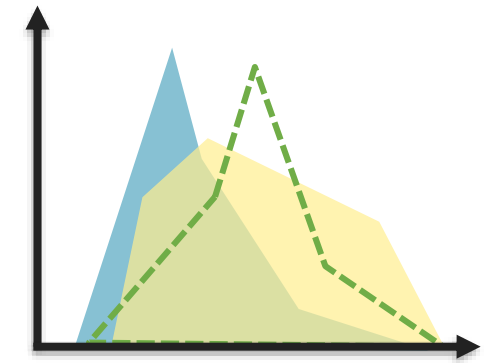
Historic **Hydrology** and **Ag. Demand** Timing



Shifted **Hydrology** and Historic **Ag. Demand** Timing showing "excess" water available



How **Ag. Demand** changes to align with **Hydrology** and climate will impact Greeley



Historical Use will impact yields from changed water rights.

Total System

Total Water Supply System
Average Annual Entitlements (acre-feet per year)

	-10%	-5%	0	+7%	+15%
+8F	50,800	59,200	67,500	76,600	83,500
+5F	51,000	59,000	67,100	75,700	82,200
+2F	58,800	68,100	75,400	83,600	88,300
0	59,300	68,300	75,400	82,600	87,200

Change in Total Water Supply System from 0/0 Climate
Average Annual Entitlements (acre-feet per year) & Percent

	-10%	-5%	0	+7%	+15%
+8F	-24,600 -33%	-16,200 -21%	-7,800 -10%	1,200 2%	8,100 11%
+5F	-24,300 -32%	-16,300 -22%	-8,300 -11%	400 0%	6,800 9%
+2F	-16,600 -22%	-7,300 -10%	0 0%	8,200 11%	13,000 17%
0	-16,100 -21%	-7,100 -9%	0 0%	7,200 10%	11,800 16%

Conclusion Statement	Confidence
Droughts of greater duration, frequency, and severity than observed are possible under current climate.	High
Greeley’s system has already been impacted by a warming climate and those climate will continue.	High
A dryer climate will reduce yields in all of Greeley’s water supply systems.	High
Senior systems are less vulnerable to climate change.	High
High Mountain Reservoirs are vulnerable to climate change.	High
The Colorado system is vulnerable to climate change.	High
Changes in agricultural demands and water rights administration will impact Greeley.	High
How changes in agricultural demands and water rights administration impact Greeley are quantifiable.	Medium
Reductions in precipitation could decrease Greeley’s entitlements between 20% and 30%.	Medium
Climates with increased precipitation will mitigate impacts of a warming climate.	Low



Next Steps and Questions

Water & Sewer Agenda Summary

Date: August 17, 2022

Key Staff Contact: Sean Chambers, Director

Title: Water Lease & Trade Agreement with Platte River Power Authority (PRPA)

Summary:

The Water & Sewer Dept. has been a collaborator and partner with PRPA in regional water discussions and projects such as the Windy Gap Firming Project. To best manage its water demands at the Rawhide facility prior to the full utilization of the Chimney Hollow Reservoir project, PRPA has a need to secure by multi-year lease water that can be used to firm its supplies between now and the completion of the Windy Gap Firming project. Once the Chimney Hollow Reservoir project is complete and operational, Platte River will have a firm water supply and the value of its Poudre River rights would likely diminish over time from disuse. Whereas Greeley will have an ability to make an ongoing beneficial use of the rights to meet various needs of a growing Greeley.

To further the long-term goals of both Greeley and PRPA, the parties propose an agreement to trade leased C-BT water from Greeley to PRPA and in exchange for the transfer of the Rawhide Pipeline Water Right from PRPA to Greeley, with a short-term lease back to PRPA.

The City's water resources staff have reviewed the proposed terms and find the following:

1. The proposed lease of 400 AF /yr. of Greeley C-BT units to PRPA is within the portfolio's available excess supply and such a rental would not have a material impact on the city's resources needed to meet customer demands.
2. The proposed water lease in exchange for Poudre River water rights is in the best interest of the water utility, and if not leased to PRPA, the C-BT water would most likely be leased for agricultural uses at a minimal rate.
3. The PRPA Rawhide Pipeline water right would create value for the city and its customers in future years as the city grows and its potable and non-potable demands grow.

Preliminary analysis of the PRPA Cache la Poudre Rawhide Pipeline Rights confirmed an annual historical average yield more than 800 AF / yr. Greeley expects PRPA will continue to utilize these rights during the lease back period, and thereafter the city will integrate them into the city's beneficial use portfolio.

Recommended Action:

Based upon yield, value, legal and engineering analysis, the Staff recommend approval of the agreement

Recommended Motion:

Approve Purchase and Sale Agreement, Agreement for Lease of Colorado-Big Thompson Water, and Water Rights Leaseback Agreement with Platte River Power Authority and delegate authority to the Director of Water and Sewer to approve minor revisions to the agreements before their execution, provided that the material substance of the agreements remains unchanged

Attachments:

Agreements

Purchase and Sale Agreement – Water Rights

Agreement for Lease of Colorado-Big Thompson Project Unit Water

Water Rights Leaseback Agreement

Presentation Slide Deck

PURCHASE AND SALE AGREEMENT—WATER RIGHTS

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is made and entered into as of the Effective Date (as defined in Section 1.6 below) by and between PLATTE RIVER POWER AUTHORITY, a political subdivision of the State of Colorado (“Platte River,” as seller) and THE CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation, acting by and through its WATER ENTERPRISE (“Greeley,” as buyer) (Platte River and Greeley each being a “Party” and collectively the “Parties”).

RECITALS

A. Platte River owns the Rawhide Energy Station (“Rawhide”) located in portions of Sections 4, 5, 6, 7, 8, and 9, Township 10 North, Range 68 West of the 6th P.M., Larimer County, Colorado.

B. Platte River is the sole owner of the water right originally decreed in Division 1 Case No. W-9322-78, and made absolute in Division 1 Case No. 82CW318, named the “Rawhide Pipeline Water Right,” further described in Exhibit A, attached hereto and incorporated herein by reference, and the water right originally decreed in Division 1 Case No. 82CW319, named the “Rawhide Pipeline Enlargement Water Right,” further described in Exhibit A, attached hereto and incorporated herein by reference. Together, the Rawhide Pipeline Water Right and the Rawhide Pipeline Enlargement Water Right are referred to as the “Water Rights.”

C. Platte River is planning to retire Rawhide Unit 1 by December 31, 2029, and this retirement will have a substantial effect on the water supply needs at Rawhide. Prior to this retirement, Platte River has a need for water supplies from the Northern Colorado Water Conservancy District’s Colorado-Big Thompson Project to use as collateral for other projects.

D. Greeley is a Colorado home rule municipal corporation, which provides water service to its citizens, and has a need to acquire additional water supplies to prepare for long term increases to the demands on its system.

E. To further the goals of both Parties, in exchange for a lease-back of the Water Rights, and a lease of Colorado-Big Thompson Acre-Foot Units from Greeley to Platte River, as further described herein, Platte River desires to sell, and Greeley desires to purchase, the Water Rights.

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

AGREEMENT

ARTICLE 1
DEFINITIONS

In addition to words and terms elsewhere defined in this Agreement, including the recitals hereto, the following words and terms used in this Agreement shall have the following meanings:

- 1.1 “*Agreement*” means this purchase and sale agreement.
- 1.2 “*CBT AFUs*” has the meaning given in Section 6.1.
- 1.3 “*CBT Lease*” means the Lease Agreement attached to this Agreement as Exhibit B.
- 1.4 “*Closing*” means the closing of this transaction.
- 1.5 “*Closing Date*” means the date of the Closing.
- 1.6 “*Deed*” has the meaning given in Section 4.2.
- 1.7 “*Effective Date*” means the date upon which the last Party signs this Agreement in accordance with Sections 14.14 and 14.16 below.
- 1.8 “*Governmental Approval Period*” has the meaning given in Section 7.1.
- 1.9 “*Greeley Board*” means the Greeley Water and Sewer Board.
- 1.10 “*Inspections*” has the meaning given in Section 5.1.A.
- 1.11 “*Inspection Period*” has the meaning given in Section 5.1.A.
- 1.12 “*Material Part*” means a portion of the Water Rights that would have a material adverse effect on Greeley’s use of the Water Rights as determined by Greeley in its good faith judgment.
- 1.13 “*Northern Water*” means the Northern Colorado Water Conservancy District.
- 1.14 “*Off-Record Documents*” has the meaning given in Section 4.1.
- 1.15 “*Platte River Board*” means the Platte River board of directors.
- 1.16 “*Purchase Price*” has the meaning given in Section 3.1.
- 1.17 “*Rawhide*” has the meaning given in Recital A.
- 1.18 “*Rawhide Pipeline Water Right*” has the meaning given in Recital B.
- 1.19 “*Rawhide Pipeline Enlargement Water Right*” has the meaning given in Recital B.

- 1.20 “*Subcontracting Rule*” has the meaning given in Section 6.1.
- 1.21 “*Title Company*” means Land Title Guaranty [or **alternate title company**].
- 1.22 “*Title Documents*” has the meaning given in Section 4.1.A.
- 1.23 “*Water Rights*” has the meaning given in Recital B.
- 1.24 “*Water Rights Leaseback Agreement*” means the agreement attached as Exhibit C.

ARTICLE 2
SALE OF WATER RIGHTS

2.1 Purchase and Sale. Platte River agrees to sell, and Greeley agrees to buy, on the terms and conditions set forth in this Agreement, the Water Rights, by conveyance of the Deed described in Section 4.2 below.

2.2 Exclusions. There are no exclusions from the Water Rights.

ARTICLE 3
PURCHASE PRICE

3.1 Purchase Price. The total purchase price for the Water Rights (“Purchase Price”) shall be: (1) the execution of the CBT Lease, in the form attached hereto as Exhibit B, by Greeley and Platte River, and (2) the execution of the Water Rights Leaseback Agreement, in the form attached hereto as Exhibit C, by Greeley and Platte River.

3.2 Deposit. There shall be no deposit required pursuant to this Agreement.

3.3 Closing. At Closing, Platte River shall deliver the Water Rights Deed to Greeley, and the Parties shall deliver fully executed originals of the CBT Lease and the Water Rights Leaseback Agreement to each other.

ARTICLE 4
TITLE

4.1 Documentation. Within 14 days after the Effective Date of this Agreement, Platte River shall provide the following to Greeley for review: to the extent the same exist, true and correct copies of all: (1) documents that relate to the title, diversions, deliveries, use, quantity, quality and condition of the Water Rights, including, but not limited to, any deeds or other conveyances, assignments, permits, adjudications or court orders, any testing reports, and any directly relevant records maintained by Platte River; (2) contracts or other agreements relating to the development, operation, maintenance or leasing or otherwise affecting the Water Rights; and (3) any engineering, investigation or inspection document or reports related to the Water Rights (collectively referred to as “Off-Record Documents”).

4.2 Condition and Vesting of Title. At Closing, Platte River shall convey the Water Rights to Greeley by special warranty deed, in the form attached as Exhibit D free and clear of all liens and encumbrances (the “Deed”).

ARTICLE 5
INSPECTION PERIOD

5.1 Inspections.

A. Inspection Period; Right to Inspect. During a period of time commencing upon the Effective Date and continuing until 4:00 p.m., Mountain Time, on the **30th** day thereafter (“Inspection Period”), Greeley and its authorized agents, representatives and consultants shall be entitled to: (1) perform such inspections, as Greeley deems desirable, to allow Greeley to evaluate the Water Rights; and (2) contact and interview the managers, members, employees and agents of Platte River who have relevant substantive knowledge to assist Greeley in determining the historical use of the Water Rights (collectively referred to as “Inspections”). Platte River agrees to reasonably cooperate with any Inspections made by or at Greeley’s direction and work with Greeley to facilitate such interviews and/or the signing of any affidavits of use of the Water Rights by Platte River or to facilitate such contact and/or request for information or determination by Greeley. Greeley shall bear all costs of the Inspections.

B. Conditions of Inspection. Greeley anticipates that its Inspections shall not include physical access to the Rawhide, unless Platte River desires to provide any relevant information at that location. If Greeley does conduct an Inspection of any facilities owned or operated by Platte River, then, Greeley and its authorized agents, representatives and consultants (1) shall not unreasonably interfere with the operation and maintenance of the facilities used in connection with the Water Rights; (2) shall comply with all reasonable requirements imposed upon them in connection with such inspection by Platte River; (3) shall not injure or otherwise cause bodily harm to Platte River, their agents, contractors or employees; and (4) shall promptly pay when due the costs of all Inspections done.

