

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

Held: January 13, 2025, at 8:30 A.M.

The meeting was conducted via teleconference.

ATTENDANCE

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

Tad Stout, President
Nels Nelson, Treasurer
Anne Hennen, Assistant Secretary
Matt Pettinger, Assistant Secretary
Scott Cockroft, Secretary

Also present were Eric Reckentine and Garrett Mick, General Manager of the District; Zachary P. White, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, District general counsel; Scott Holwick, Lyons Gaddis, District special counsel; Jamie Dickinson, Spencer Fane, District special counsel; Jan Sitterson and Richard Raines, Water Resources; Wendy Greenwald, The Solution PR; and members of the public.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order at 8:30 A.M.

Declaration of Quorum and Confirmation of Director Qualifications

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

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest

Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided WHITE BEAR ANKELE TANAKA & WALDRON with notice of potential or existing conflicts of interest, if any, were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest about any matters scheduled for discussion at the meeting. Mr. Stout reminded the Board of his prior service on the Town of Severance Board and indicated a potential conflict of interest related to the Severance South development. Mr. Stout will recuse himself from discussion related to the Severance South

development. The remaining Directors reviewed the agenda for the meeting and confirmed that they have no additional conflicts of interest in connection with any of the matters listed on the agenda.

Approval of Agenda

Mr. Reckentine presented the Board with the agenda for the meeting. Upon motion of Mr. Nelson, seconded by Mr. Pettinger, the Board unanimously approved the agenda as amended to add a discussion regarding upcoming ditch company elections.

PUBLIC COMMENT

None.

CONSENT MATTERS

AGENDA

Upon a motion of Ms. Hennen, seconded by Mr. Pettinger, the following items on the consent agenda were unanimously approved, ratified and adopted:

- a. Minutes from December 9, 2024, Regular Meeting
- b. Draft Financials December 2024
- c. Invoices through January 13, 2025
- d. Tri-Hydro GIS Mapping Work Order 2025
- e. Stantec Work Order 2025 Engineering Services
- f. Longs Peak Dairy Augmentation Structure Change Order, Substantial Completion and Final Completion
- g. Silver Peaks Accounting Agreement
- h. Meter Abandonment Request Union Colony Investors
- i. Water Dedication Agreement Foss Dairy
- j. Cyber Security Agreement
- k. Resolution No. 20250113-01: Resolution Designating Meeting Notice Posting Location

Consider Requests Related to Water Service Agreement Flow Rate Provisions:
ABCD

Variance Flow

Mr. DeHann from ABCD Dairy presented to the Board a request for variance from the District's policy to buy and dedicate more water to the District, requesting an extension of time to do so, and requesting the District not to cut back flows to his property. Mr. DeHann is taking steps to rectify his under allocation of water, and to reduce usage on his property. He believes that after drilling wells and reducing usage, by the end of the year he will no longer be under allocated.

Following discussion, upon a motion by Mr. Cockroft, seconded by Ms. Hennen, the variance was approved,

Feldpausch

Charles Feldpausch presented to the Board seeing a variance from his water service agreement which limits his flow rate to 65gpm. He is asking for a variance to allow him to continue to use more than 65gpm while he goes through development review with the District. Mr. Reckentine recommended approval so long as both parties are diligently working through development review.

Following discussion, upon a motion by Mr. Nelson, seconded by Mr. Cockroft, the variance was approved. It was noted that surcharge fees would continue to apply.

Amended Resolution of Necessity for Zone 1 Water Line and Tank Site Project Mr. Reckentine presented an amended resolution of necessity to include Cactus Hill properties to the previously adopted resolution.

Following discussion, upon a motion by Mr. Cockroft, seconded by Mr. Pettinger, the Board adopted the resolution. Mr. Nelson abstained from discussion and voting.

Approve Town of Eaton Amended and Restated Water Service Agreement Mr. Reckentine presented the Amended and Restated Water Services Agreement with the Town of Eaton and highlighted changes from the prior draft including an updated town service area boundary map.

The Board discussed the exhibits and noted a correction was needed to make clear the Town is not allowed 8 years to purchase its additional plant investments.

Following discussion, upon a motion by Ms. Hennen, seconded by Mr. Pettinger, the Board approved the agreement subject to corrections to the exhibits as noted in the meeting.

Update Regarding Status of Litigation with Eagle View Farms, LLC Ms. Dickinson provided a brief update regarding the upcoming trial in January 2025. The Board discussed the trial in the Executive Session.