C. Deadlines. The table below contains a non-exclusive list of the dates and deadlines for this Agreement.

Section	Deadline	Date
§ 4.1	Title Documents	14 days following the Effective Date
§ 4.1	Off-Record Documents	14 days following the Effective Date
§ 5.1	Inspection Period Expiration	30th day following the Effective Date
§ 5.2	Objections	On or before the expiration of the Inspection Period
§ 6.2	Request Northern Water Approval	14 days following the Effective Date

§ 7.2	Closing Date	14 days after Governmental Approval Period described in Section 7.1, or the approval of the CBT Lease by Northern Water, whichever occurs last.
§ 10.3.C	Default Cure Period	Within seven days of written notice of default from the other Party

5.2 Objections. If during the Inspection Period Greeley, for any reason, in Greeley’s sole discretion, judgment and opinion, disapproves or is dissatisfied with any aspect of the Water Rights or its Inspections relating thereto, Greeley shall be entitled to terminate this Agreement by giving written notice to Platte River on or before the expiration of the Inspection Period, whereupon all provisions of this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall terminate.

5.3 No Guarantee of Yield. Platte River makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered pursuant to the Water Rights. Greeley shall not hold Platte River liable for any failure in delivery of the water pursuant to the Water Rights, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

ARTICLE 6
CBT LEASE APPROVAL; TERMINATION

6.1 Acknowledgment of Approval Requirement. The Parties acknowledge that Northern Water has adopted the “Rule Governing the Subcontracting of Beneficial Use of Colorado-Big Thompson Project Allotment Contracts,” effective August 11, 2016 (“Subcontracting Rule”). Section 3.1 of the Subcontracting Rule prohibits all subcontracts for acre-foot units of Colorado-Big Thompson Project water (“CBT AFUs”) with a term of two years or more without the approval of Northern Water. Section 5.3 of the Subcontracting Rule prohibits subcontracts with a term of greater than five years, unless such subcontracts qualify for an exception. The CBT Lease is contemplated to have a term of greater than five years.

6.2 Submission of CBT Lease for Approval. Within 14 days after the Effective Date, Greeley shall submit an application for Northern Water approval of the CBT Lease pursuant to the Subcontracting Rule. The Parties shall reasonably cooperate with each other to provide any necessary testimony and information to Northern Water in support of the application. If the CBT Lease is approved by Northern Water, then the Parties shall comply with all conditions of such approval and the Subcontracting Rule.

6.3 Effect of Denial of Approval. If Northern Water determines not to issue an unqualified approval of the CBT Lease for the full term thereof, then the Parties shall work together in good faith to determine if the CBT Lease can be revised to accomplish the objectives of the Parties and obtain Northern Water’s approval. If the Parties determine that such revision to the CBT Lease is appropriate, then Greeley shall submit the revised agreement to Northern Water for its approval. If the Parties do not agree to submit a revised CBT Lease within 30 days after Northern Water’s determination not to approve the original CBT Lease, then this Agreement shall

automatically terminate, whereupon all provisions of this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall terminate.

6.4 Early Lease Termination by Northern Water Action. The Parties acknowledge the possibility that, upon completion of the Northern Water Subdistrict's Chimney Hollow Reservoir Project, Northern Water may view the Lease as no longer necessary despite having previously approved the CBT Lease as provided in Section 6.3. If this occurs before October 31, 2030 (the end of the CBT Lease term), and as a result Northern Water legally acts to revoke its approval of or otherwise terminate the CBT Lease, Greeley agrees that it shall enter into further one-year leases with Platte River, on terms consistent with those in the CBT Lease, as necessary to provide to Platte River rights to water derived from Greeley-owned CBT AFUs equivalent to what Platte River would have received had the CBT Lease continued through its agreed-upon expiration date of October 31, 2030. If Northern Water revokes its approval of or otherwise terminates the CBT Lease pursuant to this Section 6.4, the Parties' sole remedy for such action shall be the requirement to enter into further one-year leases as provided by this Section.

ARTICLE 7 CLOSING

7.1 Required Governing Board Approvals. **Closing on the transactions contemplated by this Agreement is contingent upon approval by the Greeley Board and the Platte River Board given within 28 days after the expiration of the Inspection Period ("Governmental Approval Period"). If either the Greeley Board or the Platte River Board has not authorized Closing on the Agreement prior to the expiration of the Governmental Approval Period, then, in such event, upon written notice by either Party to the other Party, this Agreement shall terminate, whereupon neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement.**

7.2 Closing. The Closing shall occur at 1:30 p.m. at the Title Company, or at such other time and place as may be mutually agreed upon by the Parties, 14 days after the expiration of the Governmental Approval Period or final approval by Northern Water of the CBT Lease (including any revised version of the CBT Lease approved by the Parties pursuant to Section 6.3 above), whichever occurs later, or by mutual agreement at an earlier date.

7.3 Transactions at Closing.

A. On or before the Closing Date, Platte River shall deliver or cause to be delivered to the Title Company, acting as escrow agent, the following documents duly executed and acknowledged where appropriate:

(1) The Deed, in the form of Exhibit D, conveying the Water Rights free and clear of all liens and encumbrances.

(2) A certificate of non-foreign status pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, together with any certificates required pursuant to Colorado law.

(3) A statement of authority designating the persons who are authorized to execute the Deed and all other applicable documents on behalf of Platte River.

(4) A certificate as to Taxpayer Identification Number as required by law.

(5) The CBT Lease, in the form approved by Northern Water.

(6) The Water Rights Leaseback Agreement.

(7) A closing statement executed by Platte River.

(8) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transactions contemplated herein.

B. On or before the Closing Date, Greeley shall deliver to the Title Company, acting as escrow agent, the following:

(1) Documentation in such form as may be satisfactory to Platte River and the Title Company, evidencing Greeley's full authority and capacity to purchase the Water Rights.

(2) The CBT Lease, in the form approved by Northern Water.

(3) The Water Rights Leaseback Agreement.

(4) A closing statement executed by Greeley.

(5) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transaction contemplated herein.¹

ARTICLE 8
PRORATIONS; CLOSING COSTS

Greeley shall pay for the cost of recording of the deed, and one-half of the Title Company Closing costs, if any. Platte River shall pay one-half of the Title Company closing costs. Each Party shall pay its own attorneys' fees and Greeley shall be solely responsible for the payment of any escrow fees to the Title Company.

¹ Note: Greeley is not required to execute a Real Property Transfer Declaration for water rights or land transfers under Colorado law. CRS 39-14-102 say that a Real Property Transfer Declaration is required when recording a "conveyance document" and CRS 39-14-101(2) defines a "conveyance document" as an instrument for which a documentary fee is required. Since the grantees are governmental entities, no documentary fee is required per . C.R.S. 39-13-104(1)(a) and thus no Real Property Transfer Declaration.

ARTICLE 9
REPRESENTATIONS AND WARRANTIES

9.1 Platte River Representations and Warranties. Platte River represents and warrants to Greeley as follows:

A. Ownership and Encumbrances. Platte River is now and will remain, until the conclusion of the Closing, the lawful owner of the Water Rights. To the best of Platte River's knowledge, the Water Rights are free of any liens, encumbrances and third-party claims except for those of Greeley. From the Effective Date of this Agreement until the Closing, Platte River shall not encumber the Water Rights or any interest in any way or grant any property or contract right relating to the Water Rights or any other interests without the prior written consent of Greeley.

B. Litigation. To Platte River's current actual knowledge, there is no dispute, action or litigation pending or threatened respecting the ownership or use of the Water Rights or other interests related thereto.

C. Contracts, Leases and Agreements. From the Effective Date of this Agreement until the Closing, unless accepted by Greeley in writing, Platte River shall not enter into any contracts, leases, licenses, commitments or undertakings respecting the use or maintenance of the Water Rights by which Greeley would be obligated or liable to any third party.

D. Status. Platte River has all requisite legal power and authority to own and convey the Water Rights and perform all of the terms of this Agreement.

E. No Abandonment. The Water Rights have not been abandoned by Platte River.

F. Compliance with Law. To the best of Platte River's current actual knowledge, Platte River has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to the Water Rights, and to Platte River's current actual knowledge there is no proposed order, judgment, decree, governmental taking or other proceeding applicable to Platte River that might have a material adverse effect on the Water Rights.

9.2 Closing Certificate. Platte River shall provide Greeley with a written certification at Closing confirming that the representations set forth in Section 9.1 are true and correct as of the Closing Date.

9.3 Water Rights Adjudication. The Parties acknowledge and agree that a change of Water Rights and/or other water rights adjudications may be necessary to allow Greeley's use of the Water Rights for their intended purpose. Unless this Agreement is terminated pursuant to the provisions herein, Platte River agrees that it shall not oppose, but shall reasonably cooperate with Greeley, in any actions Greeley files in water court or administrative or other proceedings for approval of the use of the Water Rights as part of an application for new water rights (including direct flow or storage rights), changes of water rights, exchanges or plans for augmentation or substitution or in connection with the Water Rights. Platte River shall not be required to file briefs in support of Greeley's application or take any affirmative action other than to appear and testify

honestly about the Water Rights and provide any documentation of use or other relevant historical use information. The terms and provisions set forth in this Section 9.3. and the covenants and obligations arising therefrom shall survive the Closing and shall not be deemed merged into the closing documents.

ARTICLE 10
CONDITIONS TO CLOSING; REMEDIES

10.1 Platte River's Conditions. The obligation of Platte River to sell and convey the Water Rights under this Agreement is subject to the satisfaction of the following conditions precedent or conditions concurrent (the satisfaction of which may be waived only in writing by Platte River):

- A. Satisfaction of the closing contingencies under Section 7.1.
- B. Delivery and execution by Greeley of all monies, items, and other instruments required to be delivered by Greeley to the Closing.
- C. All of the actions by Greeley required by this Agreement shall have been completed.
- D. There shall be no uncured default by Greeley of any of its obligations under this Agreement.

10.2 Greeley's Conditions. The obligation of Greeley to acquire the Water Rights under this Agreement is subject to the satisfaction of the following conditions precedent or conditions concurrent (the satisfaction of which may be waived only in writing by Greeley):

- A. Satisfaction of the closing contingencies under Section 7.1.
- B. Delivery and execution by Platte River of all items and other instruments required to be delivered by Platte River to the Closing.
- C. All of the actions by Platte River required by this Agreement shall have been taken.
- D. There shall be no uncured default by Platte River of any of its obligations under this Agreement.
- E. The representations and warranties made by Platte River as specifically set forth herein shall be true and correct as of the Closing Date and shall not be deemed waived if Greeley elects to close pursuant to Section 10.3.A(2) below.

10.3 Failure of Condition.

A. Except as set forth in Section 10.3.B below, in the event of a failure of any condition contained in Section 10.2, Greeley may in its sole discretion:

(1) Terminate this Agreement by notice to Platte River, in which event all documents deposited by Greeley or delivered to Platte River by Greeley shall be immediately returned to Greeley, and all documents deposited by Platte River or delivered to Greeley by Platte River shall be immediately returned to Platte River; or

(2) Waive such default or condition and close the transactions contemplated by this Agreement; or

(3) If the failure of condition consists of a default by Platte River which can be cured by action within the reasonable control of Platte River, Greeley may elect to treat this Agreement as being in full force and effect and Greeley shall have the right to specific performance, damages, or both.

B. In the event of a failure of any condition contained in Section 10.1 above, Platte River may in its sole discretion:

(1) Terminate this Agreement by notice to Greeley, in which event all documents deposited by Greeley or delivered to Platte River by Greeley shall be immediately returned to Greeley, and all documents deposited by Platte River or delivered to Greeley by Platte River shall be immediately returned to Platte River; or

(2) Waive such default or condition and close the transactions contemplated by this Agreement.

(3) If the failure of condition consists of a default by Greeley that can be cured by action within the reasonable control of Greeley, Platte River may elect to treat this Agreement as being in full force and effect and Platte River shall have the right to specific performance, damages, or both.

C. Platte River hereby waives any rights it may have to specific performance in the event of a default by Greeley. Except for the giving of notices or the delivery of the Purchase Price, time being of the essence, neither Party shall be deemed in default hereunder unless such Party fails to cure such default within seven days of written notice of default from the other Party.

ARTICLE 11
BROKERAGE

Platte River and Greeley hereby warrant to each other that there are no real estate agents or other brokers or finders involved in this transaction who are entitled to receive a brokerage or finder's fee. Each Party (the indemnifying Party) agrees, to the extent permitted by law, to indemnify and hold harmless the other Party (the indemnified Party) from any loss, liability, damage, cost or expense (including, without limitation, reasonable attorneys' fees) paid or incurred by the indemnified Party by reason of any claim to any broker's, finder's or other fee in connection

with this transaction by any third party claiming by, through or under the indemnifying Party, excluding, however, any party claiming through the indemnified Party, its successors or assigns. These obligations shall survive the Closing.

ARTICLE 12
NOTICES

Any notice or other communication given by either Party to the other relating to this Agreement must be in writing and shall be deemed to have been duly given by delivery to the respective addresses provided below, or such other address changed by the recipient by notice consistent with this Article: (1) on the date and at the time of delivery if delivered personally to the Party to whom notice is given at such address; or (2) on the date and at the time of delivery or refusal of acceptance of delivery if delivered or attempted to be delivered by an overnight courier service to the Party to whom notice is given at such address; or (3) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first-class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed to such address:

If to Platte River:

Platte River Power Authority
Attention: Fuels and Water Manager
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-4815

With a copy to:

Platte River Power Authority
Attention: General Counsel
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-5225

If to Greeley:

City of Greeley
Attention: Director, Water and Sewer
1001 11th Street, 2nd Floor
Greeley, CO 80631
Telephone: (970) 350-9812

With a copy to:

City of Greeley
Attention: City Attorney
1100 10th Street, Ste. 401
Greeley, CO 80631
Telephone: (970) 350-9757

ARTICLE 13
MISCELLANEOUS

13.1 No Waiver of Governmental Immunity/No Third-Party Beneficiary. This Agreement shall not create any rights, duty of care or liability with respect to any person or entity not a Party, or waive any of the privileges or immunities either Party or its officers, employees, successors and assigns may present pursuant to law, including, but not limited to, the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*, as amended.

13.2 Time. Time is of the essence as to each provision of this Agreement and the performance of each Party's obligations hereunder.

13.3 Attorneys' Fees. If any legal action, arbitration or other proceeding is commenced to enforce or interpret any provision of this Agreement or to enforce any indemnity, the prevailing Party shall be awarded its attorneys' fees and expenses, in addition to any other relief granted. The phrase "prevailing Party" shall include a Party who receives substantially the relief desired whether by dismissal, summary judgment, judgment or otherwise. This provision shall survive the termination of this Agreement.

13.4 No Waiver. The failure of either Party to enforce or insist upon compliance with or strict performance of any provision of this Agreement, or to take advantage of any right under this Agreement, shall not constitute a waiver or relinquishment of any such term, condition, or right. No waiver by either Party of the performance or satisfaction of any covenant or condition shall be valid unless in writing and shall not be considered to be a waiver by such Party of any other covenant or condition hereunder.

13.5 Entire Agreement. This Agreement, together with the CBT Lease and the Water Rights Leaseback Agreement, contains the entire agreement between the Parties regarding the Water Rights and supersedes all prior agreements, whether written or oral, between the Parties regarding its subject matter. This Agreement may be modified only by mutual written agreement duly authorized and executed by authorized representatives of both Parties.

13.6 Survival of Representations and Warranties. All representations, obligations, liabilities, warranties, covenants, agreements and monetary obligations of Platte River and Greeley as set forth in this Agreement shall survive the Closing and consummation of the transactions contemplated by this Agreement until the complete discharge thereof. All warranties of title set forth in the Deed or any assignment delivered or made hereunder shall survive without limit.

13.7 Successors. Subject to Section 13.8, this Agreement shall bind and inure to the benefit of the Parties and their respective successors and permitted assigns.

13.8 Assignment. This Agreement is not assignable by either Party without first obtaining the prior written approval of the other Party. No assignment shall relieve either of the Parties from its respective obligations hereunder if such obligations are not properly discharged by the assignee of such Party.

13.9 Relationship of the Parties. The Parties acknowledge that neither Party is an agent for the other Party, and that neither Party shall or can bind or enter into agreements for the other Party.

13.10 Governing Law and Construction. This Agreement and the legal relations between the Parties shall be governed by and construed in accordance with the laws of the State of Colorado. 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 Agreement or any amendments or exhibits hereto.

13.11 Possession. Platte River shall deliver to Greeley possession of the Water Rights upon release from escrow of all items to be delivered by Greeley to the Closing, including, without limitation, the Purchase Price.

13.12 Review by Counsel. The Parties acknowledge that each Party and its legal counsel have reviewed and approved this Agreement.

13.13 Calendar Days. If any time period set forth in this Agreement commences, expires or is determined from a date that falls on a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day, the date of such commencement, performance, expiration or determination shall automatically be extended to the next day that is not a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day.

13.14 Counterparts. This Agreement may be executed in counterparts both of which, when taken together, shall constitute one agreement. This Agreement shall be effective only when counterparts are signed by authorized representatives of both Platte River and Greeley.

13.15 Acceptance. Upon execution and delivery of this Agreement by Platte River and Greeley, as approved in accordance with Section 7.1, this Agreement shall constitute an agreement to for Platte River to sell and Greeley to purchase the Water Rights on the terms and conditions set forth herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set opposite their respective signatures below.

[Remainder of this page intentionally left blank. See next page for signatures.]

PLATTE RIVER POWER AUTHORITY,
a political subdivision of the State of Colorado

Date: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By _____

General Counsel

THE CITY OF GREELEY, COLORADO,
a Colorado home rule municipal
corporation

Date: _____

By _____

Name: _____

Title: Water and Sewer Board Chairman

APPROVED AS TO SUBSTANCE:

APPROVED AS TO LEGAL FORM:

By _____

City Manager

By _____

City Attorney

AVAILABILITY OF FUNDS:

By _____

Director of Finance

RECOMMENDED:

By _____

Director of Water and Sewer

EXHIBIT A TO PURCHASE AND SALE AGREEMENT

Description of the Water Rights

Rawhide Pipeline Water Right: That water right originally decreed in Division 1 Case No. W-9322-78 on August 18, 1978, and made absolute in the decree entered in Division 1 Case No. 82CW318 having the following characteristics:

Legal Description of Structure: Located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 20, Township 7 North, Range 68 West of the 6th P.M., Larimer County, at a point approximately 1830 feet North and 65 feet West of the SE Corner, Section 20. Then pumped through a 24" pipeline to Rawhide Reservoir in portions of Sections 5, 6, and 8, Township 10 North, Range 68 West of the 6th P.M.

Source of Water: Cache la Poudre River

Date of Appropriation: December 31, 1977

Amount of Water: 15.19 cubic feet per second, absolute

Use of Water: Industrial: Cooling water and sluice water, stockwater, irrigation of land in parts of W $\frac{1}{2}$, Section 4 and Section 5; E $\frac{1}{2}$, Section 6, E $\frac{1}{2}$, Section 7 and Section 8; W $\frac{1}{2}$, Section 9, all Township 10 North, Range 68 West of the 6th P.M. and S $\frac{1}{2}$, Section 31, Township 11 North, Range 68 West of the 6th P.M., and dust suppression all at Rawhide Energy Station site.

Rawhide Pipeline Enlargement Water Right: That water right originally decreed in Division 1 Case No. 82CW319 in February of 1984 having the following characteristics:

Legal Description of Structure: Located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 20, Township 7 North, Range 68 West of the 6th P.M., Larimer County, at a point approximately 1830 feet North and 65 feet West of the SE Corner, Section 20. Then pumped through a 24" pipeline to Rawhide Reservoir in portions of Sections 5, 6, and 8, Township 10 North, Range 68 West of the 6th P.M.

Source of Water: Cache la Poudre River

Date of Appropriation: June 22, 1982 (application filed in 1982)

Amount of Water: 1.6 cubic feet per second

Use of Water: Industrial: Cooling water and sluice water, stockwater, irrigation of land in parts of W $\frac{1}{2}$, Section 4 and Section 5; E $\frac{1}{2}$, Section 6, E $\frac{1}{2}$, Section 7 and Section 8; W $\frac{1}{2}$, Section 9, all Township 10 North, Range 68 West of the 6th P.M. and S $\frac{1}{2}$, Section 31, Township 11 North, Range 68 West of the 6th P.M., and dust suppression all at Rawhide Energy Station site.

EXHIBIT B TO PURCHASE AND SALE AGREEMENT

**AGREEMENT FOR LEASE OF
COLORADO-BIG THOMPSON PROJECT WATER**

This AGREEMENT FOR LEASE OF COLORADO-BIG THOMPSON PROJECT WATER (“Lease”) is entered into this ____ day of _____ 2022, by and between the CITY OF GREELEY, a Colorado home rule municipal corporation acting by and through its Water Enterprise, whose address is 1001 11th Avenue, Second Floor, Greeley, Colorado 80631 (“Greeley”), and PLATTE RIVER POWER AUTHORITY, a political subdivision of the State of Colorado, whose address is _____ (“Platte River”) (Platte River and Greeley each being a “Party” and collectively the “Parties”).

RECITALS

WHEREAS, Greeley owns Acre Foot Units of Colorado–Big Thompson Project water, as administered by the Northern Colorado Water Conservancy District (“Northern”), pursuant to allotment contracts (“CBT AFUs”); and

WHEREAS, Greeley and Platte River entered into a separate “Purchase and Sale Agreement – Water Rights,” (the “PSA”) pursuant to which Platte River conveyed the water right originally decreed in Division 1 Case No. W-9322-78, and made absolute in Division 1 Case No. 82CW318, named the “Rawhide Pipeline Water Right,” and the water right originally decreed in Division 1 Case No. 82CW319, named the “Rawhide Pipeline Enlargement Water Right,” (collectively, the “Water Rights”), and the consideration for the PSA included the execution of this Lease, among other things; and

WHEREAS, Platte River desires to lease four hundred acre feet of water derived from Greeley’s CBT AFUs per year from Greeley for delivery to Hamilton Reservoir and use at the Rawhide Energy Station, located in portions of Sections 4, 5, 6, 7, 8, and 9, Township 10 North, Range 68 West of the 6th P.M., Larimer County, Colorado (“Property”); and

WHEREAS, Greeley is willing to lease the water to Platte River for use on the Property.

WHEREAS, Northern rules applicable to the Parties require Northern approval of any long-term leases of CBT AFUs and the Parties intend to seek Northern approval of this Lease.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Greeley and Platte River agree as follows.

AGREEMENT

1. Water Lease. Greeley hereby leases to Platte River, and Platte River hereby leases from Greeley, sufficient rights to Greeley's CBT AFUs to yield no less than 400 acre-feet of water per year (the "Leased CBT Water"). Because Northern Water sets its quota for the amount of water per CBT AFU on an annual basis, the number of CBT AFUs necessary to yield 400 acre-feet pursuant to this Lease will vary from year to year. Each April, after the Northern Water board of directors sets the final annual quota for the water year, Greeley shall identify the number of CBT AFUs needed to provide 400 acre-feet of Leased CBT Water to Platte River. For example, if the annual quota for a particular water year is 80%, then Greeley shall allocate 500 CBT AFUs for that water year to provide 400 acre feet of Leased CBT Water to Platte River. Platte River shall use the Leased CBT Water as collateral for Northern's "in lieu" process in accordance with all applicable rules, regulations, and guidelines of Northern or its Municipal Subdistrict.

2. Term of Lease; Compliance with Northern Subcontracting Rule.

A. The term of this Lease begins on the date of mutual execution and ends on October 31, 2030 ("Term").

B. The Parties acknowledge that Northern has adopted the "Rule Governing the Subcontracting of Beneficial Use of Colorado-Big Thompson Project Allotment Contracts," effective August 11, 2016 ("Subcontracting Rule"). Section 3.1 of the Subcontracting Rule prohibits all subcontracts for CBT AFUs with a term of two years or more without Northern approval. Section 5.3 of the Subcontracting Rule prohibits subcontracts with a term of greater than five years, except for subcontracts that qualify for an exception. Because this Lease has a term of greater than five years, the Parties agree that (1) this Lease is valid only if duly approved by Northern, (2) the Subcontracting Rule is by this provision made a part of this Lease, and (3) they shall comply with the requirements (including without limitation Sections 5.4 through 5.6) of the Subcontracting Rule.