Update on Tolling Agreement Work Session The Board summarized discussion with the dairies at the January 10, 2025, meeting. The Board discussed negotiations in the Executive Session.

Soldier Canyon Water Treatment Plant and Regional Master Plan Update Mr. Reckentine presented to the Board regarding the treatment plant and regional master plan. He discussed with the Board that it might make sense to consider the cost to build a new plant instead of expanding the existing plant and recommended the District proceed and was directed by the Board to proceed with a treatment feasibility study.

District Manager Annual Review Mr. Stout presented the annual review of Mr. Reckentine as District Manager. The Board discussed the review in the Executive Session.

Executive Session: The Board reserves the right to enter into Executive Session for the following purposes: Receiving legal advice and discussing matters subject to negotiation and strategy pursuant to § 24-6-402(4)(b),(e)&(f), C.R.S. related to the Status of Litigation with Eagle View Farms, LLC, Dairy Tolling Agreement, Soldier Canyon Water Treatment Plant and Regional Master Plan Update, and Personnel Matters related to the District Manager Annual Review

Upon a motion duly made and seconded, followed by an affirmative vote of at least two-thirds of the quorum present, the Board(s) enter into executive session at 9:56 a.m. for the purpose of receiving legal advice on and discussing matters pursuant to Section 24-6-402(4)(b),(e)&(f), C.R.S. related to the Status of Litigation with Eagle View Farms, LLC, Dairy Tolling Agreement, Soldier Canyon Water Treatment Plant and Regional Master Plan Update, and Personnel Matters related to the District Manager Annual Review.

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

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

Mr. Reckentine recused himself from discussion related to the District Manager Review.

The Board reconvened in regular session at 11:48 a.m.

Following the Executive Session, the Board took the following action:

Directed Mr. Reckentine and legal counsel to message to Towns that they will have until March to engage in negotiations of water services agreements, or the proposed financial structure will change.

Directed Mr. Reckentine to assemble information related to individual dairies allocation and surcharges paid.

Upon a motion by Ms. Hennen, seconded by Mr. Cockroft, the Board accepted the District Manager review.

Upon a motion by Mr. Nelson, seconded by Mr. Cockroft, the Board approved a 5% salary increase for Mr. Reckentine.

DISTRICT MANAGER'S REPORT

Tap Sales

Mr. Reckentine reported to the Board there were 114 taps sold in 2024.

Mr. Reckentine reported the NEWT III project is complete.

Timnath Line Lowering Project Complete Mr. Reckentine reported the project is complete.

Tank 4 Coating Project Complete Mr. Reckentine reported the project is complete.

Tank 5 Coating Project February Start Mr. Reckentine reported the project will start in February.

NEWT III Transmission Line Connection 36-inch Distribution Line Completed Mr. Reckentine reported that the NEWT 3 line is connected to the 36" line and the vault will be installed early. The line is expected to be operational in the next few weeks.

Lazy D aka Front Range Water Project and Montava Development Potential Groundwater Water Quality Issues Mr. Reckentine reported to the Board the status of the two projects and opposition to the H2FM water court case.

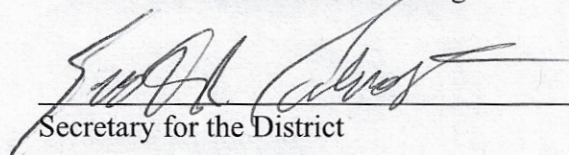
NOCO Water Alliance and C-BT Base Supply Mr. Reckentine stated that Northern Water is expressing concerns about native water leaving the Poudre Basin, but is not explaining why they are concerned, even when asked. Mr. Reckentine will continue to inquire.

Ditch Company Elections Mr. Reckentine discussed the upcoming company elections. The Board directed Mr. Reckentine with respect to votes.

OTHER BUSINESS

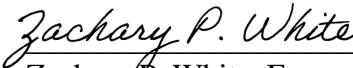
ADJOURNMENT There being no further business to be conducted, the meeting was adjourned.

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


Secretary for the District

ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing North Weld County Water District, I attended the executive session at the regular meeting of North Weld County Water District convened at 9:55 a.m. on January 13, 2024 for the sole purpose of discussing matters subject to negotiation and strategy pursuant to § 24-6-402(4)(b),(e)&(f), C.R.S. related to the Status of Litigation with Eagle View Farms, LLC, Dairy Tolling Agreement, Soldier Canyon Water Treatment Plant and Regional Master Plan Update, and Personnel Matters related to the District Manager Annual Review. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.



Zachary P. White, Esq.