3. Lease Consideration. Platte River shall not be required to make any annual payment of money for use of the Leased CBT Water. Platte River's consideration for entering this Lease is Platte River's concurrent conveyance of the Water Rights pursuant to the PSA described in the Recitals above. Platte River agrees that it shall be Platte River's responsibility to promptly pay to Northern for the Rule 11 charges associated with the transfer of the Leased CBT Water to Platte River for Platte River's use, and/or any other fees or charges payable to Northern associated with the use of the Leased CBT Water during each year.

4. Potential Assessments for Transit Losses; Compliance Obligations. Platte River acknowledges that state water administration officials may assess transit losses for delivery of the Leased CBT Water to Platte River's point of delivery. Greeley and Platte River shall cooperate for making all necessary arrangements with Northern and with state water administration officials to secure delivery of the Leased CBT Water for Platte River's use. Platte River's use of the Leased CBT Water shall comply with all policies, rules, and regulations of Northern, and the Colorado Division of Water Resources.

5. Emergency Use of Leased CBT Water by Greeley

A. In the unanticipated event of a water supply emergency or other situation necessitating use of the Leased CBT Water by Greeley for its customers, as determined by Greeley in its sole discretion, Greeley may withdraw the Leased CBT Water from use by Platte River. In such event, Greeley shall provide notice to Platte River of this reduction or elimination of the Leased CBT Water by November 1st of the calendar year preceding the year during which Greeley intends to withdraw Leased CBT Water from use by Platte River.

B. If Greeley provides the notice described in Paragraph 5(A) above, then Greeley shall either: (1) convey the Water Rights back to Platte River, or (2) retain the Water Rights and pay to Platte River \$483.31 per acre foot for any amount of Leased CBT Water that is withdrawn from use by Platte River and cannot be replaced by diversions from the Water Rights for each year the deliveries under this Lease are reduced.

C. By way of example, if Greeley opts to reduce the amount of Leased CBT Water available for use by Platte River from 400 acre feet to 100 acre feet pursuant to clause (2) of Paragraph 5(B) above, and the Water Rights yield 100 acre feet to Platte River, then Greeley would pay Platte River \$96,992.50 (300 acre foot reduction in Leased CBT Water – 100 acre feet from Water Rights = 200 acre feet x \$483.31 per acre foot = \$96,662.50.)

6. Accounting for Leased CBT Water. Platte River shall maintain any required accounting of diversions and use of the Leased CBT Water, and shall provide a copy of such accounting for the previous calendar year to Greeley by May 15th of each year.

7. Sublease and Assignment. Subject to all applicable rules, regulations, and guidelines of Northern Water or its Municipal Subdistrict, Platte River may rent or sublease the right to use any portion of the Leased CBT Water, upon the condition that if Platte River obtains a bona fide offer to sublease any portion of the Leased CBT Water that Platte River desires to accept, then Platte River shall notify Greeley in writing of the bona fide offer, stating the amount and the terms of the offer. Greeley shall then have 30 days following receipt of the written notice within which to notify Platte River in writing as to whether Greeley desires to lease back such Leased CBT Water at the same price and on the same terms as provided in the bona fide offer received by Platte River. The failure on the part of Greeley to respond to Platte River's notice of the bona fide offer as provided herein shall be conclusively deemed to be an election not to exercise the right of first refusal conferred by this Paragraph 7. Platte River shall not assign this Lease, except to a successive owner or operator of the Property for use on the Property, and only with written consent from Greeley. Platte River shall request consent from Greeley prior to any purported assignment of this Lease by advance written notice of at least 30 days. Such consent may be given or withheld in the sole discretion of Greeley.

8. No Vested Interest in Shares or Joint Venture. This Lease is made expressly subject to Section 17-4 of the Charter of Greeley. Greeley grants no interest in the Leased CBT Water to Platte River other than as explicitly set forth in this Lease. Platte River shall make no claim to any rights, title, or interest in the Leased CBT Water other than as explicitly set forth in this Lease. This Lease does not create a partnership or joint venture of any kind between the parties, and Platte River shall bear the entirety of any loss, cost, or expense incurred by Platte

River through its use of the Leased CBT Water on the Property, except to the extent the loss, cost, or expense is attributable to the act or omission of Greeley in breach of this Lease.

9. Yield of CBT AFUs. Platte River is entitled to receive 400 acre-feet per water year from the Leased CBT Water, subject to the terms and conditions in this Lease. Although Greeley makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered by any specific quantity of Greeley's CBT AFUs, Greeley is obligated by this Lease to make available sufficient CBT AFUs to yield 400 acre-feet of Leased CBT Water based on Northern Water's annual quota. Platte River shall not hold Greeley liable for any inability to deliver the Leased CBT Water, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

10. Maintenance of Infrastructure. Platte River shall maintain the infrastructure and other personal property necessary to deliver water pursuant to the Leased CBT Water at Platte River's own cost and expense. Platte River shall make all repairs and restorations necessary to keep the infrastructure and other personal property in good working condition during the term of this Lease.

11. Indemnification; Immunity. Platte River agrees to exercise Platte River's rights under this Lease at Platte River's own risk. To the extent permitted by law, Platte River shall indemnify and hold harmless Greeley from and against any cost, expense, or liability arising out of this Lease or related activities provided the cost, expense, or liability is not attributable to the act or omission of Greeley in breach of this Lease. Nothing in this Lease is intended to constitute a waiver by either Party, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 et seq., as applicable now or hereafter amended.

12. Default. If either Greeley or Platte River fails to comply with a term or condition herein, such failure constitutes a default of this Lease. The non-defaulting Party may declare the default by providing written notice to the defaulting Party in accordance with Paragraph 13 below. Upon receipt of this notice of default, the defaulting Party will have 15 days within which to cure the default. If, in the sole discretion of the non-defaulting Party, the default remains uncured after the 15-day cure period, or after any written extension thereof mutually agreed upon by the Parties, the non-defaulting Party may seek any and all available remedies, including damages and specific performance.

13. Notices. Any notice or other communication given by either of the Parties to another relating to this Lease must be in writing and shall be deemed to have been duly given by delivery to the respective addresses provided below, or such other address changed by the recipient by notice consistent with this Paragraph: (1) on the date and at the time of delivery if delivered personally to the Party to whom notice is given at such address; or (2) on the date and at the time of delivery or refusal of acceptance of delivery if delivered or attempted to be delivered by an overnight courier service to the Party to whom notice is given at such address; or (3) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first-class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed to such address:

If to Greeley:

City of Greeley
Attention: Director, Water and Sewer
1001 11th Street, 2nd Floor
Greeley, CO 80631
Telephone: (970) 350-9812

With a copy to:

City of Greeley
Attention: City Attorney
1100 10th Street, Ste. 401
Greeley, CO 80631
Telephone: (970) 350-9757
If to Platte River:

Platte River Power Authority
Attention: Fuels and Water Manager
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-4815

With a copy to:

Platte River Power Authority
Attention: General Counsel
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-5225

14. No Third-Party Beneficiaries. Nothing in this Lease, express or implied, confers any rights or remedies upon any parties other than Platte River and Greeley, or their respective permissible successors in interest.

15. Recovery of Costs and Fees. In addition to any remedies otherwise available, a Party that is successful in a legal action commenced against the other due to a default or material breach of this Lease may recover from the defaulting Party reasonable costs and attorneys' fees incurred during the course of such legal action.

16. Governing Law and Venue; Compliance with Law. This Lease shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any action arising out of this Lease is the District Court for Weld County or Larimer County, Colorado. Platte River, as lessee of the Leased CBT Water, acknowledges that it is bound by and must comply with all federal, state, and local water laws, orders, and regulations that pertain to

the use of the Leased CBT Water, including all applicable rules and regulations of Northern Water.

17. Severability. If a provision of this Lease is held invalid or unenforceable by a court of competent jurisdiction, such holding will not invalidate any other provision herein, and the remainder of the Lease should be interpreted in accordance with the intent of the Parties.

18. Integration. This Lease, together with the PSA and the Water Rights Leaseback Agreement (as defined in the PSA) constitutes a complete integration of the understanding and agreement between Greeley and Platte River with respect to its subject matter, and supersedes all other lease agreements regarding the Leased CBT Water. No representations, negotiations, or warranties, express or implied, exist between Greeley and Platte River except as explicitly set forth in this Lease. This Lease may be modified only in a written form duly authorized, approved, and executed by Greeley and Platte River.

19. Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument. Executed copies of this Lease may be delivered by electronic means. The Parties agree to accept and be bound by signatures hereto delivered by electronic means.

20. Recording. Platte River shall not record this Lease in the real property records of any jurisdiction. This Lease is not intended to run with the land as a covenant burdening real property.

[Remainder of this page intentionally left blank. Signature pages follow]

IN WITNESS WHEREOF, the parties have executed this Lease, effective on the date shown in the preamble to this Lease.

THE CITY OF GREELEY, COLORADO,
a Colorado home rule municipal
corporation

Date: _____

By _____

Name: _____

Title: Mayor

ATTEST:

By: _____

Name: _____

Title: City Clerk

PLATTE RIVER POWER AUTHORITY,
a Political Subdivision of the State of Colorado

Date: _____

By: _____

Name: _____

Title:

Approved as to form:

By: _____

General Counsel

EXHIBIT C TO PURCHASE AND SALE AGREEMENT

[Form of Water Rights Leaseback Agreement]

WATER RIGHTS LEASEBACK AGREEMENT

This WATER RIGHTS LEASEBACK AGREEMENT (“Leaseback”) is entered into this ____ day of _____ 2022, by and between the CITY OF GREELEY, a Colorado home rule municipal corporation acting by and through its Water Enterprise, whose address is 1001 11th Avenue, Second Floor, Greeley, Colorado 80631 (“Greeley”), and PLATTE RIVER POWER AUTHORITY, a political subdivision of the State of Colorado, whose address is _____ (“Platte River”) (Platte River and Greeley each being a “Party” and collectively the “Parties”).

RECITALS

WHEREAS, Greeley and Platte River entered into a separate “Purchase and Sale Agreement – Water Rights,” (the “PSA”) pursuant to which Platte River conveyed the water right originally decreed in Division 1 Case No. W-9322-78, and made absolute in Division 1 Case No. 82CW318, named the “Rawhide Pipeline Water Right,” and the water right originally decreed in Division 1 Case No. 82CW319, named the “Rawhide Pipeline Enlargement Water Right,” (collectively, the “Water Rights”), and the consideration for the PSA included the execution of this Leaseback, among other things; and

WHEREAS, Platte River desires to lease the Water Rights from Greeley for use at the Rawhide Energy Station, located in portions of Sections 4, 5, 6, 7, 8, and 9, Township 10 North, Range 68 West of the 6th P.M., Larimer County, Colorado (“Property”);

WHEREAS, Greeley is willing to lease the Water Rights to Platte River for use on the Property;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Greeley and Platte River agree as follows.

AGREEMENT

1. Water Rights Lease. Greeley hereby leases to Platte River, and Platte River hereby leases from the Greeley, the above-described Water Rights for use on the Property.
2. Term of Lease. The term of this Leaseback begins on the date of mutual execution and ends on October 31, 2030 (“Term”). Platte River may terminate this Leaseback during the Term, prior to any year, for any reason by delivering 12 months’ advance written notice to Greeley. Additionally, refer to Section 12 for provisions relating to termination for cause.
3. No Annual Lease Amount. Platte River shall not be required to make any annual payment of money for use of the Water Rights. Platte River’s consideration for entering this Leaseback is Platte River’s concurrent conveyance of the Water Rights pursuant to the PSA described in the Recitals above.

4. Use of Water Rights. Platte River shall use the water delivered pursuant to the Water Rights only for industrial, cooling water, sluice water, stockwater, irrigation, and dust suppression on the Property. Platte River shall not use the Water Rights for any other uses. Platte River shall not use the water delivered pursuant to the Water Rights on any land other than the Property. Platte River shall comply with all rules, regulations, and laws of the State of Colorado pertaining to use of the Water Rights. Platte River shall take and use the water delivered pursuant to the Water Rights to the fullest extent possible by delivering the water to the Property for beneficial use whenever needed for Platte River's purposes, and shall not intentionally undertake any action that could be construed as abandonment of the Water Rights or could cause in part or in whole a reduction in the use of the Water Rights. Platte River shall provide advance written notice to Greeley of at least 30 days if Platte River no longer intends to use the Water Rights on the Property.

5. Affidavit of Beneficial Use, Accounting, and Water Court Proceedings. Platte River shall maintain daily accounting records of all diversions and use of the Water Rights. Platte River agrees to deliver to Greeley, on or before May 15 of each calendar year, a completed Beneficial Use Affidavit and Questionnaire, in the form attached as Attachment A along with daily accounting records of Platte River's diversions and use of the Water Rights. Platte River acknowledges that Greeley may elect, but is not obligated, to file an application to change the use of the Water Rights with the Division 1 Water Court for the State Colorado during the term of this Leaseback. Platte River agrees that it shall not oppose, but shall reasonably cooperate with Greeley, in any such action provided the action does not impair the rights granted to Platte River under this Leaseback. Seller shall not be required to file briefs in support of Greeley's application or take any affirmative action other than to appear and testify honestly about the Water Rights and provide any documentation of use or other relevant historical use information. Upon request from Greeley, Platte River shall provide information regarding use of the Water Rights and reasonable access to the Property during and in preparation for any proceeding before the Division 1 Water Court. Any access by Greeley or any authorized agent, representative, or consultant to the Property shall be subject to Section 5.1.B of the PSA.

6. Restriction on Sublease and Assignment. Platte River shall not rent, sublet, or otherwise convey the right to use the Water Rights. Platte River shall not assign this Leaseback, except to a successive owner or operator of the Property for use on the Property, and only with written consent from Greeley. Platte River shall request consent from Greeley prior to any purported assignment of this Leaseback by advance written notice of at least 90 days. Such consent may be given or withheld in the sole discretion of Greeley.

7. No Vested Interest in Shares or Joint Venture. This Leaseback is made expressly subject to Section 17-4 of the Charter of Greeley. Greeley grants no interest in the Water Rights to Platte River other than as explicitly set forth in this Leaseback. Platte River shall make no claim to any rights, title, or interest in the Water Rights other than as explicitly set forth in this Leaseback. This Leaseback does not create a partnership or joint venture of any kind between the Parties, and Platte River shall bear the entirety of any loss, cost, or expense incurred through its use of the Water Rights on the Property, except to the extent the loss, cost, or expense is attributable to the act or omission of Greeley in breach of this Leaseback.

8. No Guarantee of Yield. Platte River is entitled to receive the amount of water yielded by the Water Rights, subject to the terms and conditions in this Leaseback. Greeley makes no warranty, guarantee, or representation of any kind regarding the quality or physical yield of water to be delivered pursuant to the Water Rights. Platte River shall not hold Greeley liable for any failure in delivery of the water pursuant to the Water Rights, including, but not limited to, that caused by force of nature or failure of water supply infrastructure.

9. Maintenance of Infrastructure. Platte River shall maintain the infrastructure and other personal property necessary to deliver water pursuant to the Water Rights at Platte River's own cost and expense. Platte River shall make all repairs and restorations necessary to keep the infrastructure and other personal property in good working condition during the term of this Leaseback. If the infrastructure is damaged or otherwise made inoperable, Platte River shall make all reasonable efforts to restore its functionality as soon as practicable to resume beneficial use of the Water Rights.

10. Indemnification; Immunity. Platte River agrees to exercise Platte River's rights under this Leaseback at Platte River's own risk. To the extent permitted by law, Platte River shall indemnify and hold harmless Greeley from and against any cost, expense, or liability arising out of this Leaseback or related activities provided the cost, expense, or liability is not attributable to the act or omission of Greeley in breach of this Lease. Nothing in this Leaseback is intended to constitute a waiver by either Party, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 et seq., as applicable now or hereafter amended.

11. Notice. Any notice or other communication given by either of the Parties to another relating to this Lease must be in writing and shall be deemed to have been duly given by delivery to the respective addresses provided below, or such other address changed by the recipient by notice consistent with this Paragraph: (1) on the date and at the time of delivery if delivered personally to the Party to whom notice is given at such address; or (2) on the date and at the time of delivery or refusal of acceptance of delivery if delivered or attempted to be delivered by an overnight courier service to the Party to whom notice is given at such address; or (3) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first-class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed to such address:

If to Greeley:

City of Greeley
Attention: Director, Water and Sewer
1001 11th Street, 2nd Floor
Greeley, CO 80631
Telephone: (970) 350-9812

With a copy to:

City of Greeley
Attention: City Attorney
1100 10th Street, Ste. 401
Greeley, CO 80631
Telephone: (970) 350-9757
If to Platte River:

Platte River Power Authority
Attention: Fuels and Water Manager
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-4815

With a copy to:

Platte River Power Authority
Attention: General Counsel
2000 East Horsetooth Road
Fort Collins, CO 80525
Telephone: (970) 229-5225

12. Default and Remedies. If either Greeley or Platte River fails to comply with a term or condition herein, such failure constitutes a default of this Leaseback. The non-defaulting Party may declare the default by providing written notice to the defaulting Party in accordance with Paragraph 11 above. Upon receipt of this notice of default, the defaulting Party will have 15 days within which to cure the default. If, in the sole discretion of the non-defaulting Party, the default remains uncured after the 15-day cure period, or after any written extension thereof mutually agreed upon by the Parties, the non-defaulting Party may seek any and all available remedies, including damages and specific performance.

- (a) Notwithstanding the above, failure by Platte River to comply with the terms and conditions of Paragraphs 4 or 6 of this Leaseback constitutes a material breach. In the event that Platte River commits a material breach, Greeley may immediately terminate this Leaseback by written notice to Platte River.
- (b) The failure of either party to declare a default or material breach does not establish a precedent or constitute an implied waiver of any subsequent breach of the terms and conditions in this Leaseback.

13. No Third-Party Beneficiaries. Nothing in this Leaseback, express or implied, confers any rights or remedies upon any parties other than Platte River and Greeley, or their respective permissible successors in interest.

14. Recovery of Costs and Fees. In addition to any remedies otherwise available, a Party that is successful in a legal action commenced against the other due to a default or material

breach of this Leaseback may recover from the defaulting Party reasonable costs and attorneys' fees incurred during the course of such legal action.

15. Governing Law and Venue. This Leaseback shall be governed by and enforced in accordance with the laws of the State of Colorado. Proper venue for any action arising out of this Leaseback is the District Court for Weld County, Colorado, or the Division 1 Water Court for the State of Colorado.

16. Severability. In the event a provision of this Leaseback is held invalid or unenforceable by a court of competent jurisdiction, such holding will not invalidate any other provision herein, and the remainder of the Leaseback should be interpreted in accordance with the intent of the Parties.

17. Integration. This Leaseback, together with the PSA and the CBT Lease (as defined in the PSA), constitute a complete integration of the understanding and agreement between Greeley and Platte River with respect to their subject matter, and supersedes all other agreements regarding Greeley's lease of the Water Rights to Platte River. No representations, negotiations, or warranties, express or implied, exist between Greeley and Platte River except as explicitly set forth in this Leaseback. This Leaseback may be modified only in a written form duly authorized, approved, and executed by Greeley and Platte River.

18. Counterparts. This Leaseback may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument. Executed copies of this Leaseback may be delivered by electronic means. The Parties agree to accept and be bound by signatures hereto delivered by electronic means.

19. Recording. Platte River shall not record this Leaseback in the real property records of any jurisdiction. This Leaseback is not intended to run with the land as a covenant burdening real property.

IN WITNESS WHEREOF, the undersigned Parties have executed this Leaseback on the date set forth in the preamble to this Leaseback.

[Signature pages follow]

THE CITY OF GREELEY, COLORADO,
a Colorado home rule municipal
corporation

Date: _____

By _____

Name: _____

Title: Mayor

ATTEST:

By _____

Name: _____

Title: City Clerk

PLATTE RIVER POWER AUTHORITY,
a Political Subdivision of the State of Colorado

Date: _____

By _____

Name: _____

Title: _____

Approved as to form:

By: _____

General Counsel

ATTACHMENT A TO WATER LEASE AGREEMENT

(See Attached Beneficial Use Affidavit and Questionnaire)

ANNUAL AFFIDAVIT OF BENEFICIAL USE OF WATER RIGHTS

DESCRIPTION OF WATER RIGHTS:

Rawhide Pipeline Water Right, decreed in Division 1 Case No. W-9322-78, and made absolute in Division 1 Case No. 82CW318, and the Rawhide Pipeline Enlargement Water Right decreed in Division 1 Case No. 82CW319.

Name and address of owner and user of water rights:

Owner: City of Greeley
 Water and Sewer Department
 1100 10th Street, Suite 300
 Greeley, Colorado 80631

User(s): Platte River Power Authority
 2000 E. Horsetooth Road
 Fort Collins, Colorado 80525

Year water rights were used as described: _____

I have not intended to abandon the aforementioned water rights during my period of use. I state that the information contained here and in the attached Questionnaire Regarding Use of Water Shares, which is incorporated herein by reference, is known to me and is correct.

The undersigned _____, having personal knowledge of the use of the above-described water rights by virtue of being the person who has been responsible for tracking water uses, being first duly sworn, hereby states that the information provided in this statement is true and accurate.

[Signature Page Follows]

QUESTIONNAIRE REGARDING USE OF WATER RIGHTS

*The person completing this questionnaire need not necessarily be Platte River,
but must have personal knowledge of the information provided*

- 1. Name: _____
Mailing Address: _____
Telephone: _____
Facsimile: _____
Email Address: _____

2. The information provided below pertains to the Rawhide Pipeline Water Right and the Rawhide Pipeline Enlargement Water Right (hereinafter "Water Rights").

- 3. Did you use the Water Rights pursuant to the Lease Agreement?

4. The information in this questionnaire relates to my use of the Water Rights during the [20__] water year (hereinafter "Lease Year").

- 5. Do you own the land where the Water Rights are used? _____

6. Was your use of the Water Rights during the Lease Year consistent with all terms and conditions of the Lease Agreement? _____

7. What is the total monthly and annual amount of water from the Water Rights that was delivered for any use? _____

8. What is the monthly and annual amount of water from the Water Rights that was delivered for industrial use? _____

9. If there were any uses other than industrial or irrigation uses, please describe those uses and the monthly and annual amounts here: _____

10. If there was any return flow or discharge from the Rawhide Plant attributable to the Water Rights, please describe the monthly and annual amounts here: _____

11. During the Lease Year, did you divert all water available under the Water Rights? _____. If no, please explain the reason why all water was not taken, approximately how much was not taken, and for how long: _____

_____.

The remainder of this questionnaire only applies if water from the Water Rights was delivered for irrigation use. If the Water Rights were not used for irrigation purposes, then questions 12-21 may be left blank.

12. If part of the water was used for irrigation, what is the legal description of the farm or parcel on which the Water Rights were used?

13. If applicable, what is the size of the area(s) on the parcel that was irrigated? _____ acres.

14. If applicable, what is the size of the area(s) on the farm or parcel that was irrigated using water from the Water Rights? _____ acres.

15. Please provide the following information regarding how the water from these Water Rights is delivered.

▪ Location and ID Number of the pipeline inlet: _____

_____.

▪ Name and general location of any lateral(s) delivering the water to the land:

_____.

▪ Approximate location of pumps, if used: _____

_____.

▪ Approximate location and size of storage ponds or reservoirs, including tail water ponds, if used: _____.

16. If applicable, how was water applied for irrigation during the Lease Year? Sprinkler _____ Furrow _____ Flood _____ Other/Combination _____ (Describe):

_____.

17. If applicable, what was the irrigation season for the Lease Year? Start Date: _____ Stop Date: _____

18. Other than the Water Rights leased, was any other water used to irrigate the farm or parcel on which the Shares are/were used for irrigation during the Lease Year? If so, please provide the following information.

- Number of shares: _____
- Ditch Company: _____
- Number of any Irrigation Wells: _____
- Identification and Permit No. of any Irrigation Wells: _____
- _____.
- Capacity of Irrigation Wells: _____
- Approximate location of Irrigation Wells: _____
- _____.
- Any other water used: _____

19. Describe how the water has been used, including the estimated percentage of the total irrigation supply provided by such water: _____

_____.

20. During the Lease Year, what crops were grown on the land irrigated by the Water Rights?

- 1. Crop: _____ Percentage: _____ Location: _____
- 2. Crop: _____ Percentage: _____ Location: _____
- 3. Crop: _____ Percentage: _____ Location: _____
- 4. Crop: _____ Percentage: _____ Location: _____
- 5. Crop: _____ Percentage: _____ Location: _____
- 6. Crop: _____ Percentage: _____ Location: _____

21. If possible, please provide a map, sketch, or aerial photograph showing locations of *(check if included)*:

- _____ Farm or Parcel
- _____ Areas irrigated by the Shares during the Lease Year
- _____ Areas irrigated with other water
- _____ Lateral ditches, wells, pumps, pipelines, storage reservoirs, or tail water ponds

I understand that I may be required to sign an affidavit attesting to the accuracy, to the best of my knowledge, of the information provided herein.

Signature: _____ Date: _____

EXHIBIT D TO PURCHASE AND SALE AGREEMENT

[See attached Special Warranty Deed]

EXAMPLE DO NOT EXECUTE

WHEN RECORDED RETURN TO:

SPECIAL WARRANTY DEED (Water Rights)

THIS DEED, made this ____ day of _____, 202_, between PLATTE RIVER POWER AUTHORITY, a political subdivision of the State of Colorado, whose address is 2000 E. Horsetooth Road, Fort Collins, Colorado 80525 (“Grantor”), and THE CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation, whose address, for purposes of this Deed, is 1001 11th Avenue, 2nd Floor, Greeley, Colorado, 80631 (“Grantee”).

WITNESSETH, that Grantor, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto Grantee, Grantee’s heirs and assigns forever all of the water rights described below (the “Water Rights”):

The water right originally decreed in Division 1 Case No. W-9322-78, and made absolute in Division 1 Case No. 82CW318, named the “Rawhide Pipeline,” further described in Appendix A, attached hereto, and the water right originally decreed in Division 1 Case No. 82CW319, named the “Rawhide Pipeline Enlargement,” further described in Appendix A attached hereto and the water derived therefrom.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained Water Rights, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said Water Rights above bargained and described with the appurtenances, unto the Grantee, the Grantee’s heirs and assigns forever. And the Grantor, for the Grantor, the Grantor’s successors and assigns, does covenant and agree that Grantor shall WARRANT AND FOREVER DEFEND the above-bargained Water Rights in the quiet and peaceable possession of the Grantee, the Grantee’s successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the Grantor.

IN WITNESS WHEREOF, the Grantor has executed this deed on the ____ day of _____, 20__.

Grantor:

By: _____

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____ 20__ by _____, whose signature appear above as the Grantor.

Witness my hand and official seal.

Notary Public

My commission expires: _____

APPENDIX A TO SPECIAL WARRANTY DEED

Description of the Water Rights

Rawhide Pipeline: That water right originally decreed in Division 1 Case No. W-9322-78 on August 18, 1978, and made absolute in the decree entered in Division 1 Case No. 82CW318 having the following characteristics:

Legal Description of Structure: Located in the NE ¼ SE ¼, Section 20, Township 7 North, Range 68 West of the 6th P.M., Larimer County, at a point approximately 1830 feet North and 65 feet West of the SE Corner, Section 20. Then pumped through a 24” pipeline to Rawhide Reservoir in portions of Sections 5, 6, and 8, Township 10 North, Range 68 West of the 6th P.M.

Source of Water: Cache la Poudre River

Date of Appropriation: December 31, 1977

Amount of Water: 15.19 cubic feet per second, absolute

Use of Water: Industrial: Cooling water and sluice water, stockwater, irrigation of land in parts of W ½, Section 4 and Section 5; E ½, Section 6, E ½, Section 7 and Section 8; W ½, Section 9, all Township 10 North, Range 68 West of the 6th P.M. and S ½, Section 31, Township 11 North, Range 68 West of the 6th P.M., and dust suppression all at Rawhide Energy Station site.

Rawhide Pipeline Enlargement: That water right originally decreed in Division 1 Case No. 82CW319 in February of 1984 having the following characteristics:

Legal Description of Structure: Located in the NE ¼ SE ¼, Section 20, Township 7 North, Range 68 West of the 6th P.M., Larimer County, at a point approximately 1830 feet North and 65 feet West of the SE Corner, Section 20. Then pumped through a 24” pipeline to Rawhide Reservoir in portions of Sections 5, 6, and 8, Township 10 North, Range 68 West of the 6th P.M.

Source of Water: Cache la Poudre River

Date of Appropriation: June 22, 1982 (application filed in 1982)

Amount of Water: 1.6 cubic feet per second

Use of Water: Industrial: Cooling water and sluice water, stockwater, irrigation of land in parts of W ½, Section 4 and Section 5; E ½, Section 6, E ½, Section 7 and Section 8; W ½, Section 9, all Township 10 North, Range 68 West of the 6th P.M. and S ½, Section 31, Township 11 North, Range 68 West of the 6th P.M., and dust suppression all at Rawhide Energy Station site.

Water Lease & Trade Agreement with Platte River Power Authority (PRPA)



Drivers of the Proposed Trade Agreement

- PRPA needs rental water between now and 2030, or until the Chimney Hollow Reservoir is operational
 - C-BT lease would provide a firm annual supply of process water for the life of Rawhide Unit 1 (boiler water, fire water, and potable water)
 - Greeley has rental C-BT water available for lease to Platte River in the near term
- Greeley aims to acquire Cache la Poudre water rights for its long-term water supply requirements

Purposes of Lease Trade Agreement

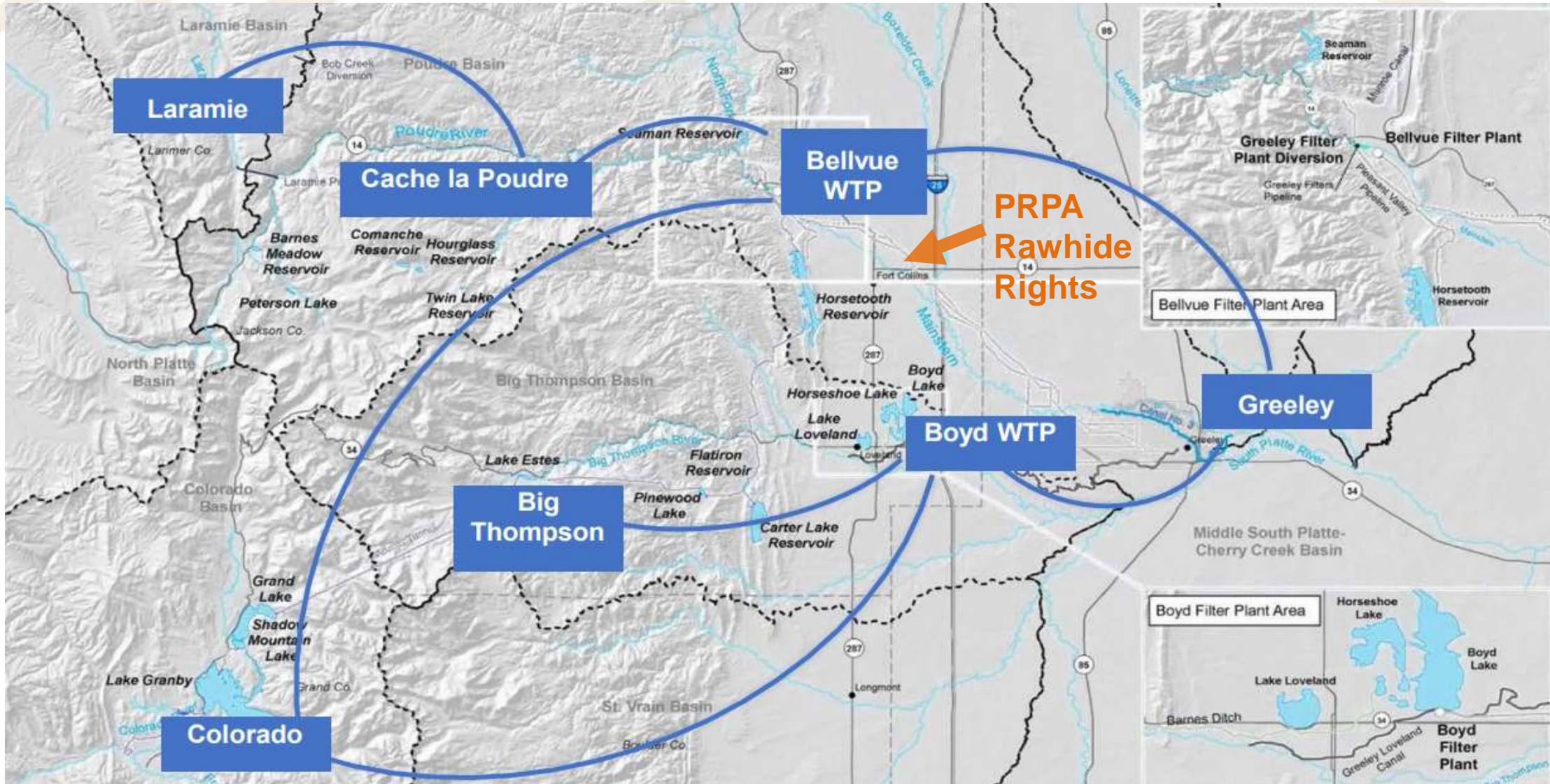
Greeley:

- Acquisition of Cache la Poudre River Water Resources
 - Rawhide Pipeline Water Right - 1977
 - Rawhide Pipeline Enlargement Water Right – 1982
 - Total ~ 16.7 cfs, w/ ~ 815 AF/yr. avg. use

PRPA:

- Secures multi-year C-BT lease needed to firm PRPA Windy Gap units between now and 2030.
 - 400 AF / yr. lease of Greeley C-BT units
 - Leaseback of Rawhide rights for next 8 years
 - Control water lease costs during WGFP

Strengthening Greeley's Water Supply System



Mechanics of Proposed Lease Trade

Trade agreement exchanges like value with no financial exchange between parties

- Platte River would assign its Poudre River rights to Greeley at the start of the agreement term;
- Greeley would lease the Poudre River rights back to Platte River at no cost to allow Platte River to continue using those rights until Oct. 31, 2030; and
- Greeley would lease 400 acre-feet/year of rental water to Platte River at no cost until October 31, 2030, which is sufficient to meet Rawhide's process water needs
- Contract term: Nov. 1, 2022 – Oct. 31, 2030
- Contingent upon NCWCD's approval of long-term lease

Questions?



Water & Sewer Agenda Summary

Date: August 17, 2022

Key Staff Contact: Leah Hubbard, Water Resources Operations Manager

Title: Outside Water Council Legal Report

Summary: The Attached Report has been provided by Ms. Carolyn F. Burr, Esq. with Welborn Sullivan Meck & Tooley, P.C.

Based on a review of the June 2022 Water Court Resume, staff and water counsel recommend that the Board file statements of opposition in the following case:

- a. Case Number: **22CW3084**: Town of Windsor application for diligence and to make a portion of the Kyger Reservoir storage right absolute. Kyger Reservoir is decreed for 1,256.7 AF. 609.8 AF were decreed absolute 2014. Windsor is claiming an additional 513 AF as absolute. We recommend that Greeley file a statement of opposition to ensure that water was legally and physically available in the claimed amount of 513 AF.

Recommended Action:

Staff recommends entry into the water court case **22CW3084**.

Proposed Motion Language:

“I move that the Board authorize the filing of statements of opposition in Case No. 22CW3084, and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3-15.”

Attachments:

1. Legal Report for August 2022

Legal Report
Greeley Water and Sewer Board Meeting
August 17, 2022

- I. Statements of Opposition:** Based on a review of the June 2022 Water Court Resume, staff and water counsel recommend that the Board file statements of opposition in the following case:
- a. Case Number: **22CW3084:** Town of Windsor application for diligence and to make a portion of the Kyger Reservoir storage right absolute. Kyger Reservoir is decreed for 1,256.7 AF. 609.8 AF were decreed absolute 2014. Windsor is claiming an additional 513 AF as absolute. We recommend that Greeley file a statement of opposition to ensure that water was legally and physically available in the claimed amount of 513 AF.
- II. Proposed Motion Language:** “I move that the Board authorize the filing of statements of opposition in Case No. 22CW3084, and for staff and legal counsel to seek resolution of issues raised by this case consistent with Water and Sewer Board Resolution No. 3-15.”

Water & Sewer Agenda Summary

Date: August 17, 2022

Key Staff Contact: Sean Chambers, Director

Title: Water Utilities Director's Report

Summary:

The Director will provide a summary overview of several items of Board interest:

1. Wrap-up on the Water Utilities July and August Water & Sewer Infrastructure tours
 - a. Board feedback
 - b. Planning for next year
2. Deputy Director of Water Resources position recruitment update
3. Colorado Water Plan 2023 Update draft released
 - a. Available at: <https://cwcw.colorado.gov/colorado-water-plan>
 - b. Draft version is out for a 90-day public comment period
 - c. Staff preparing comments for submittal prior to Sept. 30, 2022.

Recommended Action:

Non-action informational item

Attachments:

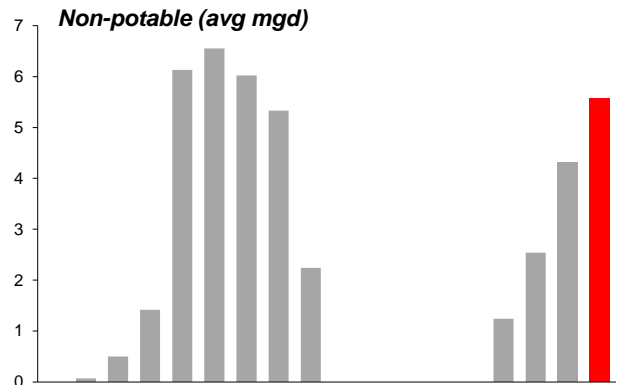
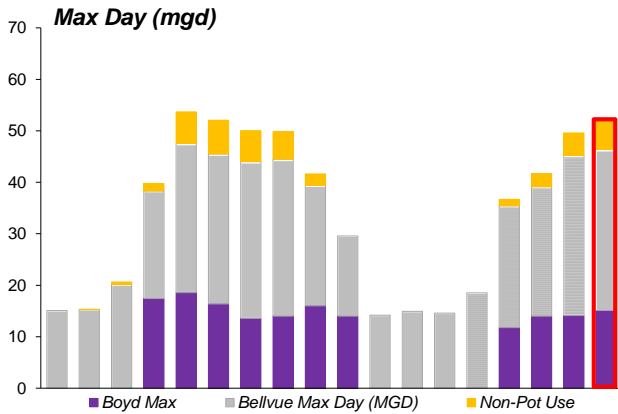
N/A

Water Treatment

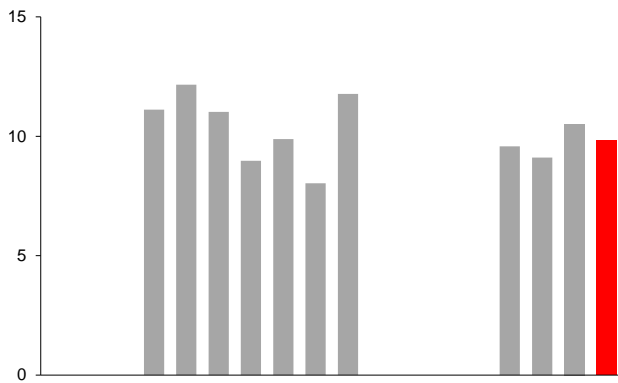
Bellvue Water Treatment Plant operates year-round with a transmission capacity of 29.1 million gallons per day (mgd) (plant capacity is 32 to 35 mgd). Water sources include Poudre River direct flows, Colorado-Big Thompson (C-BT), Windy Gap, High Mountain Reservoirs, Laramie-Poudre Tunnel, and Water Supply 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 platte 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.

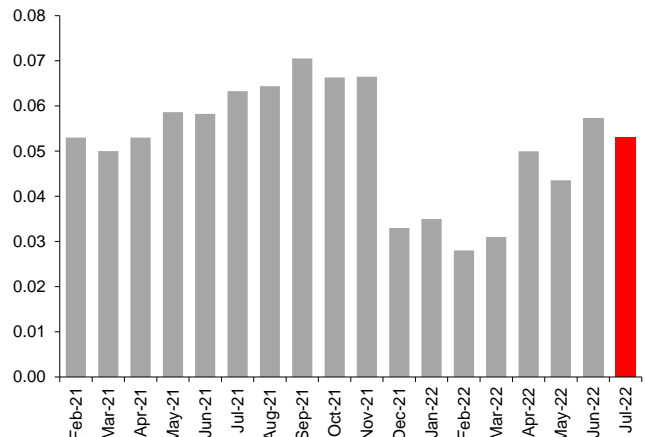
Combined, Bellvue and Boyd can treat a maximum of 70-73 million gallons per day.



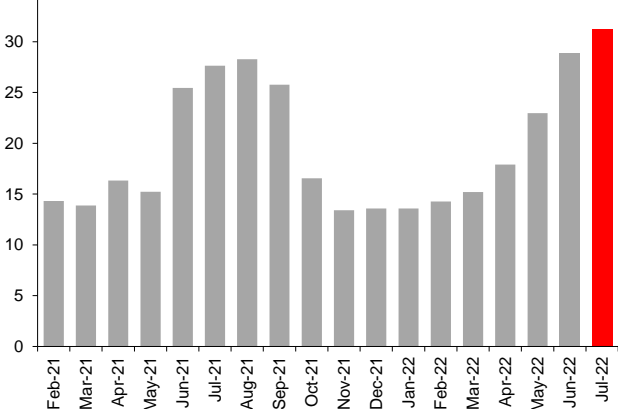
Boyd WTP (avg mgd)



Turbidity of Finished Water (NTU*)



Bellvue WTP (avg mgd)



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).

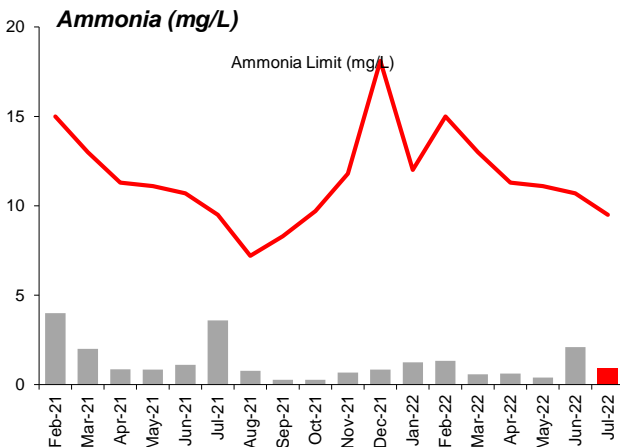
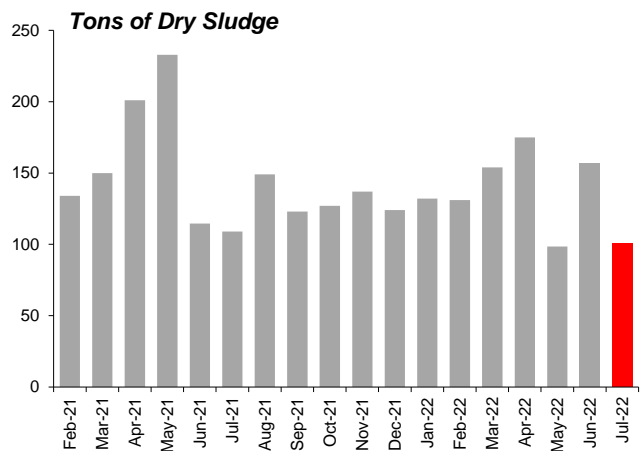
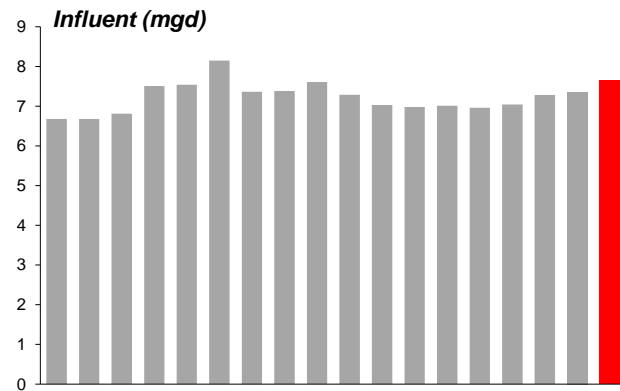
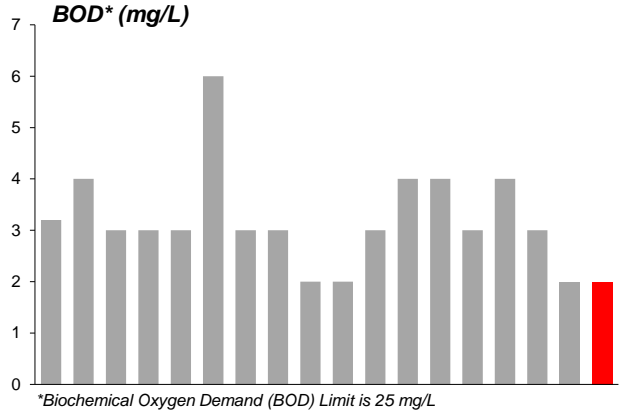
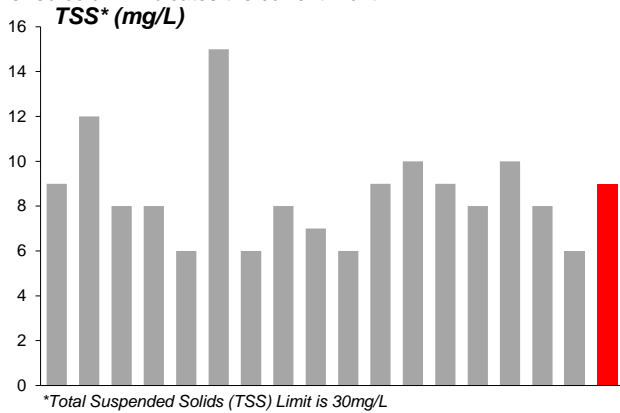


Wastewater Treatment

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.



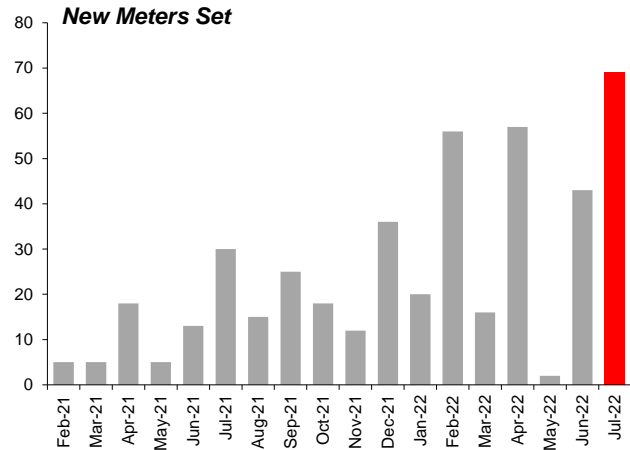
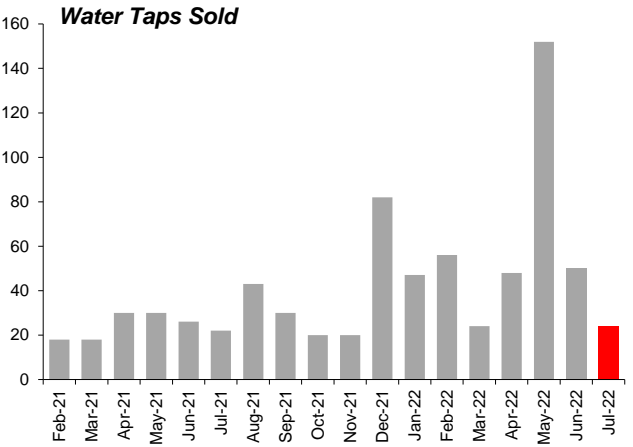
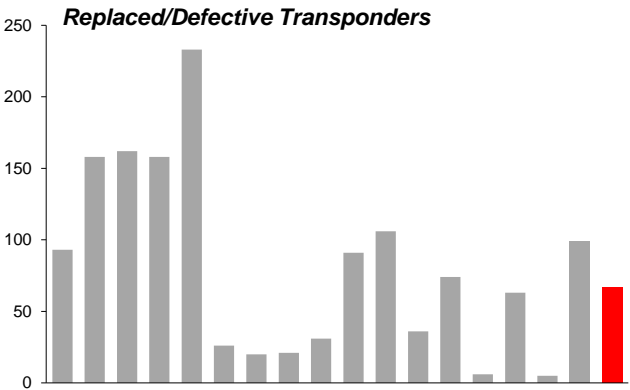
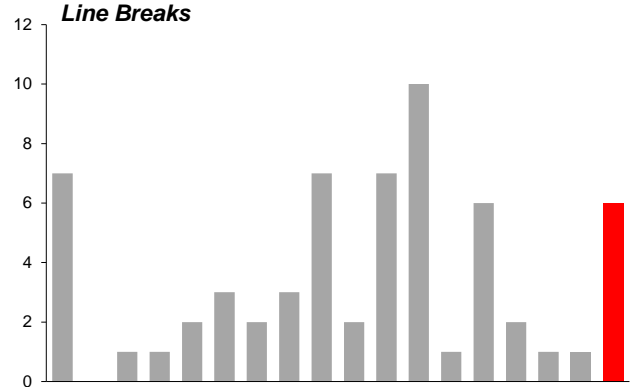
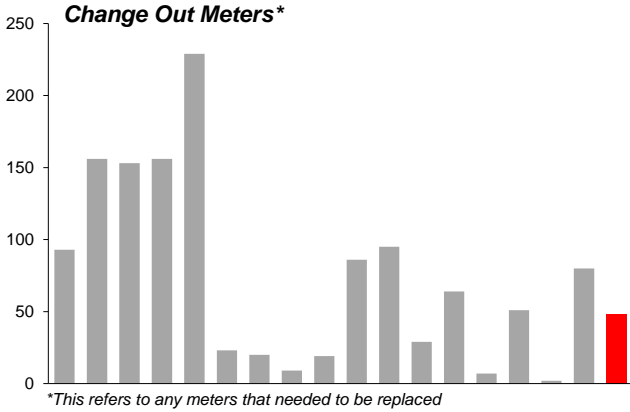
Water Distribution

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.



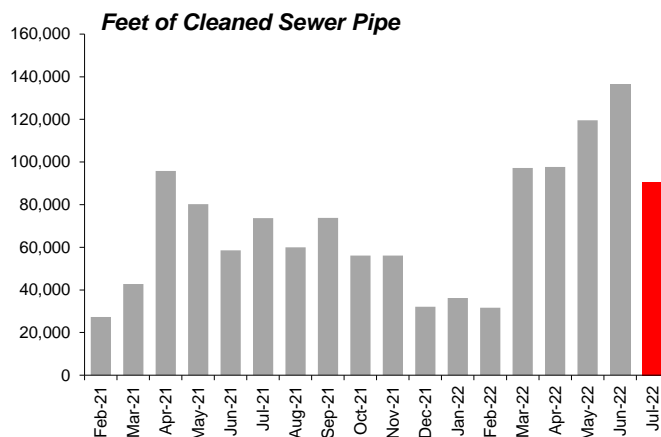
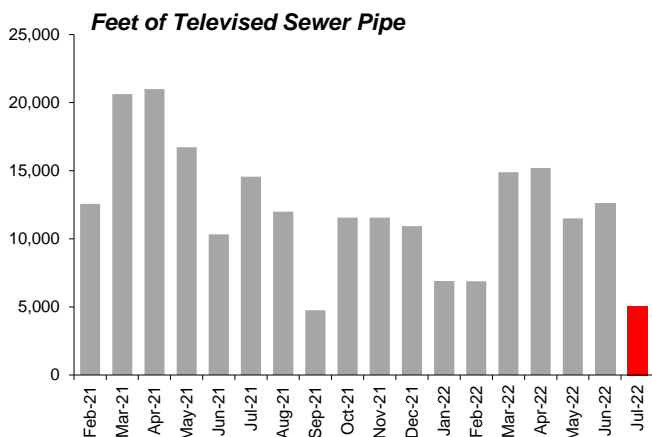
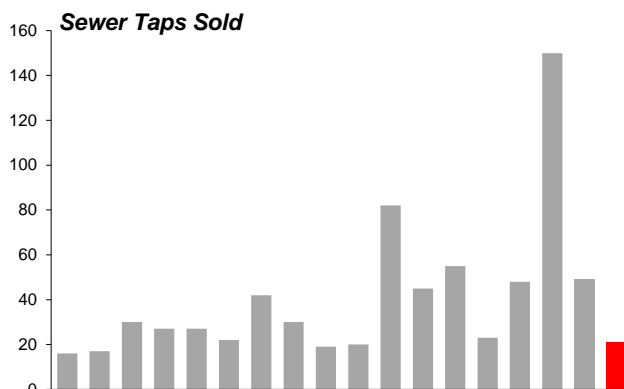
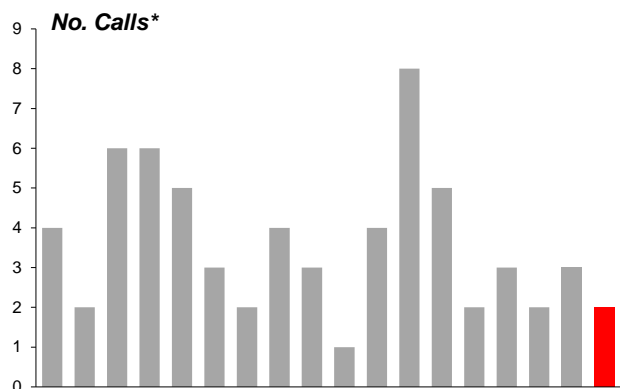
Wastewater Collection

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.

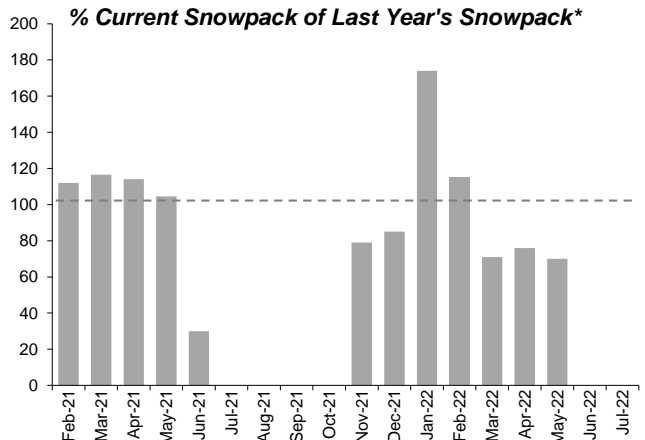
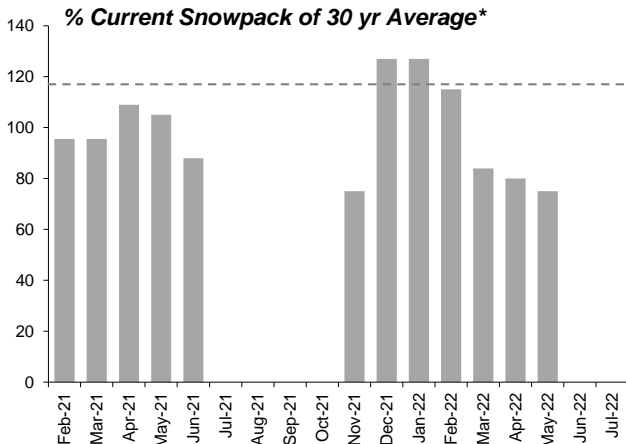
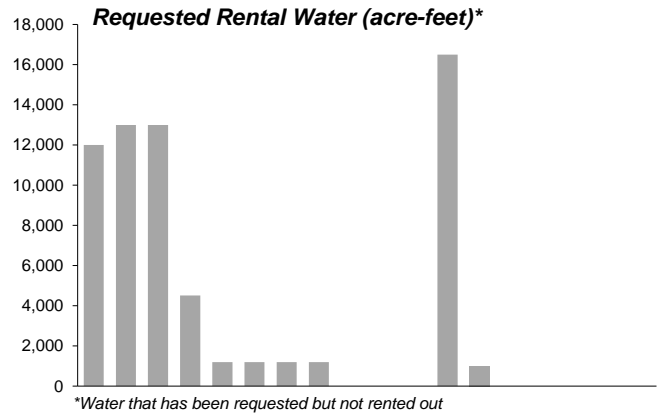
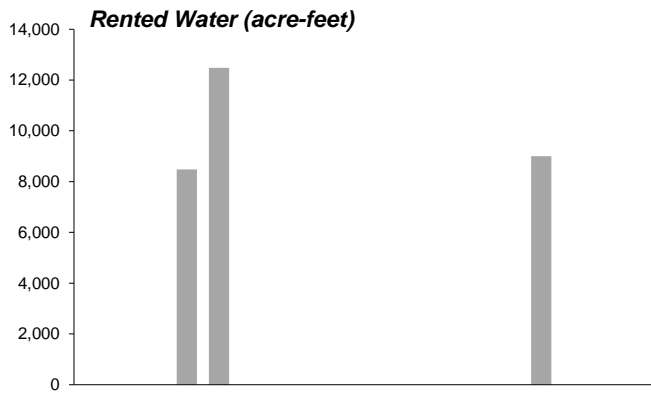
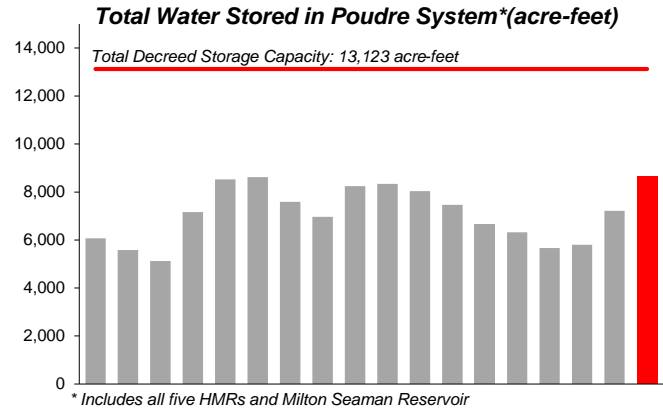
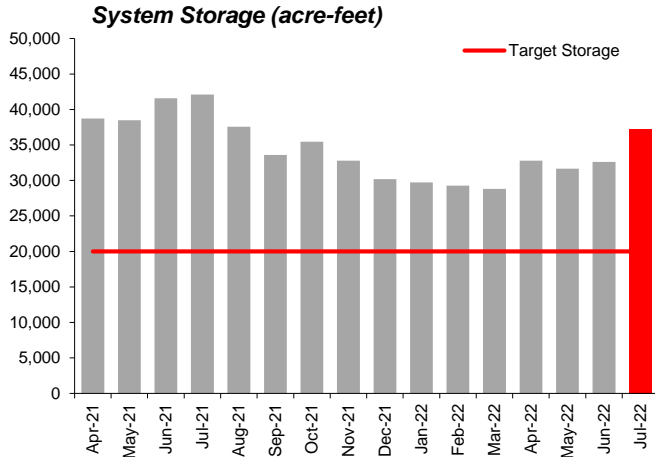


Water Resources

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 2022 average temperature was 24.38°F, approximately 2.8°F cooler than average. February also brought colder temperatures averaging 25.23°F. In March the average temperature was 38.94°F, slightly cooler than the historical average. Temperatures began to rise in April, bringing the average temperature to 49°F, which is slightly higher than the historical average temperature of 47°F. May brought an average temperature of 56.93°F, almost exact to the historical average. The average temperature for June was 70°F slightly above the historical average. July's average temperature was 75.81°F which was 2.1°F hotter than the historical average.

Greeley precipitation was 0.79 inches in January, which is slightly above average (0.43 inches). February had high precipitation at 0.93 inches. March brought 1.07 inches of precipitation, setting Greeley 1.23 inches over the historical cumulative precipitation for March. Greeley has a very dry April with only 0.13 inches of precipitation bringing the cumulative precipitation 0.63 inches below average. May brought 2.44 inches of precipitation. Greeley only received 0.2 inches of precipitation in June, ending the month significantly lower than the historical average. July was a fairly wet month for Greeley, bringing 2.25 inches of precipitation.

